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

FORM 10-Q

☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2021

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT
For the transition period from ______ to _______

Commission File Number 000-54524

APPLIFE DIGITAL SOLUTIONS, INC.
(Name of small business issuer in its charter)

Nevada	**30-0678378**
(State of incorporation)	(I.R.S. Employer Identification No.)

50 California St, #1500
San Francisco, CA 94111
(Address of principal executive offices)
1 (415) 439 5260
(Registrant's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities 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 ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Sec.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 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**	☒
		Emerging growth company	☒

If 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

As of November 09, 2021, there were 141,037,117 shares of the registrant's $0.001 par value common stock issued and outstanding.

APPLIFE DIGITAL SOLUTIONS, INC.*

TABLE OF CONTENTS

Special Note Regarding Forward-Looking Statements

Information included in this Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"). This information may involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of APPlife Digital Solutions, Inc. (the "Company"), to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words "may," "will," "should," "expect," "anticipate," "estimate," "believe," "intend," or "project" or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements are based on assumptions that may be incorrect, and there can be no assurance that these projections included in these forward-looking statements will come to pass. Actual results of the Company could differ materially from those expressed or implied by the forward-looking statements as a result of various factors. Except as required by applicable laws, the Company has no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

**Please note that throughout this Quarterly Report, except as otherwise indicated by the context, references in this report to "Company", "ALDS", "we", "us" and "our" are references to APPlife Digital Solutions, Inc.*

APPLIFE DIGITAL SOLUTIONS, INC.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

		September 30, 2020		June 30, 2021 (Audited)
ASSETS				
Current assets				
Cash	$	505,282	$	250,073
Prepaid expenses		32,397		34,113
Inventories		51,280		48,875
Total assets		588,959		333,061
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current liabilities				
Accounts payable and accrued expenses	$	254,244	$	266,323
Common stock payable		240,999		-
Notes payable - current, net		401,040		595,235
Derivative liabilities		10,189		28,576
Due to officer		6,428		6,428
Total current liabilities		912,900		896,562
Notes payable - noncurrent, net		948,662		786,925
Total liabilities		1,861,562		1,683,487
Commitments and contingencies				
Stockholders' deficit				
Common stock, $0.001 par value, 500,000,000 shares authorized; 141,037,117 and 135,524,617 shares issued and outstanding as of September 30, 2021 and June 30, 2021, respectively		141,039		135,526
Additional paid-in capital		9,342,687		8,350,779
Accumulated (deficit)		(10,756,329)		(9,836,731)
Total stockholders' deficit		(1,272,603)		(1,350,426)
Total liabilities and stockholders' deficit	$	588,959	$	333,061

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

APPLIFE DIGITAL SOLUTIONS, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended September 30, 2021	2020
Revenue	$ 840	$ 632
Cost of goods sold	(603)	(439)
Gross profit	237	193
Operating expenses	897,854	871,761
Total operating expenses	897,854	871,761
Loss from operations	(897,617)	(871,568)
Other income (expense)		
Interest expense	(88,987)	(172,880)
Loss on extension of notes payable	-	(10,682)
Gain on settlement of debt	48,619	-
Change in fair value of derivative liability	18,387	(6,334)
Net loss before provision for income taxes	(919,598)	(1,061,464)
Provision for income taxes	-	-
Net loss	(919,598)	(1,061,464)
Basic and diluted loss per share	(0.02)	$ (0.03)
Average number of common shares outstanding - basic and diluted	47,740,057	7,827,079

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

APPLIFE DIGITAL SOLUTIONS, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT

	Common Stock		Additional	Accumulated	
	Shares	Amount	Paid-In Capital	Deficit	Total
Balance, June 30, 2020	127,037,531	127,037	5,037,883	(5,609,891)	$ (444,971)
Common stock issued to employees			351,562	-	351,562
Common stock issued for services	1,088,158	1,089	198,779	-	199,868
Issuance of common stock payable	140,199	140	25,096	-	25,236
Shares issued for prepayment penalty	153,410	153	19,847	-	20,000
Loss on extension of notes payable	-	-	10,682	-	10,682
Equity component of issuance of convertible notes	-	-	85,000	-	85,000
Net loss	-	-	-	(1,061,464)	(1,061,464)
Balance, September 30, 2020	128,419,298	$ 128,419	$ 5,728,849	$ (6,671,355)	$ (814,087)
Balance, June 30, 2021	135,524,617	135,526	8,350,779	(9,836,731)	(1,350,426)
Common stock issued for cash	5,200,000	5,200	514,800	-	520,000
Stock compensation	-	-	452,421	-	452,420
Common stock issued for services	312,500	313	24,687	-	25,000
Net loss	-	-	-	(919,598)	(919,598)
Balance, September 30, 2021	141,037,117	$ 141,039	9,342,687	$ (10,756,329)	$ (1,272,603)

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

APPLIFE DIGITAL SOLUTIONS, INC.

UNAUDITED STATEMENTS OF CASH FLOWS

	Three Months Ended September 30, 2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (919,598)	$ (1,061,464)
Adjustment to reconcile change in net loss to net cash used in operating activities:		
Amortization	44,777	62,176
Issuance of common stock for services	25,000	199,868
Issuance of common stock to employee	-	351,562
Shares issued for prepayment penalty	-	20,000
Loss on extension of notes payable	-	10,682
Stock compensation expense	452,420	-
Common stock payable	-	109,568
Change in fair value of derivative liability	(18,387)	6,334
Gain on settlement of debt	(48,619)	-
Accrued Expense - Settled Debt	11,384	-
Changes in operating assets and liabilities:		
Accounts Receivable	-	7,574
Prepaid expenses and other current assets	1,716	57,216
Inventories	(2,405)	(1,056)
Common stock payable	241,000	-
Accounts payable and accrued expenses	(12,079)	42,576
Net cash (used) in operating activities	(224,791)	(194,964)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	-	340,000
Proceeds from issuance of common stock	520,000	-
Payment on notes payable	(40,000)	(55,000)
Net cash provided from financing activities	480,000	285,000
Net increase in cash and cash equivalents	255,209	90,036
Cash and cash equivalents, beginning of period	250,073	85,707
Cash and cash equivalents, end of period	$ 505,282	$ 175,743
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ -	$ 26,675
Cash paid for taxes	$ -	$ -
Non-cash investing and financing activities:		
Conversion of notes payable to equity	$ -	$ -
Eliminate derivative liability upon repayment of debt	$ -	$ -
Derivative liability related to convertible debt	$ -	$ -
Issuance of common stock payable	$ -	$ -
Capitalize accrued interest after amendment to notes payable	$ -	$ -
Equity component of issuance of convertible notes	$ -	$ -
Payment of notes payable with issuance of common stock	$ -	$ -

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

Note 1 – Organization and Summary of Significant Accounting Policies

Organization

APPlife Digital Solutions Inc. (the "Company") is a business incubator and portfolio manager that uses digital technology to create and invest in e-commerce and cloud-based solutions. The Company was formed March 5, 2018 in Nevada and has offices in San Francisco, California and Shanghai, China. The Company's mission is using digital technology to create APPs and websites that make life, business and living easier, more efficient and just smarter.

Rooster Essentials APP SPV, LLC (the "Rooster"), incorporated on April 9, 2019, is a wholly owned subsidiary of the Company. Rooster is a fully customizable men's ecommerce platform that delivers daily use grooming needs and essential items.

B2BCHX SPV LLC (the "B2BCHX"), incorporated on June 5, 2019, is a wholly owned subsidiary of the Company. B2BCHX does an independent background check on mainland Chinese companies for small businesses globally.

Office Hop, incorporated on January 28, 2021, is a wholly owned subsidiary of the Company. Office Hop is a global sharing model platform for short term rentals of office and meeting rooms. Users can find an office or conference space for hourly, half-day, full-day, or weekly rental. Hosts can list their spare office or meeting rooms.

Going Concern

The Company has generated losses and negative cash flows from operations since inception. The Company has historically financed its operations from equity financing. The Company anticipates additional equity financings to fund operations in the future. Should management fail to adequately address the issue, the Company may have to reduce its business activities or curtail its operations. There can be no assurance that any additional financings, would be available to the Company on satisfactory terms and conditions if at all. The current pandemic known as COVID-19 as described in Note 5, creates additional uncertainty.

The accompanying consolidated financial statements have been prepared on a going concern basis of accounting, which contemplates continuity of operations, realization of assets and classification of liabilities and commitments in the normal course of business. The accompanying consolidated financial statements do not reflect any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classifications of liabilities that might result if the Company is unable to continue as a going concern.

Basis of Presentation

The Company's unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") for the interim financial information and with instructions to Form 10-Q and Article 10 of Regulation S-X. The unaudited condensed consolidated financial statements include the accounts of all subsidiaries in which the Company holds a controlling financial interest as of the financial statement date. All intercompany transactions have been eliminated in consolidation. However, in the opinion of the management of the Company, all adjustments necessary for a fair presentation of the financial position and operating results have been included in these statements. These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10–K for the fiscal year ended June 30, 2021, as filed with the SEC on September 25, 2020. Operating results for the three months ended September 30, 2021 are not necessarily indicative of the results that may be expected for any subsequent quarters or for the fiscal year ending June 30, 2022.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers cash equivalents to include cash and investments with an original maturity of three months or less.

Income Taxes

The Company has adopted guidance issued by the FASB that clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements and prescribes a recognition threshold of more likely than not and a measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. In making this assessment, a company must determine whether it is more likely than not that a tax position will be sustained upon examination, based solely on the technical merits of the position and must assume that the tax position will be examined by taxing authorities. The Company's policy is to include interest and penalties related to unrecognized tax benefits in income tax expense. The Company had no accrual for interest or penalties as of September 30, 2021. The Company files income tax returns with the Internal Revenue Service ("IRS") and the state of California.

Use of Estimates

Generally accepted accounting principles require that the consolidated financial statements include estimates by management in the valuation of certain assets and liabilities. Significant matters requiring the use of estimates and assumptions include, but are not necessarily limited to, fair value of the Company's stock, stock-based compensation, BCF (Beneficial Conversion Feature) liabilities feature of convertible debt, and valuation allowance relating to the Company's deferred tax assets. Management uses its historical records and knowledge of its business in making these estimates. Management believes that its estimates and assumptions are reasonable, based on information that is available at the time they are made. Accordingly, actual results could differ from those estimates.

Revenue Recognition

The Company will recognize revenue from the sale of products and services in accordance with ASC 606, "Revenue from Contracts with Customers," by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied.

Stock Based Compensation

The Company accounts for share-based compensation in accordance with the fair value recognition provision of FASB ASC 718, Compensation – Stock Compensation ("ASC 718"), 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 the estimated grant date 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).

The Company accounts for share-based compensation issued to non-employees and consultants in accordance with the provisions of FASB ASC 505, Equity–based Payments to Non-Employees ("ASC 505"). 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.

Net Loss per Share

Basic net loss per share is calculated by dividing the net loss for the period by the weighted-average number of common shares outstanding during the period. Diluted net loss per share is calculated by dividing the net loss for the period by the weighted-average number of common shares outstanding during the period, increased by potentially dilutive common shares ("dilutive securities") that were outstanding during the period. Dilutive securities include stock options and warrants granted, convertible debt, and convertible preferred stock. There were no potentially dilutive securities for the period ended September 30, 2021 and year ended June 30, 2021.

Fair Value of Financial Instruments

The Company follows FASB ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820") to measure and disclosure the fair value of its financial instruments. ASC 820 establishes a framework for measuring fair value in U.S. GAAP and expands disclosures about fair value measurements and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The three levels of fair value hierarchy defined by ASC 820 are described below:

> Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.
>
> Level 2: Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.
>
> Level 3: Pricing inputs that are generally unobservable inputs and not corroborated by market data.

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The carrying amounts reported in the Company's consolidated financial statements for cash, accounts payable and accrued expenses approximate their fair value because of the immediate or short-term nature of these consolidated financial instruments.

Derivative Liability

FASB ASC 815, Derivatives and Hedging requires all derivatives to be recorded on the consolidated balance sheet at fair value. As of September 30, 2021, we used the Black-Scholes-Merton (BSM) model to estimate the fair value of the conversion feature of the convertible note. Key assumptions of the BSM model include the market price of our stock, the conversion price of the debt, applicable volatility rates, risk-free interest rates and the instrument's remaining term. These assumptions require significant management judgment. In addition, changes in any of these variables during a period can result in material changes in the fair value (and resultant gains or losses) of this derivative instrument.

Leases

In February 2016, the Financial Accounting Standards Board (the "FASB") established ASC Topic 842, "Leases", by issuing Accounting Standards Update ("ASU") No. 2016-02, which requires lessees to now recognize operating leases on the balance sheet and disclose key information about leasing arrangements. ASC Topic 842 was subsequently amended by ASU No. 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU No. 2018-10, Codification Improvements to Topic 842, Leases; and ASU No. 2018-11, Targeted Improvements. The new standard establishes a right-of-use ("ROU") model that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement. Lessor accounting under the new standard is substantially unchanged. Additional qualitative and quantitative disclosures are also required. Adoption of this standard did not result in any material changes to the financial statements.

Inventories

Inventory, consisting of raw materials, work in process and products available for sale, are primarily accounted for using the first-in, first-out method ("FIFO"), and are valued at the lower of cost or net realizable value. This valuation requires management to make judgements based on currently available information, about the likely method of disposition, such as through sales to individual customers and returns to product vendors. As of September 30, 2021, the Company had inventories of approximately $51,280. The Company has no allowance for inventory reserves.

Recent Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments ("ASU 2016-13") and also issued subsequent amendments to the initial guidance: ASU 2018-19, ASU 2019-04, and ASU 2019-05 (collectively, "Topic 326"). Topic 326 requires measurement and recognition of expected credit losses for financial assets held. The Company will be required to adopt this ASU for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The adoption of Topic 326 is not expected to have a material on the Company's financial statements and financial statement disclosures.

Note 2 – Notes Payable

In March 2018, the Company issued notes that carry an 8% annual interest rate and mature through December 31, 2019. In December 2019, $5,119 of principal was converted into Company common stock and payments were made of $11,381. In March 2020, the note was exchanged for a convertible promissory note that accrues interest at 10% per annum and matured on March 11, 2021. The principal balance of the new note is $77,235 as of June 30, 2021. On August 21, 2021, The Company settled this note after the holder agreed to accept $40,000 payment to satisfy the total amount due. Hence, no additional interest was charged on the note.

On July 3, 2019, the Company issued a $250,000 convertible promissory note (the "July 2019 Note") to a lender (the "Lender"). According to the terms the Lender funded the July 2019 Note as follows: $100,000 upon the execution of the Note, $50,000 on August 1, 2019, $50,000 on September 1, 2019, and the remaining $50,000 on October 1, 2019. The outstanding principal balance of the Note shall bear interest at the rate of twelve percent (12%) per annum. The balance of the July 2019 Note was $250,000 on June 30, 2021 and matures July 03, 2021. On August 28, 2021, the investor agreed to extend the note till July 03, 2022.

On October 1, 2019, the Company entered into a securities purchase agreement with an investor ("Investor") to issue up to $220,000 of convertible promissory notes tranches of $55,000 at the Investor's discretion. Through June 30, 2020, two tranches were issued, and the balance of these promissory notes was $110,000. These notes accrue interest at 10% per annum. On July 20, 2020, these two notes were extended through September 30, 2020 and October 30, 2020, respectively. As an inducement to extend the notes, the Company promised to issue 277,012 shares of common stock valued at $40,000 to the Investor. On September 29, 2020, the Company paid $81,675 towards the first tranche which includes principal of $55,000, prepayment penalty of $21,175 and accrued interest of $5,500. Additionally, the Company issued 153,410 shares of common stock valued at $0.20 per share, or $30,682, to the Investor. On October 29, 2020, the Company paid $81,553 toward the final tranche of the notes issued on October 1, 2019, which consists of principal of $55,000, interest of $5,410 and a prepayment penalty of $21,143. The Company also issued 123,602 shares to the Investor valued at $14,832 in conjunction with the prior extension of this note.

On November 22, 2019, Company issued a $170,000 convertible promissory note (the "November 2019 Note") to the Lender that accrues interest at 12% per annum. The July and November Notes contain embedded derivatives, see Note 7.

On April 7, 2020, the Company entered into a securities purchase agreement with an investor pursuant to which the Company sold a convertible note ("April 2020 Note") bearing 8% interest in the principal amount of $111,290. On October 27, 2020, the Company entered into an agreement to pay off the April 2020 Note with $75,000, 416,295 shares of common stock at $0.1328 per share, or $55,484 and 188,253 shares, valued at $0.1328 per share, or $25,000. During the year ended June 30, 2021, the Company paid off the note with $75,000 and issued the 604,548 shares to the investor.

On July 14, 2020 and October 21, 2020, the Company sold convertible notes bearing 12% interest in the principal amounts of $340,000 and $348,000, respectively. Subject to certain ownership limitations, the notes will be convertible at the option of the holder at any time into shares of the Company's common stock at an effective conversion price of $0.144. The embedded conversion features of these notes were valued at $85,000 and $135,333, respectively, and is amortized over the life of the notes.

On January 12, 2021, the Company sold convertible notes bearing 12% interest on the principal amount of $360,000, respectively. The principal amount was agreed to be paid in two tranches of $180,000 each, received on February19, 2021 and March 08, 2021. The note is subject to certain ownership limitations and will be convertible at the option of the holder at any time into shares of the Company's common stock at an effective conversion rate of $0.144. The embedded conversion features of this note were valued at $35,500 and $7,500 for each tranche received and are amortized over the life of the note.

		Amount
Balance of notes payable, net of discount on June 30, 2021	$	1,382,160
Amortization of debt discount		44,777
Payments on notes payable		(40,000)
Gain on Settlement of Note Payable less Accrued Interest		(37,235)
Balance of notes payable, net of discount as of September 30, 2021	$	1,349,702

Note 3 – Related Party Transactions

Due to Officer

During the year ending June 30, 2018, the Company received advances from its officer to pay for certain operating expenses. The balance due to the officer as of September 30, 2021 and June 30, 2021 was $6,428. There are no definitive repayment terms, and no interest is accruing on these advances.

Note 4 – Concentrations

Cash Concentration

The Company maintains its cash and cash equivalents at a financial institution which may, at times, exceed federally insured limits. As of September 30, 2021, the Company's cash balance exceeded the FDIC insurance limit by $255,282. The Company has not experienced any losses in such accounts.

Note 5 – Commitments and Contingencies

Agreements

On April 4, 2018, the Company entered into an agreement with GHS, where the Company is entitled, at its sole discretion, to request equity investments of up to $5 million over twenty-four months following an effective registration of the underlying shares.

On April 22, 2020, the Company, entered into a letter agreement with Maxim Group, LLC ("Maxim") for Maxim to provide general financial advisory, investment banking, and digital marketing services for the Company. The fees paid to Maxim in exchange for the services under the agreement are a combination of cash and common stock. On May 7, 2020, the Company issued 2,250,000 shares of common stock to Maxim.

On July 21, 2020, the Company, entered into a letter agreement (the "Agreement") with Carter, Terry & Company ("CT&Co") for CT&Co to act as the Company's exclusive financial advisor and placement agent, on a best efforts basis. Under the terms of the Agreement, CT&Co will be the Company's exclusive financial advisor for an initial period of thirty (30) days and then reverting to a non-exclusive financial advisor for the next twelve (12) months, with an option to extend for an additional six (6) months. Both the Company and CT&Co may cancel the Agreement at any time upon written notice to the other party. Within five (5) days of execution of the Agreement, the Company shall issue 500,000 shares of its restricted common stock to CT&Co. As additional consideration, the Company shall pay CT&Co a success fee of ten percent (10%) of the amount of any equity or hybrid equity capital raised up to $1,000,000, eight percent (8%) of the amount of any equity or hybrid equity capital raised up to $5,000,000, and six percent (6%) of the amount of any equity or hybrid equity capital raised over $5,000,000. In connection with the compensation set forth above, the Company shall also issue to CT&Co restricted shares of its common stock equal to four percent (4%) of the capital raised divided by the last reported closing price of the Company's common stock on the date of the close.

Common Stock Payable

As of September 30, 2021, and June 30, 2021, the Company owes $240,999 and $0 worth of common stock to vendors for services rendered, respectively.

Other Risks

On March 12, 2020, the World Health Organization declared COVID-19 to be a pandemic, and the COVID-19 pandemic has resulted in significant financial market volatility and uncertainty. A continuation or worsening of the levels of market disruption and volatility seen in the recent past could have an adverse effect on our ability to access capital, on our business, results of operations and financial condition, and on the market price of our common shares. While we did not incur significant disruptions from the COVID-19 pandemic during the quarter ended September 30, 2021, this situation could have an impact on our future business and results of operations in 2021 that may be material but cannot be reasonably estimated at this time due to numerous uncertainties.

Note 6 – Stockholders' Deficit

As of September 30, 2021, and June 30, 2021, there were 141,037,117 and 135,524,617 shares of common stock issued and outstanding, respectively.

Common stock issued for services and stock options

During the three months ended September 30, 2021, the Company issued 5,200,000 shares of common stock for cash valued at $520,000 with price at $0.10 per share. The Company issued 312,500 shares of common stock to third parties for services valued at $25,000 respectively, with price at $0.08 per share.

For the three months ended September 30, 2021 and 2020, the Company recognized stock compensation expense on outstanding restricted stock awards of $452,420 and $351,562, respectively.

During September 30, 2021, the Company granted 1,000,000 stock options, in the aggregate, to marketing consulting company. The options vest pro-rata over contract's term, have exercise price of $0.10 and expire in five years from the date of grant.

	Options	Weighted Average Exercise Price per Share	Weighted Average Remaining Life (Years)
Outstanding – June 30, 2021	4,094,959	$ -	-
Granted	1,000,000	0.14	1.61
Forfeited	-	-	-
Exercised	-	-	-
Outstanding – September 30, 2021	5,094,959	$ 0.18	5

The Company recognized $41,679 of expense in connection with the options and valued with Black Scholes using the following inputs:

	Quarter Ended September 30, 2021
Stock price	$ 0.10 - 0.17
Exercise price	$ 0.10 - 0.17
Expected term (in years)	3-5 Years
Volatility (annual)	218 %
Risk-free rate	0.75 %

Shares issued for prepayment penalty

On September 29, 2020, the Company paid $81,675 towards one of its outstanding notes, which includes principal of $55,000, prepayment penalty of $21,175 and accrued interest of $5,500. As an inducement to pay off the note early, the Company issued 153,410 shares of common stock valued at $0.20 per share, or $30,682 to the Investor (see Note 2).

On October 29, 2020, the Company paid $81,553 toward the final tranche of the notes issued on October 1, 2019, which consists of principal of $55,000, interest of $5,410 and a prepayment penalty of $21,143. The Company also issued 123,602 shares to the creditor valued at $14,832 in conjunction with the prior extension of this note.

Equity component of issuance of convertible notes

On July 14, 2020 and October 21, 2020, the Company sold convertible notes bearing 12% interest in the principal amounts of $340,000 and $348,000, respectively. Subject to certain ownership limitations, the notes will be convertible at the option of the holder at any time into shares of the Company's common stock at an effective conversion price of $0.144. The embedded conversion features of these notes were valued at $85,000 and $135,333, respectively, and is amortized over the life of the notes.

On January 12, 2021, the Company sold convertible notes bearing 12% interest on the principal amount of $360,000, respectively (see Note 2). The embedded conversion features of this note was valued at $40,000 and is amortized over the life of the note.

Note 7 – Derivative Liability

The Company issued debts that consist of the issuance of convertible notes with variable conversion provisions. The conversion terms of the convertible notes are variable based on certain factors, such as the future price of the Company's common stock. The number of shares of common stock issuable upon conversion of the promissory note is indeterminate. Pursuant to ASC 815-15 Embedded Derivatives, the fair values of the variable conversion option and shares to be issued were recorded as derivative liabilities on the issuance date and revalued at each reporting period.

A summary of quantitative information with respect to valuation methodology and significant unobservable inputs used for the Company's common stock purchase warrants that are categorized within Level 3 of the fair value hierarchy for the three months ended September 30, 2021 is as follows:

	Quarter Ended September 30, 2021
Stock price	$ 0.17
Exercise price	$ 0.22 – 0.37
Contractual term (in years)	3 – 5 Years
Volatility (annual)	218 %
Risk-free rate	0.03% - 0.07 %

The foregoing assumptions are reviewed quarterly and are subject to change based primarily on management's assessment of the probability of the events described occurring. Accordingly, changes to these assessments could materially affect the valuations.

Financial Liabilities Measured at Fair Value on a Recurring Basis

Financial liabilities measured at fair value on a recurring basis are summarized below and disclosed on the balance sheet under Derivative liability – warrants and derivative liabilities:

	Fair value measured at September 30, 2021			
	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair value at September 30, 2021
Derivative liability	$ -	$ -	$ 10,189	$ 10,189
Total	$ —	$ —	$ 10,189	$ 10,189

	Fair Value measured at June 30, 2021			
	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair value at June 30, 2021
Derivative liability	$ -	$ -	$ 28,576	$ 28,576
Total	$ -	$ -	$ 28,576	$ 28,576

The fair value accounting standards define fair value as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is determined based upon assumptions that market participants would use in pricing an asset or liability. Fair value measurements are rated on a three-tier hierarchy as follows:

- Level 1 inputs: Quoted prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2 inputs: Inputs, other than quoted prices included in Level 1, that are observable either directly or indirectly; and
- Level 3 inputs: Unobservable inputs for which there is little or no market data, which require the reporting entity to develop its own assumptions.

There were no transfers between Level 1, 2 or 3 during the period ended September 30, 2021.

During the three months ended September 30, 2021 and 2020, the Company recorded loss of $18,387 and loss of $6,334, respectively, from the change in fair value of derivative liability.

The following table presents changes in Level 3 liabilities measured at fair value for the period ended September 30, 2021:

		Derivative Liability
Balance – June 30, 2021	$	28,576
Changes due to redemptions		–
Change in fair value of derivative liability		(18,387)
Balance – September 31, 2021	$	10,189

The balance of the derivative liability at September 30, 2021 and June 30, 2021 was $10,189 and $28,576, respectively.

Note 8 – Subsequent Events

The Company has issued 5,478,495 shares of common stock, priced at $0.037, for an aggregate purchase price of $203,000. These shares are issued to its consultants and marketing companies. The above referenced shares were issued in reliance on an exemption from registration under the Securities Act of 1933 set forth in Section 4(a)(2) thereof and Rule 506 of Regulation D promulgated thereunder as the transaction did not involve a public offering and there was no general solicitation.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements that involve known and unknown risks, significant uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed, or implied, by those forward-looking statements. You can identify forward-looking statements by the use of the words may, will, should, could, expects, plans, anticipates, believes, estimates, predicts, intends, potential, proposed, or continue or the negative of those terms. These statements are only predictions. In evaluating these statements, you should consider various factors which may cause our actual results to differ materially from any forward-looking statements. Although we believe that the exceptions reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.

Overview

APPlife Digital Solutions, Inc. (the "Company") was formed March 5, 2018, in Nevada and has offices in San Francisco, California and Shanghai, China. Our office in San Francisco, California allows us to take advantage of the marketing opportunities available in the United States as well as keeping close proximity to sources of capital whether it is debt or equity. Our offices in Shanghai, China allows us to take advantage of a high concentration of skilled tech coders and developers at lower capital costs than in more developed countries such as the United States or Europe. The Company's mission is using digital technology to create and invest in eCommerce and Cloud based businesses that make life, business and living easier, more efficient, and just smarter.

Plan of Operation

Our marketing and business management/executive team will operate from both Shanghai China and our offices in San Francisco. We will continue to explore new concepts and opportunities to invest in projects that meet our criteria We have incurred expenses and operating losses, as part of our activities in developing e-commerce platforms, B2BCHX, OFFICEHOP, ROOSTER ESSENTIALS and an initial investment in Global Hemp Service The capital we raise will go into marketing, acquisitions and revenue generation. This will take our vision forward and to the next level.

The APPlife Digital Solutions business model is two-fold. First, is to market our current in-house developed projects OfficeHop, B2BCHX, ROOSTER ESSENTIALS ecommerce and cloud based business over the next year, work to add partnerships like the Global Hemp Service LLC and to add additional in-house developed projects including DRINX starting in 2022 We plan to engage multiple resources, add staff and create partnerships as needed and as capital becomes available to market and grow revenue for B2BCHX, OFFICE HOP, and ROOSTER ESSENTIALS .

The second, but equally important part of our business model is to target acquisitions and projects that can be assisted by our marketing and capitalization capabilities where we can play an active role in the project's success and make the acquisitions to add to our revenue stream. We seek acquisition targets that have a model that fits our vision and area of interest, is currently generating revenue with room for growth and a strong management team that will stay on board and continue to operate the entity post acquisition.

Our current projects:

B2BCHX is our first fully developed app that is available in Google Play and a functioning ecommerce and mobile website. B2BCHX allows business owners around the world to order three levels of background checks in English on Chinese companies to prevent fraudulent business transactions, to gather information in order to gain confidence when doing business with a Chinese entity or to pursue legal remedy against fraudulent Chinese Company. The reports are researched and written by a licensed law firm in Shanghai China in a partnership agreement with B2BCHX. These reports are not auto generated and are carefully researched to give our users the most accurate information. The retail price for each report is $79, $399 and $1,299. The partnership with the law firm is on a 20% revenue share, which leaves B2BCHX an 80% per report profit margin to cover development expenses, maintenance and profit.

ROOSTER ESSENTIALS ecommerce website, mobile website, has been developed and launched BETA operations in the third quarter of fiscal year 2020 and is launching its full commercial operations in the 2nd quarter of 2021. ROOSTER ESSENTIALS is an online men's grooming supply store, and it allows men to fully customize which products they receive and set up an auto-delivery schedule for each product for automatic recurring delivery. ROOSTER currently carries over 200 products from over 80 brands. We anticipate the sources of revenue will come from purchases averaging $500 per user, per year and advertising and sponsorships. Men's grooming products are the fastest growing segment of Health and Beauty. Currently a $26 Billion dollar market is forecasted to reach $100 billion by 2024.

OFFICE HOP is entering Beta testing in Q4 of 2021 and will be ready for commercial operations as early as January 2022. OFFICE HOP fits perfectly into the needs of the post Covid working world, where short term offices and meeting rooms will be in high demand. The OFFICE HOP model is like Airbnb for short term shared or private office space and meeting rooms. Those offices that have an extra office, shared desk, an empty meeting room or conference room may list the space and act as a host for a user. Those users in need of a short-term shared desk, meeting room or private office may locate one on our platform and rent it out for use as needed by the hour, half day, full day, week or month. We will also offer access to creative spaces such as photo studios and pop-up art galleries and will offer restaurants with private rooms a way to rent out the space with a menu included for group or lunch meetings. The revenue is expected to come from the 10-15% service fee charged to Users for finding and making a transaction with one of our listed properties.. The platform is global. We will begin operations in North America and Europe and then eventually operate in South America and Asia.

Global Hemp Services LLC is a low risk and low cost participation in the fast growing Hemp and CBD market space. We have licensed out our fully functional ecommerce platform in exchange for a 15% equity position and 2.5% revenue share, with exclusive rights to purchase an additional 36% of the equity (for a total of 51%) upon reaching revenue benchmarks. Global Hemp Service distributes Hemp and CBD products globally, including Hemp based building materials, textiles, plastics, paper, personal care items and various CBD products. They will distribute wholesale to shops and stores and retail directly to consumers.

Our DRINX project is in early stage of development and we believe the beta version will be ready in the fiscal year 2022. DRINX app allows anyone to purchase a virtual drink ticket anywhere and at any time for friends and colleagues. We anticipate the sources of revenue will come from advertising and sponsorships from alcohol companies promoting products on the app, user fee of $0.99 to send each drink and discounts provided by the bars and restaurants for purchases made by the app.

Results of Operations for Three Months Ended September 30, 2021 and September 30, 2020

Revenue

For the three months ended September 30, 2021 and 2020, we generated revenue of $237 and $193, respectively. The Company has been in the process of marketing and developing its apps, hiring developers and coders, incurring professional fees for registering its common stock and identifying other apps and partnerships to generate revenues as the Company expands its operations.

Operating Loss

For the three months ended September 30, 2021 and 2020 we had operating losses of $897,617 and $871,568, respectively. This loss was due primarily to the stock compensation and professional fees paid to consultants.

Other Income (Expense)

For the three months ended September 30, 2021 and 2020, we incurred $21,981 and $189,896 of other expenses, respectively, which was primarily due to interest expense on notes payable. We recorded gain of $48,619 due to settlement of debt and a gain of $18,387 due to change in fair value of derivative liability for the three months ended

September 30, 2021. Similarly, for the three months ended September 30, 2020, we had $10,682 of loss due to extension of debt and a loss of $6,334 due to change in fair value of derivative liability.

Net loss

We reported a net loss of $919,598 and $1,061,464 for the three months ended September 30, 2021 and 2020, respectively.

Working Capital

		September 30, 2021
Current assets	$	588,959
Current liabilities		912,900
Working capital	$	(323,941)

We anticipate generating losses and, therefore, may be unable to continue operations in the future. If we require additional capital, we will have to issue debt or equity or enter into a strategic arrangement with a third party.

Going Concern

As reflected in the accompanying financial statements, the Company has minimal revenue generating operations and has an accumulated deficit $10,756,329 and $9,836,731 as of September 30, 2021 and June 30, 2020, respectively. In addition, the Company has experienced negative cash flows from operations since inception. This raises substantial doubt about its ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company's ability to raise additional capital and implement its business plan. There can be no assurance that any additional financings, would be available to the company unsatisfactory terms and conditions if at all. The current pandemic known as COVID-19 as described in Note 6, creates additional uncertainty. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The Company anticipates additional equity financings to fund operations in the future. Should management fail to adequately address the issue, the Company may have to reduce its business activities or curtail its operations.

Liquidity and Capital Resources

		Three Months Ended September 30, 2021		Three Months Ended September 30, 2020
Net Cash Used in Operating Activities	$	(224,791)	$	(194,964)
Net Cash Used in Investing Activities		—		—
Net Cash Provided by Financing Activities		480,000		285,000
Net Increase in Cash	$	255,209	$	90,036

Our cash was $505,282 on September 30, 2021. We recorded a net loss of $919,598 for the three months ended September 30, 2021. We expect our expenses will continue to increase during the foreseeable future as a result of increased operations and the development of our apps and business operations. We anticipate generating revenues with our B2BCHX app, but only minimal revenues for our other apps over the next twelve months. Consequently, we are dependent on the proceeds from future debt or equity investments to sustain our operations and implement our business plan. If we are unable to raise sufficient capital, we will be required to delay or forego some portion of our business plan, which would have a material adverse effect on our anticipated results from operations and consolidated financial condition. There is no assurance that we will be able to obtain necessary amounts of capital or that our estimates of our capital requirements will prove to be accurate.

We presently do not have any significant credit available, bank financing or other external sources of liquidity. Due to our operating losses, our operations have not been a source of liquidity. We will need to obtain additional capital in order to expand operations and become profitable. In order to obtain capital, we may need to sell additional shares of our common stock or borrow funds from private lenders. There can be no assurance that we will be successful in obtaining additional funding.

To the extent that we raise additional capital through the sale of equity or convertible debt securities, the issuance of such securities may result in dilution to existing stockholders. If additional funds are raised through the issuance of debt securities, these securities may have rights, preferences and privileges senior to holders of common stock and the terms of such debt could impose restrictions on our operations. Regardless of whether our cash assets prove to be inadequate to meet our operational needs, we may seek to compensate providers of services by issuance of stock in lieu of cash, which may also result in dilution to existing shareholders. Even if we are able to raise the funds required, it is possible that we could incur unexpected costs and expenses, fail to collect significant amounts owed to us, or experience unexpected cash requirements that would force us to seek alternative financing.

No assurance can be given that sources of financing will be available to us and/or that demand for our equity/debt instruments will be sufficient to meet our capital needs, or that financing will be available on terms favorable to us. If funding is insufficient at any time in the future, we may not be able to take advantage of business opportunities or respond to competitive pressures or may be required to reduce the scope of our planned marketing efforts and development of our apps, any of which could have a negative impact on our business and operating results. In addition, insufficient funding may have a material adverse effect on our financial condition, which could require us to:

- Curtail the development of our apps,
- Seek strategic partnerships that may force us to relinquish significant rights to our apps, or
- Explore potential mergers or sales of significant assets of our Company.

Operating Activities

During the three months ended September 30, 2021 and 2020, the Company used $224,791 and $194,964 in cash to fund our operating activities, respectively. The cash used in operating activities in 2021 is the result of net loss during the period offset primarily by amortization of debt discount, stock compensation expense and an increase in working capital accounts. The Company also recorded gain on settlement of debt and related accrued expense.

During the three months ended September 30, 2020, the cash used was primarily the result of stock compensation and changes in working capital accounts.

Financing Activities

Net cash provided by financing activities was $480,000 and $285,000 during the three months ended September 30, 2021 and 2020, respectively. The increase in financing activities is primarily from the proceeds of issuance of common stock of $520,000 offset by decrease in payment on notes payable of $40,000.

During September 30, 2020, the Company received $340,000 from the proceeds received from issuance of notes payable offset by payment on notes payable of $55,000.

Critical Accounting Policies and Estimates

The preparation of financial statements and related disclosures in conformity with U.S. generally accepted accounting principles ("GAAP") and the Company's discussion and analysis of its financial condition and operating results require the Company's management to make judgments, assumptions and estimates that affect the amounts reported in its financial statements and accompanying notes. Note 1, "Summary of Significant Accounting Policies," of the Notes to Financial Statements included in this Form 10-Q, describes the significant accounting policies and methods used in the preparation of the Company's financial statements. Management bases its estimates on historical experience and on various other assumptions it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ from these estimates, and such differences may be material.

Management believes the Company’s critical accounting policies and estimates are those related to revenue recognition. Management considers these policies critical because they are both important to the portrayal of the Company’s financial condition and operating results, and they require management to make judgments and estimates about inherently uncertain matters. The Company’s management has reviewed these critical accounting policies and related disclosures.

Revenue Recognition

The Company will recognize revenue from the sale of products and services in accordance with ASC 606, *“*Revenue from Contracts with Customers,*”* by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied.

Emerging Growth Company

We are an “emerging growth company” under the federal securities laws and will be subject to reduced public company reporting requirements. In addition, Section 107 of the JOBS Act also provides that an “emerging growth company” can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an “emerging growth company” can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We are choosing to take advantage of the extended transition period for complying with new or revised accounting standards. As a result, our financial statements may not be comparable to those of companies that comply with public company effective dates.

Recently Issued Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (“ASU 2016-13”) and also issued subsequent amendments to the initial guidance: ASU 2018-19, ASU 2019-04, and ASU 2019-05 (collectively, “Topic 326”). Topic 326 requires measurement and recognition of expected credit losses for financial assets held. The Company will be required to adopt this ASU for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The adoption of Topic 326 is not expected to have a material on the Company’s financial statements and financial statement disclosures.

Seasonality

We do not expect our sales to be impacted by seasonal demands for our products and services.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by our company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our management carried out an evaluation under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act"). Based upon that evaluation, our Principal Executive Officer and Principal Financial Officer have concluded that our disclosure controls and procedures were not effective as of September 30, 2021, due to the material weaknesses resulting from the Board of Directors not currently having any independent members and no director qualifies as an audit committee financial expert as defined in Item 407(d)(5)(ii) of Regulation S-K, and controls were not designed and in place to ensure that all disclosures required were originally addressed in our financial statements.

Changes in Internal Control over Financial Reporting

Our management has also evaluated our internal control over financial reporting, and there have been no significant changes in our internal controls or in other factors that could significantly affect those controls subsequent to the date of our last evaluation.

The Company is not required by current SEC rules to include, and does not include, an auditor's attestation report. The Company's registered public accounting firm has not attested to Management's reports on the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

We know of no material, existing or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which our director, officer or any affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

ITEM 1A. RISK FACTORS.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

On October 19, 2021, the Company granted its consultant 4,000,000 shares of common stock, priced at $0.037 per share, for an aggregate purchase price of $148,000.

On October 19, 2021, the Company granted its marketing company 403,226 shares of common stock, priced at $0.037 per share, for an aggregate purchase price of $15,000.

On October 19, 2021, the Company granted its marketing company 403,226 shares of common stock, priced at $0.037 per share, for an aggregate purchase price of $15,000

On October 19, 2021, as per the agreement, the Company granted its consultant 672,043 shares of common stock, priced at $0.037 per share, for an aggregate purchase price of $25,000.

The above referenced shares were issued in reliance on an exemption from registration under the Securities Act of 1933 set forth in Section 4(a)(2) thereof and Rule 506 of Regulation D promulgated thereunder as the transaction did not involve a public offering and there was no general solicitation.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not Applicable.

ITEM 5. OTHER INFORMATION.
None.

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit	Filing
31. 1	Certification of Principal Executive Officer Pursuant to Rule 13a-14	Filed herewith.
31. 2	Certification of Principal Financial Officer Pursuant to Rule 13a-14	Filed herewith.
32. 1	CEO and CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act	Filed herewith.
101.INS*	XBRL Instance Document	Filed herewith.
101.SCH*	XBRL Taxonomy Extension Schema Document	Filed herewith.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith.
101.LAB*	XBRL Taxonomy Extension Labels Linkbase Document	Filed herewith.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith.

*Pursuant to Regulation S-T, this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

SIGNATURES

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

APPLIFE DIGITAL SOLUTIONS, INC.

Dated: November 09, 2021	/s/ *Matt Reid*
	Matt Reid, Principal Executive Officer, Principal Accounting Officer and Director