UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM C

UNDER THE SECURITIES ACT OF 1933

(Mark one.)

☐ Form C: Offering Statement

☐ Form C-U: Progress Update

☐ Form C/A: Amendment to Offering Statement

☐ Check box if Amendment is material and investors must reconfirm within five business days.

☒ Form C-AR: Annual Report

☐ Form C-AR/A: Amendment to Annual Report

☐ Form C-TR: Termination of Reporting

Names of Issuers

Wind Harvest Pilot Project Inc (as finance subsidiary of Wind Harvest International, Inc. and issuer of the promissory notes)

Wind Harvest International, Inc. (as guarantor of the promissory notes (issuer of the guarantees) and parent of Wind Harvest Pilot Project, Inc.)

Forms of Issuers

Wind Harvest Pilot Project Inc: Public Benefit Corporation

Wind Harvest International, Inc.: Corporation

Jurisdiction of Incorporation/Organization

Delaware

Date of organization

Wind Harvest Pilot Project Inc: April 7, 2020

Wind Harvest International, Inc.: January 6, 2006

Physical address of issuer

724 N Street

Davis, CA 95616

Website of issuer

www.windharvest.com

FINANCIAL SUMMARY FOR WIND HARVEST

INTERNATIONAL, INC. AND WIND HARVEST PILOT PROJECT

INC

FROM 2021 AND 2022 CONSOLIDATED FINANCIAL

STATEMENTS

(EXHIBIT D)

	Most recent fiscal year end (2022)	**Prior fiscal year end (2021)**
Total Assets	$397.420	$258,914
Cash and Cash Equivalents	$2761	$96,845
Accounts Receivable	$56.056	$0
Short-term Debt	$1,558.196	$402,874
Long-term Debt	$4.995.165	$12,949,189
Revenues/Sales	$0	$0
Cost of Goods Sold	$0	$0
Taxes Paid	$0	$0
Net Income	($689,848)	$(2,630,249)

Please note that the fill-in-the-blank cover sheet that the Securities and Exchange Commission requires to be filed with this report lists only Wind Harvest Pilot Project Inc as issuer but includes financial data from the consolidated financial statements of Wind Harvest International, Inc. (who is the guarantor in the offering described herein) and Wind Harvest Pilot Project, which is the subsidiary of Wind Harvest International, Inc.

Form C-AR

2022
Annual Report
of
Wind Harvest Pilot Project Inc and
Wind Harvest International, Inc.

This report is intended to be read by investors in the Regulation Crowdfunding Offering (the "2022-2023 Reg CF Offering"), commenced in 2022 and will conclude on April 30, 2023, of guaranteed promissory notes (the "2022-2023 Reg CF Notes") issued by Wind Harvest Pilot Project Inc ("WHPP") and guaranteed by Wind Harvest International, Inc. ("Wind Harvest" and, together with WHPP, the "Issuers," the "Companies," "we," "our," "ours," and "us"). The parallel offering of guaranteed promissory notes under Rule 506(c) of Regulation D under the Securities Act (the "2022-2023 506(c) Notes" and, together with the 2022-2023 Reg CF Notes, the "2022-2023 Notes") will be referred to herein as the 2022-2023 506(c) Offering and, together with the 2022-2023 Reg CF Offering, the 2022-2023 Note Offerings.

Investors in the 2022-2023 Reg CF Offering will be referred to herein as the "2022-2023 Reg CF Investors," "you," "your," and "yours." Investors in the parallel 2022-2023 506(c) Offering will be referred to herein as the "2022-2023 506(c) Investors," and together with the "2022-2023 Reg CF Investors," the "Investors."

Pursuant to Rule 202 of Regulation Crowdfunding (17 CFR § 227.202), an issuer that has offered and sold securities in reliance on section 4(a)(6) of the Securities Act of 1933, as amended (the "Securities Act") (15 U.S.C. 77d(a)(6)), and in accordance with section 4A of the Securities Act (15 U.S.C. 77d-1) and Regulation Crowdfunding, must file with the United States Securities and Exchange Commission (the "SEC") and post on the issuer's web site an annual report along with the financial statements of the issuer certified by the principal executive officer of the issuer to be true and complete in all material respects and a description of the financial condition of the issuer as described in Rule 201(s) of Regulation Crowdfunding. The annual report also must include the disclosure required by paragraphs (a), (b), (c), (d), (e), (f), (m), (p), (q), (r), and (x) of Rule 201 of Regulation Crowdfunding ("Rule 201").

As the issuer of the 2022-2023 Notes, WHPP is the primary issuer in the 2022-2023 Reg CF Offering. However, because Wind Harvest issued guarantees (also securities) in the 2022-2023 Reg CF Offering, we are including the disclosures for Wind Harvest as well. Moreover, as more fully described later in this report, Wind Harvest has used the offering proceeds to finance its projects; Wind Harvest's revenue and capital is being used to repay Investors; and Investors' ability to recover or receive a return on the investments depends entirely on the success of Wind Harvest.

Rule 201(a) The name, legal status (including its form of organization, jurisdiction in which it is organized and date of organization), physical address and Web site of the Issuer.

Name	Form of Organization	Jurisdiction of Organization	Date of organization	Address	Website
Wind Harvest Pilot Project Inc.	Public benefit corporation	Delaware	April 7, 2020	724 N Street Davis, CA 95616	windharvest.com
Wind Harvest International, Inc.	Corporation	Delaware	January 6, 2006	724 N Street Davis, CA 95616	windharvest.com

Rule 201(b) The names of the directors and officers (and any persons occupying a similar status or performing a similar function) of the Issuer, all positions and offices with the Issuer held by such persons, the period of time in which such persons served in the position or office and their business experience during the past three years, including:

(1) Each person's principal occupation and employment, including whether any officer is employed by another employer; and

(2) The name and principal business of any corporation or other organization in which such occupation and employment took place.

WHPP

Officers and directors and their positions with WHPP:

Officer	Positions held at WHPP	Time periods positions have been held
Cornelius Fitzgerald	Chief Financial Officer Director	2020-present 2020-present
Christine Nielson	President Director	2020-present 2020-present
Kevin Wolf	Chief Executive Officer Director	2020-present 2020-present

Wind Harvest

Officers and directors and their positions with Wind Harvest:

Officer	Positions held at Wind Harvest International	Time periods positions have been held
Jen Hoover	Secretary	2023-present
Kevin Wolf	CEO COO President/CEO Director	2006-2009 2009-2019 2019-present 2006-present
Cornelius Fitzgerald	Treasurer Director (elected by the Common Shareholders) CEO	2019–present 2012-present 2015-2019

Director	Positions held at Wind Harvest International	Time periods positions have been held
Christine Nielson	Director	2020-present
Kevin Wolf	Director (representing the Common Shareholders) President	2006-present 2019-present
Cornelius Fitzgerald	Director (representing the Common Shareholders) Treasurer	2012-present 2019-present

See **Exhibit A** for the principal occupation and employment of directors and officers over the past three years.

Rule 201(c) The name of each person, as of the most recent practicable date but no earlier than 120 days prior to the date this report is filed, who is a beneficial owner of 20 percent or more of the Issuer's outstanding voting equity securities, calculated on

the basis of voting power.

WHPP

Name of Holder	No. and Class of Securities Now Held	% of Voting Power Prior to Offering
Wind Harvest International, Inc.	6,000,000 Common Shares	100

Wind Harvest

Name of Holder	No. and Class of Securities Now Held	% of Voting Power Prior to Offering
None		

Rule 201(d) A description of the business of the Issuer and the anticipated business plan of the Issuer.

For a description of our anticipated business plan, please see our financial condition discussion in response to Rule 201(s) below as well as our Pitch Deck, which is filed herewith as **Exhibit B**.

Rule 201(e) The current number of employees of the Issuer.

WHPP: Zero
Wind Harvest: 6

(Please note that the fill-in-the-blank cover sheet required to be filed with this Form C-AR lists only Wind Harvest Pilot Project Inc as the issuer but states 6as the number of employees, all of which are employees of Wind Harvest.)

Rule 201(f) A discussion of the material factors that make an investment in the Issuer speculative or risky.

RISK FACTORS

A crowdfunding investment involves risk. Investors should not invest any funds in an offering unless they can afford to lose their entire investment.

In making an investment decision, Investors must rely on their own examination of the Issuers and the terms of the offering, including the merits and risks involved. The 2022-2023 Notes have not been recommended or approved by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not passed upon the accuracy or adequacy of this document.

The SEC did not pass upon the merits of any securities offered or the terms of the 2022-2023 Reg CF Offering (or the 2022-2023 506(c) Offering), nor does it pass upon the accuracy or completeness of any offering document or literature.

The 2022-2023 Notes were offered under exemptions from registration; however, the SEC has not made an independent determination that those securities were exempt from registration.

The following list of risk factors and the risk factors stated elsewhere in this report are not intended and should not be understood as an exhaustive list of all risks related to an investment.

WHPP is loaning the proceeds of the 2022-2023 Note Offerings to Wind Harvest through the New WHPP Loans (which are defined in our response to Rule 201(q)) and is using Wind Harvest's annual interest payments and final principal payment to make payments on the 2022-2023 Notes issued to Investors. WHPP has no other means with which to pay Investors in the 2022-2023 Notes other than proceeds from the New WHPP Loans. If Wind Harvest defaults on the New WHPP Loans, due to bankruptcy or any other reason, WHPP may not be able to recover the full amount it loaned to Wind Harvest and will likely not be able to fully repay Investors in the 2022-2023 Notes or pay them interest on their investments.

Wind Harvest has provided, or will provide, an unconditional Guaranty (defined in our response to Rule 201(m)) that it will make payments due under the 2022-2023 Notes if WHPP does not.

However, if Wind Harvest is unable to repay WHPP, it will most likely be unable to meet its obligation under the Guaranty. Further, the 2022-2023 Notes and Guaranty are unsecured, so there is no collateral that Investors would be able to seize from Wind Harvest in order to receive principal and interest payments.

It is possible that the Warrant Shares described in our response to Rule 201(m) will not be sold at a profit, or be sold at all, and thus WHPP's ownership of the Warrants described in Rule 201(m) may not realize any value for Investors. Wind Harvest may never have a future equity financing nor undergo a liquidity event such as a sale of the company or an IPO that would cause there to be a market for the Warrant Shares. Further, WHPP has discretion as to whether and when to exercise the Warrants and sell the Warrant Shares. Under the terms of the 2022-2023 Notes, WHPP is only obligated to make Reasonable Efforts (as defined in our response to Rule 201(m)) to exercise the Warrants and sell the Warrant Shares. Investors could thus receive little or no profit from the sale of the Warrant Shares, and Investors' return could be limited to the fixed interest rate on the 2022-2023 Notes.

If Wind Harvest does not close an equity round within three to six months with enough capital to cover its debts and install and certify at least one of its *Wind Harvester* 4.0 turbines, it risks bankruptcy or a short sale.

Wind Harvest's main assets are its Intellectual Property. It has filed four patents but there is no guarantee those patents will be granted. it has three additional patents that are being processed for filing, but those patents too may not be granted. Patent pending status has much less value in a company sale than patents the USPTO have granted.

Wind Harvest Eole Suite of aeroelastic models for VAWTs is unique and has value in the event of a company sale because it has been validated twice with field data from *Wind Harvester* prototypes. The value of the computer model would be limited if *Wind Harvesters* had not yet been certified.

Wind Harvests other assets of its Model 3.1 and components for Model 4.0 only have a value of approximately $300,000 which is less than the company's current debt.

We predict that the design of our turbines and our projects' advanced motion detection technology will prevent flying wildlife from being harmed by our turbines. However, we are still assessing whether this will be the case. If our turbines do cause substantial harm to wildlife, this may have a negative impact on sales and our financial condition.

The agreements Wind Harvest has with property owners to develop *Wind Harvester* projects will not have value if no *Wind Harvester* turbines are made. This includes the two MOUs Wind Harvest has with US AFB to advance SBIR contracts that would result in the installation of turbines on the Bases' properties.

There is currently no, and there may never be any, secondary market trading in the 2022-2023 Notes, and Investors' ability to sell the 2022-2023 Notes is further limited by transfer restrictions under applicable securities laws. If an Investor is able to sell their 2022-2023 Note, there is no guarantee that the Investor will be able to sell for a price greater than—or equal to—the price the Investor paid for the 2022-2023 Note.

External factors such as government policies on subsidizing fossil fuels, tax subsidies for renewable energy, possible large increases in the cost of raw material and/or labor, supply chain restraints and trade embargoes could affect Wind Harvest's profitability and markets.

Investors in the 2022-2023 Notes have no voting rights and no ability to make decisions regarding the affairs or operations of WHPP or Wind Harvest.

The COVID-19 virus could cause Wind Harvest's or WHPP's key persons to become debilitated or even die. If lost, these people would be costly to replace.

Wind Harvest cannot assure Investors that it will be able to achieve or sustain profitability in the future. Wind Harvest has not generated revenue but has incurred operating losses since its inception. Wind Harvest has sustained net losses of $2,630,249 and $689,848 for the years ended December 31, 2021 and 2022, respectively, and has incurred negative cash flows from operations for such years. As of December 31, 2022, Wind Harvest had an accumulated deficit of $18,725,527, limited liquid assets with cash of $2761 and current liabilities in excess of current assets by $1,558,986. In order to remain a going concern one year from now, Wind Harvest will need to raise sufficient funds from investors to meet its obligations. We estimate that the amount raised will need to be approximately $2,000,000.

If the Companies raise enough to allow Wind Harvest to remain a going concern one year from now, there is still no guarantee that the Companies will raise enough to permit Wind Harvest to complete its plans to certify, install, sell, and license its technology. In order to continue these plans, Wind Harvest will require additional financing, possibly including equity or debt offerings. Funding from all future sources of capital may be limited, unavailable, or not available on favorable terms.

If Wind Harvest is able to certify, install, sell, and license its technology, there is still no assurance that Wind Harvest will in fact be successful in the wind turbine distributed- or utility-class or other business lines, or that Wind Harvest will succeed in obtaining funds in sufficient amounts to proceed with its strategy when capital is needed. If such capital and financing cannot be obtained for any reason, Wind Harvest may not be able to proceed with its business plans and may be required to scale back its strategic initiatives, prematurely sell the Company or go bankrupt.

The projects in Wind Harvest's expected sales pipeline may not materialize in a timely manner or at all. Customers and projects typically undertake a significant development process that can result in a lengthy sales cycle. Furthermore, they require land use permits, including environmental review of impacts on wildlife, grid connection permits, and power purchase agreements that are outside of the project team's ability to control. Government decisions at the local, state and national level can affect the ability for these deeded project milestones to be achieved. The long sales cycles may require Wind Harvest to delay revenue recognition until certain milestones or technical or implementation requirements have been met.

Even if projects using Wind Harvest's technology do materialize, there is no guarantee that the technology will result in greater reliability or energy output than other energy technologies. In some cases, the Levelized Cost of Energy from the Wind Harvesters may be higher than alternatives. If Wind Harvesters are not as cost effective as other energy technologies, the Company's sales, and financial condition could suffer.

The exact cost to mass manufacture, install and operate our *Wind Harvesters* is unknown. If that cost is too high, we may not be able to find licensees or large markets for our technology.

Wind Harvest has not yet secured licensees for its technology. There is no guarantee that Wind Harvest will be able to license its technology. Wind Harvest's expectations of future financial success is based in part on its ability to enter licensing agreements. If it cannot do so, its profitability could be materially affected.

Problems with quality or performance in Wind Harvest's products or products based on Wind Harvest's technology that are manufactured by Wind Harvest's licensees could have a negative impact on Wind Harvest's relationships with customers and its reputation and cause reduced market demand for Wind Harvest's products. Though Wind Harvest will require component suppliers to meet and follow the IEC 61400 requirements for quality control in the manufacturing, installation and maintenance of Wind Harvest's wind turbines, and Wind Harvest will conduct periodic inspections, including inspections of facilities, processes, and raw materials, there could nonetheless be problems with the quality or performance of the wind turbines that could adversely affect Wind Harvest due to warranty claims or other contractual damages in the future.

Wind Harvest's customers' inability to obtain financing to make purchases from Wind Harvest or maintain their businesses could harm Wind Harvest's business and negatively impact revenue, results of operations, and cash flow. Most of Wind Harvest's customers will require substantial financing to make purchases from Wind Harvest and complete projects. The potential inability of these customers to access the capital needed to finance purchases of Wind Harvest's products and to meet their payment obligations to Wind Harvest could adversely impact Wind Harvest's financial condition and results of operations. If Wind Harvest's customers become insolvent due to market and economic conditions or otherwise, it could have an adverse impact on Wind Harvest's business, financial condition and results of operations.

There are a number of risks associated with international operations that could harm Wind Harvest's business. Wind Harvest plans to sell products and provide services on a global basis and plans to expand into all countries with mid-level wind resources. Wind Harvest's ability to grow in or obtain turbine components from international markets could be harmed by factors, including:

*changes in political and economic conditions and potential instability in certain regions;

*currency control and repatriation issues;

*changes in regulatory requirements or in foreign policy, including the adoption of domestic or foreign laws, regulations and interpretations detrimental to Wind Harvest's business;

*changes to regulatory incentives to purchase wind turbines, turbine components or produce or utilize wind energy;

*possible increased costs and additional regulatory burdens imposed on Wind Harvest's business;

*burdens of complying with a wide variety of laws and regulations;

*difficulties in managing the staffing of international operations;

* supply chain problems that impact component prices and availability

*increased financial accounting and reporting burdens and complexities;

*terrorist attacks and security concerns in general;

*changes to tax laws, compliance costs and challenges to Wind Harvest's tax positions that may have adverse tax consequences to us;

*changes, disruptions or delays in shipping or import/export services;

*reduced protection of Wind Harvest's intellectual property rights.

In addition, Wind Harvest plans to conduct certain functions, including customer sales and service operations, in regions outside of the U.S. Wind Harvest is subject to both U.S. and local laws and regulations applicable to Wind Harvest's offshore activities, and any factors which reduce the anticipated benefits associated with providing these functions outside of the U.S., including cost efficiencies and productivity improvements, could harm Wind Harvest's business.

Wind Harvest's success depends substantially upon the internally developed technology that is incorporated in Wind Harvest's products. Wind Harvest will rely on a combination of patent, trademark and copyright laws, trade secret protection and confidentiality or license agreements with Wind Harvest's employees, customers, strategic partners, suppliers, and others to protect Wind Harvest's intellectual property rights. The steps Wind Harvest takes to protect its intellectual property rights may, however, be inadequate. Any breach or violation of Wind Harvest intellectual property rights by any of Wind Harvest's licensees could adversely affect Wind Harvest's competitive position and the value of Wind Harvest's assets.

Intellectual property right claims are expensive and time consuming to defend, and if resolved adversely, could have a significant impact on Wind Harvest's business, financial condition and operating results. In the event of a conflict between Wind Harvest's patents or current or future patent applications and the activities of other parties, infringement proceedings may be pursued by or against Wind Harvest. The legal proceedings necessary to defend the validity of patents and to prevent infringement by others can be complex and costly, and the outcomes of these legal proceedings are often uncertain. These legal proceedings might adversely affect Wind Harvest's competitive position and the value of its assets, and there can be no assurance that the outcomes of the proceedings would be successful.

Wind Harvest may not be able to receive patents on all of its expected patent applications. Patent applications in the U.S. can be maintained in secrecy until the patents are published or are issued. Since publication of discoveries in the scientific or patent literature tends to lag behind actual discoveries by several months, we cannot be certain that Wind Harvest will be the first creator of inventions covered by pending patent applications or the first to file patent applications on these inventions. Accordingly, we cannot be certain that the patent applications that Wind Harvest files will result in patents being granted. If we do not receive patents for our technology, we may be unable to capture a significant share of the market for mid-level wind turbines.

Wind Harvest's business is subject to the risks of earthquakes, fires, floods and other natural catastrophic events and to interruption by man-made problems such as computer viruses or terrorism, any of which could result in system failures and interruptions that could harm Wind Harvest's business. Although Wind Harvest's systems have been designed to reduce downtime in the event of outages or catastrophic occurrences, they remain vulnerable to damage or interruption from earthquakes, floods, fires, power loss, rolling blackouts, telecommunication failures, terrorist attacks, cyber-attacks, computer viruses, computer denial-of-service attacks, human error, hardware or software defects or malfunctions (including defects or malfunctions of components of Wind Harvest's systems that are supplied by third party service providers) and similar events or disruptions. Despite any precautions Wind Harvest may take, system interruptions and delays could occur if there is a natural disaster, if a third-party provider closes a facility Wind Harvest uses without adequate notice for financial or other reasons, or if there are other unanticipated problems at Wind Harvest's facilities. Wind Harvest does not carry business interruption insurance sufficient to compensate it for losses that may result from interruptions in Wind Harvest's service as a result of system failures. A system outage or data loss could harm Wind Harvest's business, financial condition and results of operations.

Wind Harvest's insurance policies and financial resources may not be sufficient to cover the costs associated with personal injury, property damage, product liability and other types of claims brought against it. Wind Harvest is exposed to potentially significant risks associated with product liability or other claims if Wind Harvest's products or manufacturing activities cause personal injury or property damage, whether by product malfunctions, defects or other causes. If product liability claims are brought against Wind Harvest in the future, any resulting adverse publicity could hurt Wind Harvest's competitive standing and reduce revenues from sales of its products. The assertion of product liability, personal injury or property damage claims against Wind Harvest could result in significant legal fees and monetary damages and require Wind Harvest to make large payments. Any business disruption or natural disaster could result in substantial costs, lost revenues and diversion of resources. Wind Harvest's insurance coverage is limited for product liability and other claims against Wind Harvest or its directors and officers, as well as for business disruption, natural disasters and life insurance on its CEO. Therefore, Wind Harvest may not have adequate insurance and financial resources to pay for its liabilities or losses from any such claim or cause.

Wind Harvest depends on highly skilled personnel to engineer its turbines and develop renewable energy projects, and if it is not able to hire, retain and motivate its personnel,

Wind Harvest may not be able to grow effectively. Competition for talented engineers and senior management is strong, and Wind Harvest's future success will to some extent depend upon the contribution of a small number of key executives and personnel. Moreover, Wind Harvest's ability to successfully develop and maintain a competitive market position will depend in part on Wind Harvest's ability to attract and retain highly qualified and experienced management and engineers. The failure to attract and retain necessary personnel could have an adverse impact on Wind Harvest's business, development, financial condition, results of operations and prospects.

The future success of Wind Harvest and WHPP depends on the efforts of a small management team. The loss of services of the members of the management team may have an adverse effect on Wind Harvest and WHPP. There can be no assurance that Wind Harvest or WHPP will be successful in attracting and retaining other personnel they require to successfully grow their business.

Christine Nielson, Kevin Wolf, and Cornelius Fitzgerald are part-time officers of WHPP. As such, it is likely that WHPP will not make the same progress as it would if that were not the case.

Rule 201(m) A description of the ownership and capital structure of the Issuer, including:

(1) The terms of the securities being offered and each other class of security of the Issuer, including the number of securities being offered and/or outstanding, whether or not such securities have voting rights, any limitations on such voting rights, how the terms of the securities being offered may be modified and a summary of the differences between such securities and each other class of security of the Issuer, and how the rights of the securities being offered may be materially limited, diluted or qualified by the rights of any other class of security of the Issuer.

WHPP issued $482,837 in Notes in the 2022-2023 Reg CF Offering. WHPP could receive additional investments in the 2022-2023 Reg CF Offering before the offering closes on June 1, 2023.

Summary of the terms of the 2022-2023 Notes

The following summary is intended to be only a summary of some of the key terms of the 2022-2023 Notes and the Guaranty. It is not a complete description of the terms of the 2022-2023 Notes and Guaranty. Please see the forms of the 2022-2023 Note and the Guaranty filed herewith as Exhibit C for the complete terms of the investment. The following summary is qualified in its entirety by the forms of the 2022-2023 Note and the Guaranty filed herewith as Exhibit C.

Each 2022-2023 Note has the following principal provisions:

Interest Rate: Each 2022-2023 Note bears simple interest of 7% per annum (computed on the basis of a 365-day year and the number of days actually elapsed); provided that WHPP offered a simple interest rate of 8% per annum (computed on the basis of a 365-day year and the number of days actually elapsed) on amounts invested that were part of the first $500,000 raised from the Investors in the 2022-2023 Notes (Early Bird investments).

Annual Interest Payments: Within 60 days following the end of each fiscal year before the Maturity Date, WHPP shall make a payment of the interest accrued for the most recently ended fiscal year.

Maturity: Except as otherwise provided in the 2022-2023 Note, all unpaid principal, interest, and any other sums owing under such note shall be due and payable in full on the Maturity Date. “Maturity Date” shall mean December 31, 2027.

Prepayment Rights: The 2022-2023 Note may be prepaid without penalty at WHPP's option.

Subordination: The 2022-2023 Note will be subordinated to all indebtedness of WHPP to banks, commercial finance lenders, insurance companies, leasing and equipment financing institutions, and/or other institutions regularly engaged in the business of lending money.

Profit Share Kicker:

“New WHPP Loan Agreement” means an agreement entered into in September 2022, under which WHPP makes loans to Parent using the proceeds from the 2022-2023 Note Offerings.

“Parent” means Wind Harvest International, Inc.

“Pro Rata Share” means, for any Investor, the ration that results from dividing the original amount of the Investor’s investment by the total original amount invested by all of the Investors.

“Reasonable Efforts” are good faith efforts that (1) are reasonably calculated to accomplish the applicable objective, (2) do not require any expenditure of funds or the incurrence of any liability that, in either case, is unreasonable in light of the applicable objective, (3) do not require action that is contrary to prudent business judgment in light of the applicable objective, and (4) do not expose the obligated party to unreasonable risk. The fact that the objective is not actually accomplished is not dispositive evidence that the obligated party did not in fact utilize its Reasonable Efforts in attempting to accomplish the objective.

"Warrants" means warrants for Parent's Common Stock ($0.0001 par value per share) that have an exercise price of $0.01 per share and are issued by Parent to Company under the New WHPP Loan Agreement.

"Warrant Expiration Date" means December 31, 2027.

"Warrant Shares" means shares of Parent's Common Stock issuable under the Warrants.

Under the New WHPP Loan Agreement, Parent will issue WHPP Warrants for 250 Warrant Shares for every $100 invested by Investors (the "Profit Share Kicker Warrants").

WHPP shall make Reasonable Efforts to exercise all of the Profit Share Kicker Warrants and sell all of the Warrant Shares issuable thereunder (the "Profit Share Kicker Shares") before the Warrant Expiration Date.

If, before the Warrant Expiration Date, WHPP has resold any or all of the Profit Share Kicker Shares, WHPP shall pay to the Investor his, her, their, or its Pro Rata Share of the profit from the resale. Such payment shall be referred to herein as the "Profit Share Kicker."

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Security: The 2022-2023 Note is unsecured.

Guaranty: WHPP is a wholly owned finance subsidiary of Wind Harvest under Rule 3a-5 under the Investment Company Act of 1940 (the "Rule"). As such, WHPP's primary purpose is to finance the business operations of Wind Harvest. In accordance with the Rule, Wind Harvest has unconditionally guaranteed any and all payments due under the 2022-2023 Notes.

To comply with the Rule, the guaranty from Wind Harvest (the "Guaranty") provides that if WHPP defaults in any payment due under the 2022-2023 Note, the Investor may institute legal proceedings directly against Wind Harvest to enforce the Guaranty without first proceeding against WHPP.

The Guaranty will be subordinated in right of payment to all indebtedness of Wind Harvest to banks, commercial finance lenders, insurance companies, leasing and equipment financing institutions, and/or other institutions regularly engaged in the business of lending money.

Information Rights: Upon request, WHPP will deliver to the Investor the unaudited financial statements for WHPP's most recently ended fiscal year. WHPP shall have 120 days following the end of each fiscal year to prepare such statements.

Assignment: Either party may assign or transfer their rights and obligations under the 2022-2023 Note so long as such assignment complies with all applicable laws and regulations.

Amendment: The 2022-2023 Note may be amended by mutual agreement of the parties in writing, provided that provisions regarding the Profit Share Kicker may only be amended by the written consent of WHPP and Investors holding a majority of the aggregate outstanding principal amount under all of the 2022-2023 Notes.

WHPP has loaned or will loan to Wind Harvest the majority of the funds raised through the 2022-2023 Note Offerings to be used for Wind Harvest's operations and other business projects and purposes as described in our response to Rule 201(s). Wind Harvest is using proceeds of future capital raises and/or the revenue generated from such business projects to pay the interest and principal it owes on the loans from WHPP, and WHPP is using these funds to pay the interest and principal owed to Investors in the 2022-2023 Note Offerings.

The Investors have no voting rights and will have no voting rights. The voting shareholders of WHPP and Wind Harvest may make decisions with which an Investor disagrees or that negatively affects the value of Wind Harvest's common stock (and thus the profit the Investor receives from sale of Warrant Shares) or the 2022-2023 Note held by the Investor, and the Investor will have no recourse to change those decisions. The Investor's interests may conflict with those of the voting shareholders and there is no guarantee that WHPP or Wind Harvest will develop in a way that is optimal or advantageous to the Investor.

For example, the voting shareholders may change the terms of the certificates of incorporation of Wind Harvest or WHPP or change the management of Wind Harvest or WHPP or vote to engage in new offerings or register certain of Wind Harvest's or WHPP's securities in a way that negatively affects the value of Wind Harvest's common stock or the 2022-2023 Note.

Other Outstanding Securities

WHPP

Class of Security	Securities (or Amount) Outstanding	Voting Rights
Common Stock	6,000,000 shares	Yes
Guaranteed promissory notes sold in the 2020-2021 Note Offerings	$1,944,015 (plus interest–see the financial statements filed with this	No
2020-2023 Notes	$ 482,837	No

Wind Harvest

Class of Security	Securities (or Amount) Outstanding	Voting Rights
Common Stock	18,560,000	Yes
Series A Preferred Stock	100,682,439	Yes
Series A-1 Preferred Stock	109,985,504	Yes
Series A-2 Preferred Stock	13,347,356	No
Series A-3 Preferred Stock	11,301,008	Yes
Series A-4 Preferred Stock	2,111,111	Yes

Please note that 86,000,000 shares of Wind Harvest's common stock are reserved under the 2022 Equity Incentive Plan. Of these, 27,087,500 vested on January 3, 2023. Please see the financial statements, filed with the SEC with this Form C-AR as Exhibit D, for more details about the plan.

Class of Security	Securities Reserved for Issuance upon Exercise or Conversion
Promissory Notes that can Convert into Series A-4 shares	$101,500 plus interest at 10% with a conversion price of $0.09 per share
Maas Survivors Trust Convertible Notes	54,984,342 Series A-1 & A-2 Preferred Shares
Warrants to Purchase Preferred Stock	16,700,000
Warrants to Purchase Common Stock	12,412,482
Promissory Notes Issued to WHPP in connection with the First WHPP Loans	13,946,762
Promissory note issued to WHPP in connection with the New WHPP Loans	1,233,435
Equity Incentive Plan Common Stock Options (Vested)	27,087,500

Please see the financial statements, filed with this Form C-AR as Exhibit D, for more information about the outstanding securities of Wind Harvest.

(2) A description of how the exercise of rights held by the principal shareholders of the Issuer could affect the purchasers of the securities being offered.

The Investors have no voting rights and will have no voting rights. Wind Harvest, the sole shareholder of WHPP, has sole voting power, and as such, controls all decisions upon which shareholders are entitled to vote. The Maas family, the principal shareholder of Wind Harvest identified above, has 32% of the voting shares of Wind Harvest, more voting power than any other shareholder of Wind Harvest, and thus will have a significant say in the decisions upon which shareholders are entitled to vote. Wind Harvest and/or Mass family (together, the "Principal Shareholders") may make decisions with which an Investor disagrees or that negatively affects the value of Wind Harvest's common stock (and thus the profit the Investor receives from the sale of the Warrant Shares) or the Investor's 2022-2023 Note, and the Investor will have no recourse to change those decisions. The Investor's interests may conflict with those of the Principal Shareholders, and there is no guarantee that WHPP or Wind Harvest will develop in a way that is optimal or advantageous to the Investor.

For example, Wind Harvest may change the terms of the certificates of incorporation of WHPP or change the management of WHPP or vote to engage in new offerings or register certain of WHPP's securities in a way that negatively affects the value of the Note.

In addition, the Maas family may, with the agreement of holders of only more than 20% of the other voting shares may change the terms of the certificate of incorporation of Wind Harvest, change the management of Wind Harvest or vote to engage in new offerings or register certain of Wind Harvest's securities in a way that negatively affects the value of Wind Harvest's common stock.

(3) The name and ownership level of each person, as of the most recent practicable date but no earlier than 120 days prior to the date this report is filed, who is the beneficial owner of 20 percent or more of the Issuer's outstanding voting equity securities, calculated on the basis of voting power.

Please see our response to Rule 201(c) above.

(4) How the securities being offered are being valued, and examples of methods for how such securities may be valued by the Issuer in the future, including during subsequent corporate actions.

Each 2022-2023 Note was offered at its face value, and promissory notes sold by WHPP will continue to be offered at their face value.

(5) The risks to purchasers of the securities relating to minority ownership in the Issuer and the risks associated with corporate actions including additional issuances of securities, issuer repurchases of securities, a sale of the Issuer or of assets of the Issuer or transactions with related parties.

The Investors will not have an ownership interest in WHPP or Wind Harvest, so there is no risk related to minority ownership.

Investors will have no voting rights or other decision-making rights in WHPP or Wind Harvest. Decision-making rights will belong exclusively to the officers, directors, and shareholders of those companies. It is possible that such officers, directors, or shareholders may make a decision–including the issuance of additional securities, a sale of the applicable company or the assets of the applicable company, or transactions with related parties–that has negative consequences for the applicable company or companies and affects WHPP's (or Wind Harvest's under the terms of the Guaranty) ability to make payments on the 2022-2023 Notes.

(6) A description of the restrictions on transfer of the securities, as set forth in 17 CFR § 227.501.

17 CFR § 227.501 provides that a 2022-2023 Reg CF Note may not be transferred for one year after it is issued unless it is transferred:

(i) To WHPP;

(ii) To an accredited investor;

(iii) As part of an offering registered with the SEC; or

(iv) To a member of the family of the 2022-2023 Reg CF Investor or the equivalent, to a trust controlled by such investor, to a trust created for the benefit of a member of the family of such investor or the equivalent, or in connection with the death or divorce of such investor or other similar circumstance.

For purposes of this Rule 201(m)(6), the term accredited investor shall mean any person who comes within any of the categories set forth in 17 CFR § 230.501(a), or who WHPP reasonably believes comes within any of such categories, at the time of the sale of the securities to that person.

For purposes of this Rule 201(m)(6), the term member of the family of the investor or the equivalent includes a child, stepchild, grandchild, parent, stepparent, grandparent, spouse or spousal equivalent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the purchaser, and shall include adoptive relationships. For purposes of this Rule 201(m)(6), the term spousal equivalent means a cohabitant occupying a relationship generally equivalent to that of a spouse.

Note that different transfer restrictions apply to a 2022-2023 506(c) Note and that such restrictions may require the Investor in that offering to hold the 2022-2023 506(c) Note for more than one year or indefinitely.

Rule 201(p) A description of the material terms of any indebtedness of the Issuer, including the amount, interest rate, maturity date and any other material terms.

See description of the New WHPP Loans in our response to Rule 201(q).

Please see our financial statements, filed with the SEC with this Form C-AR as Exhibit D for a description of other indebtedness of the companies. However, please note the following:

- A $300,000 promissory note at 1% interest was extended until the end of 2023. It has earned $3444 in interest
- A $25,000 note for an existing investor was restarted on January 1, 2023 with a 10% interest. It has earned $781 in interest. Maturity Date is December 31, 2023.
- An investor is owed $185,858 for principal plus interest for promissory notes signed in 2022 and 2023 with a 10% interest rate. Maturity Date is December 31, 2023
- Kevin Wolf, the company founder is owed $112,841 in promissory notes plus $4481 in interest earned at 10% interest. Maturity date is December 31, 2023
- The Company has $41,313 in promissory notes and interest (10%) with a former staff person. Maturity Date is September 2024.
- An investor who did not convert her 2013 Note into shares is owed $20,378 in principal and interest. Maturity date is September 2024
- The Company's Accounts Payable at the end of 2022 was $837,250 which includes $225,219 owed to Wind Harvest Pilot Project which it in turn owes to its Noteholders and $110,000 in Purchase Orders for Model 4.0 components.
- The Company has $1,442,500 in Convertible Promissory notes plus $1,310,000 in

accrued interest with the Maas family. These Notes have a maturity date of Sept 1, 2024. Interest rate is 10%.

- Ten investors have $101,500 in promissory notes that can convert into Series A-4 shares. Notes range from $1500 to $25,000. The notes earn 10% and have a Maturity Date of March 31, 2024.

Rule 201(q) A description of exempt offerings conducted within the past three years.

WHPP

On April 8, 2022, WHPP completed offerings of guaranteed promissory notes under Regulation Crowdfunding and Rule 506(c) of Regulation D under the Securities Act raising $1,944,015 (the "2020-2021 Note Offerings"). WHPP loaned $1,850,000 of that amount to Wind Harvest (the "First WHPP Loans"). The loans were used to achieve installation of Wind Harvest's Model 3.1 turbine at the UL Advanced Wind Turbine Testing Facility in Texas. (The amount not loaned to Wind Harvest was used to pay (1) crowdfunding portal fees in connection with the 2020-2021 Note Offerings (2) legal fees and other administrative expenses associated with the 2020-2021 Note Offerings).

On July 7, 2020, WHPP issued 6,000,000 shares of its common stock to Wind Harvest pursuant to Section 4(a)(2) of the Securities Act. The total purchase price was $60.

Between September 2022 and April 28, 2023, WHPP sold 2022-2023 Notes in the amount of $497,374 in 2022-2023 Reg CF and 506c Notes. WHPP may raise additional funds in the 2022-2023 Reg CF Offering before the offering closes on April 30, 2023. WHPP will loan 90% of the funds raised in the 2022-2023 Note Offerings.[1] Such loans will be referred to herein as the New WHPP Loans. Wind Harvest has used the New WHPP Loans it has received so far to do the following:

- Pay staff
- Pay for new patents
- Pay off debt
- Upgrade the camera system on Model 3.1

Wind Harvest plans to use any additional New WHPP Loans to do the following:

1. Pay for more new patents
2. Advance projects including an SBIR contract with a US Air Force Base.
3. Pay staff.
4. Pay off debt

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[1] The remaining funds will be used to pay (i) Regulation Crowdfunding portal fees in connection with the 2022-2023 Reg CF Note Offering and (ii) reasonable administrative, operating and legal expenses in connection with the 2022-2023 Note Offerings.

Wind Harvest

Between December 15, 2020 and June 1, 2021, Wind Harvest issued to WHPP promissory notes in a total amount of $1,850,000 under the First WHPP Loans. $600,000 of the promissory notes carry an interest rate of 12.85% and $1,225,000 of the promissory notes carry an interest rate of 10.75%. The promissory notes are secured by turbines, related equipment, and power purchase agreements. The exemption used was Section 4(a)(2) of the Securities Act. As described above in this response to Rule 201(q), the First WHPP Loans were used to order and prepare Wind Harvest's Model 3.1 prototype turbine for installation, test the turbine, build the company and prepare Model 4.0 for manufacturing.

Between Dec. 15, 2020 and June 1, 2021, Wind Harvest issued to WHPP warrants under which 12,441,696 common shares of Wind Harvest are issuable. The warrants were issued in connection with the First WHPP Loans.

From November 2021 to March 10, 2022, Wind Harvest issued 7,488,600 shares of Series A Preferred Stock as a result of outstanding warrant exercises at an issuance price of $0.05 per share, for gross proceeds of $374,430$ These issuances were made pursuant to an exemption from registration under Section 4(a)(2) of the Securities Act. The proceeds were used for general operating expenses.

Between September 2022 and today, Wind Harvest issued to WHPP promissory notes in a total amount of $450,000 under the New WHPP Loans. Interest on the principal amount of each promissory note shall accrue at a fixed per annum rate up to but not exceeding 10%. The precise interest rate for each note shall be an amount necessary to cover (i) interest payments under promissory notes issued by the WHPP in order to finance Wind Harvest, (ii) Regulation Crowdfunding portal fees in connection with WHPP's activities to finance Wind Harvest, and (iii) as mutually agreed by the Lender and the Borrower, reasonable administrative, operating and legal expenses in connection with WHPP's activities to finance Wind Harvest. The promissory notes are unsecured. The exemption used was Section 4(a)(2) of the Securities Act. The use of the New WHPP Loans is described earlier in this response to Rule 201(q).

Rule 201(r) A description of any transaction since the beginning of the Issuer's last fiscal year, or any currently proposed transaction, to which the Issuer was or is to be a party and the amount involved exceeds five percent of the aggregate amount of capital raised by the Issuer in reliance on section 4(a)(6) of the Securities Act during the preceding 12-month period, inclusive of the amount the Issuer seeks to raise in the current offering under such section, in which any of the following persons had or is to have a direct or indirect material interest:

1) **Any director or officer of the Issuer;**
2) **Any person who is, as of the most recent practicable date but no earlier than**

120 days prior to the date the report or report is filed, the beneficial owner of 20 percent or more of the Issuer's outstanding voting equity securities, calculated on the basis of voting power;

3) If the Issuer was incorporated or organized within the past three years, any promoter of the Issuer; or

4) Any member of the family of any of the foregoing persons, which includes a child, stepchild, grandchild, parent, stepparent, grandparent, spouse or spousal equivalent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, and shall include adoptive relationships. The term spousal equivalent means a cohabitant occupying a relationship generally equivalent to that of a spouse.

We will refer to the transactions described in this Rule 201(r) as "Related Party Transactions."

WHPP has raised $482,837 in 2022-2023 Reg CF Note Offering with another $34,010 in escrow.

Below are Related Party Transactions from the beginning of 2022 to date, or that are currently proposed, and that exceed $ 24,669 (5% of $493,374).

Parties: In 2022 and 2023, Kevin Wolf loaned the Company a total of $112,841 in two Promissory Notes that earn 10% interest.

Parties: Mark Wolf
Relationship: Brother of Wind Harvest's CEO.
Description of Transaction: Mark Wolf lent the company $153,000 in 2022 in Promissory notes that earn 10%. All Mark's notes were repaid or converted into shares by the end of 2022.

Parties: Kelsey Wolf-Cloud and Wind Harvest
Relationship: Kelsey is the daughter of Wind Harvest's CEO
Description of Transaction: Wind Harvest paid Kelsey a salary of approximately $30,000 in 202.2

Parties: Kevin Wolf and Wind Harvest.
Description of Transaction: In his position as Wind Harvest's CEO, Wolf started receiving a salary of $5,000 per month in February 2022. That salary will increase $10,000 per month upon closing of Wind Harvest's Series A-4 round.

Parties: Wind Harvest and WHPP
Relationship: Wind Harvest is the parent company of WHPP
Description of Transaction: Please see the description of the First WHPP Loans in our response to Rule 201(q).

Parties: Wind Harvest and WHPP

Relationship: Wind Harvest is the parent company of WHPP
Description of Transactions: In 2022 Wind Harvest issued WHPP warrants under which 675,424 common shares are issuable.

Parties: Wind Harvest and WHPP
Relationship: Wind Harvest is the parent company of WHPP
Description of Transactions: In connection with the 2022-2023 Note Offerings, WHPP loaned or will loan Wind Harvest $ 455,000 of the $493,374 WHPP has raised in those offerings. WHPP may raise additional funds in the 2022-2023 Note Offerings and loan Wind Harvest up to $950,000 in additional funds.

Parties: Wind Harvest and WHPP
Relationship: Wind Harvest is the parent company of WHPP
Description of Transactions: In 2022 and 2023, Wind Harvest issued WHPP warrants under which 1,292,628 common shares are issuable.

MANAGEMENT DISCUSSION SECTION

Rule 201(s) A discussion of the Issuer's financial condition, including, to the extent material, liquidity, capital resources and historical results of operations.

Each Investor should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes and other financial information included elsewhere in this offering. Some of the information contained in this discussion and analysis, including information regarding the strategy and plans for our business, includes forward-looking statements that involve risks and uncertainties. Investors should review the risk factors stated in response to Rules 201(f) and 201(m) above as such factors could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

Wind Harvest hopes, but of course does not guarantee, that it will be the leading manufacturer of mid-level wind turbines with a solid share of the expected $400+ billion wind farm understory market and the estimated $100 billion distributed energy and behind-the-meter markets for shorter turbines. Wind Harvest's goal is to have $1 billion+ in annual sales by the end of 2027.

Given Wind Harvest's limited operating history, Wind Harvest cannot reliably estimate how much revenue it will receive in the future, if any.

Milestones

Wind Harvest

Wind Harvest was incorporated in the State of Delaware in January 2006. Since then, Wind Harvest has

- Completed designing and testing the *Wind Harvester* prototypes Model 1.0 and Model 2.0 that provided the Company with the three-blade design.
- Designed and tested Model 3.0, the full-scale commercial prototype and the largest turbine made in the Company's long history.
- Used the data from Model 3.0 to validate its suite of H-type vertical axis wind turbine aeroelastic computer models.
- Completed the engineering, and design review and manufacturing for Model 3.1.
- Installed and completed testing of its Model 3.1 at the UL Advanced Wind Turbine Testing Facility in Texas.
- Validated and improved our proprietary Eole Suite of Aeroelastic Models. The engineering team uses the models to rapidly evaluate possible changes in the turbine design.
- Completed Technology Readiness Level 7—full scale prototype operating in industrial conditions—for Model 3.1.
- Achieved 24/7 operations for Model 3.1.
- Finished the design of Model 4.0. The Model 4.0 turbines are less expensive to manufacture and assemble than previous models. They are also more durable and efficient. We are ready to order the first six Wind Harvester 4.0-70kWs turbines, with two being used in the certification process and four being sold to projects we are developing.
- Secured MOUs with two US Air Force Bases and applied for two AFWERX SBIR contracts.
- Filed four patents incorporating 18 innovations that we could potentially license to other companies.

WHPP

WHPP was incorporated in the State of Delaware in April 2020. WHPP's activities are described in our response to Rule 201(q).

Historical Results of Operations

WHPP

Since its incorporation in 2020, WHPP has had no activity other than raising funds from Investors and lending those funds to Wind Harvest.

WHPP is a finance subsidiary under the Investment Company Act of 1940 and, as such, WHPP's primary purpose is to finance the business operations of Wind Harvest. WHPP does not have and will not have, revenue or income (other than what it receives from or through Wind Harvest, such as principal or interest payments and proceeds from the sale of shares issued by Wind Harvest to WHPP in connection with the 2020-2021 Note Offerings or the 2022-2023 Note Offerings); does not have and will not have any assets independent of its activities to finance Wind Harvest; and does not have and will not have operations independent of Wind Harvest.

Wind Harvest

Wind Harvest was organized in January 2006 and has limited operations upon which Investors may base an evaluation of its performance. To date, Wind Harvest's activities have been largely confined to research and development and fundraising. Wind Harvest has done no business and has generated no revenue.

Liquidity & Capital Resources

WHPP

As discussed in our response to Rule 201(q), WHPP has made the First WHPP Loans and the New WHPP Loans to Wind Harvest. WHPP plans to use the majority of the interest and principal payments it receives from Wind Harvest under such loans to make interest and principal payments to the investors in the 2020-2021 Note Offerings and the 2022-2023 Note Offerings.

WHPP does not expect to have any capital resources, income, or revenue beyond the proceeds from the 2020-2021 Note Offerings, the 2022-2023 Note Offerings and any future offerings to investors for the purpose of financing Wind Harvest; the interest and principal payments WHPP receives from Wind Harvest; the proceeds from the sale, if any, of shares issuable under warrants issued from WHPP to Wind Harvest in connection with the 2020-2021 Note Offerings and the 2022-2023 Note Offerings. The profits from the sale of such shares will be divided pro rata among Investors in the 2020-2021 Notes and pro rata among investors in the 2022-2023 Notes according to the terms of such notes.

Wind Harvest

<u>Challenges</u>

In 2022, Wind Harvest terminated an employment contract with a senior employee. The termination also resulted in legal fees because the employee sued Wind Harvest, claiming breach of his employment agreement. Wind Harvest's settlement with the former employee requires Wind Harvest to pay him a total of $130,000. Wind Harvest is paying in installments and has $105,000 left to pay.

Wind Harvest expended $15,000 on litigation and mediation fees.

As discussed elsewhere in this Form C-AR, and in the financial statements filed as **Exhibit D**, Wind Harvest converted $9,097,000 of debt into equity. The complexity involved resulted in us not accomplishing the following:

1. Completing the transaction in a timely manner
2. Without the closing, the Company could not properly approach family funds and

VC for investments.
3. Without the audits being completed, the Company could not launch the 2022-2023 Reg CF Note Offering.

In order to conduct the 2022-2023 Reg CF Note Offering, we had to provide audited financial statements for both Companies for 2021 and 2020. Wind Harvest has complex financials. The audits were expensive, costing ~$55,000, and time consuming. The time contributed to delaying the start of the latest Reg CF and equity offerings. We launched both offerings almost a year later than anticipated.

The 2022-2023 Reg CF Note Offering has raised only 20% of the $2.5 million goal. We believe that part of the reason for this is that Wefunder, the original portal for the offering, only provided 4% to 20% of the investor outreach that they had for the 2020-2021 Note Offerings. We believe that the tough stock market conditions and inflation of 2022 also contributed.

In December 2022, lack of funding necessitated that Wind Harvest lay off its administrative staff except for its accountant who was absent from late November 2022 to mid-January 2023 and has since returned part time. Wind Harvest now has monthly staff and consulting expenses of less than $60,000. However, the reduction in staff has made it more difficult to handle all of the work and has resulted in a reduction in social media and other information dissemination that has reduced anticipated investments into its latest crowdfunding offering..

Wind Harvest has continued to pay its engineering team, but consulting engineers have had to reduce their hours significantly while the company awaits more funding.

Wind Harvest does not yet have the lead $2 million investor lined up for its ongoing Series A-4 round. It will likely take another 2+ months to close the round.

Wind Harvest will require additional financing, in excess of the sources of capital and potential sources of capital described in this discussion and analysis, in order to become profitable and self-sustaining. Wind Harvest does not have any other sources of capital, or potential sources of capital beyond its historic and new-found investors.

Successes and Opportunities

Wind Harvest has filed for four patents in April 2023 and is on track to filing another three by summer 2023. The Company and its IP attorney believe these patents will make it difficult for others to make utility scale, vertical axis wind turbines for turbulent mid-level wind conditions without licensing these patents.

Wind Harvest engineers use the data from its Model 3.1 turbine operating in Texas to revalidate its Eole suite of aeroelastic models. The Company believes it has the first set of vertical axis computer models that have been validated with field data from full-scale VAWT prototypes.

Wind Harvest's Small Business Innovation Research proposals led to MOUs with Travis and Ellsworth Air Force Bases ("AFB") for *Wind Harvester* pilot projects. Our Small Business Innovation Research ("SBIR") proposals were deemed qualified, but the program had insufficient funding. Wind Harvest is in discussions with both AFBs for non-SBIR pilot projects that Wind Harvest would finance. The Ellsworth project is in the last steps of approval to move forward, however the Power Purchase Agreement there will be minimal, likely to be less than $0.04 per kWh because the AFB receives inexpensive power from a local federal dam. Wind Harvest will do a little better than break even with that price. But the agreement with the AFB will give Wind Harvest the new 30% tax credits that will accrue with the completion of the project. And Wind Harvest will make a margin on the sale of its turbines to the AFB project. This will be a worthwhile demonstration, but it will not make much money because of the low price the AFB presently pays for its energy from a nearby Federal dam. We will gain some information on bird flight patterns as we will study the sage grouse interactions with the turbines.

Dr. Ariana Marshall has made significant progress advancing projects in Barbados with both private and governmental property owners. As soon as funding is available, Ariana believes Wind Harvest can secure a project site on government land. There Wind Harvest would certify a pair of *Wind Harvester 4.0-50kW* turbines for the island 50HZ and 400V electrical systems, the same system grid requirements and certification needed to sell turbines in Europe and many other countries around the world.

We believe that hiring a General Manager to coordinate Wind Harvest's administrative activities will be a great support to Wind Harvest's success. We have many excellent candidates for the position.

Wind Harvest's Equity Incentive Plan had its first vesting event in January 2023. All Wind Harvest's engineers except one have received 25% of the options allocated to them under the plan. (25% of the other engineer's options will vest in June 2023.) This has incentivized the engineers to stay with the company. The consulting engineers also do not rely on Wind Harvest for their main income.

Current Activities and Plans for the Future

So that it can become profitable, Wind Harvest plans to raise $7 million in a Series A-4 round and $15 million in a Series B round in early 2024.

To sustain its operations and satisfy creditors before the Series A-4 round closes, Wind Harvest is offering accredited investors convertible promissory notes that earn a 10% interest and are convertible, at the investor's option, into Series A-4 shares at a price of $0.09 each before the round closes (the "Series A-4 Notes"). Wind Harvest is also using funds raised in the 2022-2023 Reg CF Note Offering to meet short-term expenses. Wind Harvest needs the proceeds of the 2022-2023 Note Offerings to successfully meet its milestones, fulfill its mission, and remain a viable business.

Wind Harvest expects to use the funds from the Series A-4 round, the Series B round, the Series A-4 Notes, and the 2022-2023 Note Offerings as follows:

- $1.1 million to pay off debt.

- $2.5 million to Wind Harvest Renewables, Wind Harvest's project development subsidiary, to finance the projects in Barbados and the US that buy the six Wind Harvester 4.0-70kWs turbine and the Model 3.1 turbine.

- $400,000 to support and certify the turbines and its power converter to meet U.S tax credit requirements and grid connection standards.

- $330,000 to purchase a specialized Doppler LiDAR unit and pay for a post-doctoral researcher. The post-doc will collect wind speed and turbulence data and model the wake created from pairs of our turbines. The LiDAR will collect data on how much the wake from VAWTs increase the wind speeds entering the rotors and the energy production of the taller turbines under which *Wind Harvesters* are installed.

- $300,000 to our investment with Greenspur to develop, purchase and test a ferrite magnet generator on one of our six Wind Harvester 4.0-70kWs turbines. Developing this component ourselves will free Wind Harvest from a dependency on China for rare-earth magnets and allow Wind Harvest to manufacture it in the U.S. and secure the subsidies available for it from the Inflation Reduction Act.

- $250,000 for the 2023 salaries of Wind Harvest's two top management hires—General Manager and VP Sales.

- $250,000 to Wind Harvest's CEO for salary and bonuses for closing the Series A-4 and Series B rounds.

- $650,000 for additional administrative staff, consultants, office lease and associated costs.

- $400,000 to develop projects not included in the ones that install the first seven turbines.

- $650,000 for engineering beyond that involved in the above. With this funding, the engineers expect to complete the design and certification of three types of turbine towers (lattice, steel monopole, wood monopole), reduce the costs of making and installing Model 4.0, and conduct the initial design process for Wind Harvest's Tradewind and Ridgeline Harvesters (Models 5.0 and 6.0).

- $200,000 contingency fund.

- $15 million from the Series B round to finance for projects that purchase 90 of Wind Harvest's turbines in 2024. We believe that this purchase will potentially result in $29 million in product sales.

Wind Harvest's goals for 2023 include:

- Install and begin testing and certifying its Wind Harvester 4.0-70kW turbine.

- Complete the development process for Wind Harvest Renewable projects in the U.S. and Barbados.

- Testing the Wind80 power converter from Windurance. The Wind80 is expected to be significantly cheaper than the ABB drive Wind Harvest presently uses. In addition, with funding from NREL, we expect that the Wind80 will meet all of the grid connection certification requirements. Further, because the Wind80 will be made in the U.S., it will qualify for a $7,000 subsidy.

- Replacing the existing blade caps on the turbines with aerodynamically designed blade tip fairings. Our inexpensive 3d printer can easily produce and test different fairing designs.

- Testing ideas for how to decrease the costs to meet the failsafe braking requirements for certified turbines.

- Once testing on Model 3.1 is complete, selling it to a Wind Harvest-initiated project. There, Model 3.1 could be used to produce energy for the next 20 years and to help educate students and the public about vertical axis wind turbines and Wind Harvester technology.

Because of the complexities and uncertainties in establishing a new business strategy, it is not possible to guarantee that the proceeds from these offerings, or any of the other sources of capital described herein, will be sufficient to enable Wind Harvest to implement its strategy. Although capital may be available for early-stage companies, there is no guarantee that Wind Harvest will receive any additional investments from investors.

Rule 201(x) Whether the Issuer or any of its predecessors previously failed to comply with the ongoing reporting requirements of 17 CFR §227.202.

No.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements in this Form C-AR, including its Exhibits, that are not historical are forward-looking statements. These forward-looking statements are typically identified by terms such as "will," "anticipate," "believe," "continue," "could," "can," "estimate," "expect," "foresee," "roadmap," "intend," "likely," "may," "plan," "potential," "predict," "probable," "project," "seek," "should," “aim,” “would,” “can have,” “pipeline,” and similar expressions. Forward-looking statements in this Form C-AR, including its Exhibits, may include, among others, statements concerning the following: the *Wind Harvesters*’ potential impact on the wind energy industry; the *Wind Harvesters*’ future utilization of an untapped wind resource; the *Wind Harvesters*’ potential social and environmental impact; the Wind Harvesters’ future improvement of the reliability and output of renewable energy projects; Wind Harvest’s future sources of capital; the return on investment you may receive if you invest in this offering; the terms and timing of this offering and of future offerings; the sources, amounts, and timing of Wind Harvest’s future revenue and profits, if any; Wind Harvest’s sales pipeline; the size of the market available to Wind Harvest; the demand for the *Wind Harvester* turbines; the amount of capital Wind Harvest will need to complete its projects; whether and when Wind Harvest projects will be completed; whether and when the certification and installation of the turbines will occur; Wind Harvest’s ability to license its technology; how the funds from this offering will be used; and/or whether and when manufacturing and sales of the Wind Harvesters will occur.

You are cautioned not to place undue reliance on these forward-looking statements. They are based on the current beliefs, expectations, and assumptions of our management and are subject to significant risks and uncertainties that are beyond our ability to predict or control. These risk factors include, but are not limited to, those that can be found under “Risk Factors” herein (Question 8) and those identified as risks elsewhere in this Form C-AR. All information provided in this Form C-AR, including its Exhibits, as of the date of filing of this Form C-AR, unless otherwise stated herein. We undertake no duty to update this information unless required by law.

<u>Exhibits List</u>

Exhibit A: Bios of Officers and Directors
Exhibit B: Pitch Deck
Exhibit C: Forms of 2022-2023 Notes and Guaranty
Exhibit D: Financial Statements
Exhibit E: Wind Harvest Signatures

Exhibit D: Financial Statements

WIND HARVEST INTERNATIONAL, INC.

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2021 AND 2020

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WIND HARVEST INTERNATIONAL, INC.

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To the Board of Directors of
Wind Harvest International, Inc.
Sacramento, California

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying consolidated financial statements of Wind Harvest International, Inc. and subsidiary (the "Company"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the related consolidated statements of operations, changes in stockholders' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Substantial Doubt About the Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As described in Note 2 to the consolidated financial statements, the Company has not generated revenues or profits since inception, has sustained net losses of $2,630,249 and $1,032,821 for the years ended December 31, 2021 and 2020, respectively, and has incurred negative cash flows from operations for the years ended December 31, 2021 and 2020. As of December 31, 2021, the Company had an accumulated deficit of $18,035,679, limited liquid assets with cash of $96,845 and current liabilities in excess of current assets by $143,960. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the

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design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Artesian CPA, LLC

Artesian CPA, LLC

Denver, Colorado
July 22, 2022

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WIND HARVEST INTERNATIONAL, INC.

CONSOLIDATED BALANCE SHEETS

	December 31, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	$ 96,845	$ 93,152
Subscription receivable	-	277,215
Inventory	122,345	-
Prepaids and other current assets	39,724	-
Total assets	$ 258,914	$ 370,367
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 213,420	$ 37,551
Accrued expenses	51,751	-
Interest payable	137,703	3,056,876
Notes payable, net	-	1,767,922
Convertible notes payable	-	4,002,000
Total current liabilities	402,874	8,864,349
Interest payable	3,597,799	-
Notes payable, net	3,041,222	-
Convertible notes payable	4,242,000	-
Interest payable, related party	566,502	508,999
Notes payable, related party	1,501,666	1,506,506
Total liabilities	13,352,063	10,879,854
Commitments and contingencies (Note 7)		
Stockholders' deficit:		
Preferred stock, $0.0001 par value, 117,000,000 shares authorized, 92,880,172 shares and 92,640,172 shares issued and outstanding as of December 31, 2021 and 2020, respectively - liquidation preference of $4,644,009 and $4,632,009 as of December 31, 2021 and 2020, respectively	9,284	9,264
Common stock, $0.0001 par value, 162,000,000 shares authorized, 18,560,000 shares issued and outstanding as of both December 31, 2021 and 2020	1,856	1,856
Additional paid-in capital	4,931,390	4,884,823
Accumulated deficit	(18,035,679)	(15,405,430)
Total stockholders' deficit	(13,093,149)	(10,509,487)
Total liabilities and stockholders' deficit	$ 258,914	$ 370,367

See Independent Auditor's Report and accompanying notes, which are an integral part of these consolidated financial statements.

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WIND HARVEST INTERNATIONAL, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2021	Year Ended December 31, 2020
Net revenue	$ -	$ -
Operating expenses:		
General and administrative	738,436	102,484
Sales and marketing	91,081	13,179
Research and development	1,029,819	289,649
Total operating expenses	1,859,336	405,312
Loss from operations	(1,859,336)	(405,312)
Other income (expense), net		
Other income	1,589	-
Interest expense	(772,502)	(627,509)
Total other expense, net	(770,913)	(627,509)
Provision for income taxes	-	-
Net loss	$ (2,630,249)	$ (1,032,821)
Weighted average common shares outstanding - basic and diluted	18,560,000	18,560,000
Net loss per common share - basic and diluted	$ (0.14)	$ (0.06)

See Independent Auditor's Report and accompanying notes, which are an integral part of these consolidated financial statements.

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WIND HARVEST INTERNATIONAL, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balances at December 31, 2019	92,640,172	$ 9,264	18,560,000	$ 1,856	$ 4,882,548	$ (14,372,609)	$ (9,478,941)
Fair value of warrants issued	-	-	-	-	2,275	-	2,275
Net loss	-	-	-	-	-	(1,032,821)	(1,032,821)
Balances at December 31, 2020	92,640,172	9,264	18,560,000	1,856	4,884,823	(15,405,430)	(10,509,487)
Warrant exercise	240,000	20	-	-	11,976	-	11,996
Fair value of warrants issued	-	-	-	-	34,591	-	34,591
Net loss	-	-	-	-	-	(2,630,249)	(2,630,249)
Balances at December 31, 2021	92,880,172	$ 9,284	18,560,000	$ 1,856	$ 4,931,390	$ (18,035,679)	$ (13,093,149)

See Independent Auditor's Report and accompanying notes, which are an integral part of these consolidated financial statements.

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WIND HARVEST INTERANTIONAL, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2021	Year Ended December 31, 2020
Cash flows from operating activities:		
Net loss	$ (2,630,249)	$ (1,032,821)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of debt discount	24,673	8,557
Changes in operating assets and liabilities:		
Inventories	(122,345)	-
Prepaids and other current assets	(39,724)	-
Accounts payable	175,869	(56,078)
Accrued expenses	51,751	-
Interest payable	678,626	535,789
Interest payable, related party	57,503	57,507
Net cash used in operating activities	(1,803,896)	(487,046)
Cash flows from financing activities:		
Proceeds from notes	1,620,301	657,807
Proceeds from convertible notes	240,000	-
Offering costs	(32,318)	(76,055)
Repayment of notes	(27,550)	-
Repayment of related party notes	(4,840)	(4,653)
Proceeds from issuance of preferred stock	11,996	-
Net cash provided by financing activities	1,807,589	577,099
Net change in cash and cash equivalents	3,693	90,053
Cash and cash equivalents at beginning of year	93,152	3,099
Cash and cash equivalents at end of year	$ 96,845	$ 93,152
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$ -	$ -
Cash paid for interest	$ 5,072	$ 25,655
Supplemental disclosure of non-cash financing activities:		
Fair value of warrants issued in connection with notes payable	$ 34,591	$ 2,275
Original issuance discount on notes payable issued	$ 4,000	$ 21,847

See Independent Auditor’s Report and accompanying notes, which are an integral part of these consolidated financial statements.

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1. NATURE OF OPERATIONS

Wind Harvest International, Inc. (the “Company”) is a corporation formed on January 6, 2006 under the laws of the State of Delaware. The Company is designing and intends to produce and sell its Wind Harvester line of vertical axis wind turbines to customers and projects it develops. The Company is headquartered in Sacramento, California.

On April 7, 2020, the Company formed a wholly-owned subsidiary Wind Harvest Pilot Project, Inc. (“WHPP”), a Delaware public benefit corporation. WHPP was formed to raise capital for the Company through Regulation CF and 506(c) offerings. WHPP loans this money to the Company to provide the capital needed to bring the Wind Harvester turbines through the commercialization process and advance the development of projects that will buy the Company’s products.

2. GOING CONCERN

The Company has evaluated whether there are certain conditions and events, considered in the aggregate, that raise substantial doubt and the Company’s ability to continue as a going concern within one year after the date that the consolidated financial statements are issued.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has not generated revenues or profits since inception, has sustained net losses of $2,630,249 and $1,032,821 for the years ended December 31, 2021 and 2020, respectively, and has incurred negative cash flows from operations for the years ended December 31, 2021 and 2020. As of December 31, 2021, the Company had an accumulated deficit of $18,035,679, limited liquid assets with cash of $96,845 and current liabilities in excess of current assets by $143,960. These factors raise substantial doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern for the next twelve months is dependent upon its ability to generate sufficient cash flows from investors to meet its obligations. No assurances can be given that the Company will be successful in these efforts. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities as a result of this uncertainty.

Subsequent to December 31, 2021, the Company has received additional proceeds through debt and equity issuances totaling $967,930 which has provided additional working capital to support its continuing operations. See Note 8.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America ("GAAP"). The Company’s fiscal year-end is December 31.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary WHPP. All inter-company transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of the Company’s consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions reflected in these consolidated financial statements include, but are not limited to the valuations of common and preferred stock. The Company bases its estimates on historical experience, known trends and other market-specific or other relevant factors that it believes to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates when there are changes in circumstances, facts and experience. Changes in estimates are recorded in the period in which they become known. Actual results could differ from those estimates.

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Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company generally maintains balances in various operating accounts at financial institutions that management believes to be of high credit quality, in amounts that may exceed federally insured limits. The Company has not experienced any losses related to its cash and cash equivalents and does not believe that it is subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships. At December 31, 2021 and 2020, all of the Company's cash and cash equivalents were held at accredited financial institutions.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents.

Fair Value Measurements

Certain assets and liabilities of the Company are carried at fair value under GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.
- Level 3—Unobservable inputs that are supported by little or no market activity that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

The carrying values of the Company's assets and liabilities approximate their fair values.

Subscription Receivable

The Company records debt and stock issuances at the effective date. If the subscription is not funded upon issuance, the Company records a subscription receivable as an asset on a balance sheet. When subscription receivables are not received prior to the issuance of financial statements at a reporting date in satisfaction of the requirements under FASB ASC 505-10-45-2, the contributed capital is reclassified as a contra account to stockholders' deficit on the balance sheet.

Inventory

Inventory is stated at the lower of cost or market and accounted for using the specific identification method. The inventory balance as of December 31, 2021, consists of raw material components intended for future use in products. The Company assesses its inventory at each reporting date for indications of impairment or obsolescence and writes down the inventory balance for any such impairments.

Impairment of Long-Lived Assets

Management continually monitors events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable. When such events or changes in circumstances are present, management assesses the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flows. If the total of the future cash flows is less than the carrying amount of those assets, management recognizes an impairment loss based on the excess of the carrying amount over the fair value of the Company's long-lived assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

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Revenue Recognition

The Company adopted ASU 2014-09*, Revenue from Contracts with Customers*, and its related amendments (collectively known as "ASC 606"), effective January 1, 2018. The Company determines revenue recognition through the following steps:

Identification of a contract with a customer;

- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when or as the performance obligations are satisfied.

Revenue is recognized when performance obligations are satisfied through the transfer of control of promised goods to the Company's customers in an amount that reflects the consideration expected to be received in exchange for transferring goods or services to customers. Control transfers once a customer has the ability to direct the use of, and obtain substantially all of the benefits from, the product. This includes the transfer of legal title, physical possession, the risks and rewards of ownership, and customer acceptance.

To date, the Company has not generated any revenue.

Sales and Marketing

Sales and marketing expenses includes advertising, public relations and business development costs. Advertising costs are expensed as incurred.

General and Administrative Expenses

General and administrative expenses consist primarily of consulting and professional services, as well as administrative expenditures.

Research and Development Expenses

Costs related to the development of the Company's technology are included in research and development expenses and are expensed as incurred in accordance with Accounting Standards Codification ("ASC") 730. Research and development costs primarily consist of third-party engineering fees and other personnel costs related to the Company's research and development activities.

Accounting for Preferred Stock

ASC 480, *Distinguishing Liabilities from Equity*, includes standards for how an issuer of equity (including equity shares issued by consolidated entities) classifies and measures on its balance sheet certain financial instruments with characteristics of both liabilities and equity.

Management is required to determine the presentation for the preferred stock as a result of the redemption and conversion provisions, among other provisions in the agreement. Specifically, management is required to determine whether the embedded conversion feature in the preferred stock is clearly and closely related to the host instrument, and whether the bifurcation of the conversion feature is required and whether the conversion feature should be accounted for as a derivative instrument. If the host instrument and conversion feature are determined to be clearly and closely related (both more akin to equity), derivative liability accounting under ASC 815, *Derivatives and Hedging*, is not required. Management determined that the host contract of the Company's preferred stock is more akin to equity, and accordingly, liability accounting is not required by the Company. The Company has presented preferred stock within stockholders' deficit.

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Convertible Instruments

GAAP requires companies to bifurcate conversion options from their host instruments and account for them as free-standing derivative financial instruments according to certain criteria. The criteria includes circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. An exception to this rule is when the host instrument is deemed to be conventional as that term is described under applicable GAAP.

When the Company has determined that the embedded conversion options should not be bifurcated from their host instruments, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their stated date of redemption. The Company also records, when necessary, deemed dividends for the intrinsic value of conversion options embedded in preferred shares based upon the differences between the fair value of the underlying common stock at the commitment date of the transaction and the effective conversion price embedded in the preferred shares.

As of December 31, 2021 and 2020, the Company had no such conversion features.

Income Taxes

The Company uses the liability method of accounting for income taxes as set forth in ASC 740, *Income Taxes*. Under the liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is unlikely that the deferred tax assets will not be realized. The Company assesses its income tax positions and records tax benefits for all years subject to examination based upon its evaluation of the facts, circumstances and information available at the reporting date. In accordance with ASC 740-10, for those tax positions where there is a greater than 50% likelihood that a tax benefit will be sustained, the Company's policy will be to record the largest amount of tax benefit that is more likely than not to be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where there is less than 50% likelihood that a tax benefit will be sustained, no tax benefit will be recognized in the consolidated financial statements.

Net Loss per Share

Net earnings or loss per share is computed by dividing net income or loss by the weighted-average number of common shares outstanding during the period, excluding shares subject to redemption or forfeiture. The Company presents basic and diluted net earnings or loss per share. Diluted net earnings or loss per share reflect the actual weighted average of common shares issued and outstanding during the period, adjusted for potentially dilutive securities outstanding. Potentially dilutive securities are excluded from the computation of the diluted net loss per share if their inclusion would be anti-dilutive. As all potentially dilutive securities are anti-dilutive as of December 31, 2021 and 2020, diluted net loss per share is the same as basic net loss per share for each year.

Recently Adopted Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*. This ASU requires a lessee to recognize a right-of-use asset and a lease liability under most operating leases in its balance sheet. The ASU is effective for annual and interim periods beginning after December 15, 2021. Early adoption is permitted. The Company is continuing to evaluate the impact of this new standard on its financial reporting and disclosures.

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In June 2018, the FASB issued ASU No. 2018-07, *Compensation - Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting* ("ASU 2018-07"). ASU 2018-07 eliminates the separate accounting model for nonemployee share-based payment awards and generally requires companies to account for share-based payment transactions with nonemployees in the same way as share-based payment transactions with employees. The accounting remains different for attribution, which represents how the equity-based payment cost is recognized over the vesting period, and a contractual term election for valuing nonemployee equity share options. ASU 2018-07 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2018, with early adoption permitted. The Company adopted ASU 2018-07 on January 1, 2019 and does not believe the adoption had a material impact on its consolidated financial statements as of December 31, 2021 and 2020.

In May 2014, the FASB issued ASC 606, providing new revenue recognition guidance that superseded existing revenue recognition guidance. The update, as amended, requires the recognition of revenue related to the transfer of goods or services to customers to reflect the consideration to which the entity expects to be entitled in exchange for those goods or services, as well as additional qualitative and quantitative disclosures about revenues. The Company adopted the new revenue recognition guidance as of January 1, 2020 using the modified retrospective method of transition for all contracts that were not completed as of that date. Management does not believe this treatment had a material impact through December 31, 2021.

In January 2017, the FASB issued ASU 2017-04, Intangibles - Goodwill and Other (Topic 350), Simplifying Accounting for Goodwill Impairment ("ASU 2017-04"). ASU 2017-04 removes the requirement to perform a hypothetical purchase price allocation to measure goodwill impairment. A goodwill impairment will now be the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. The amendments in this update are effective for public entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. For all other entities, the amendment is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Company is currently evaluating the impact the adoption of ASU 2017-04 will have on its consolidated financial statements.

In August 2018, the FASB issued ASU 2018-15, Intangibles — Goodwill and Other — Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract ("ASU 2018-15"). ASU 2018-15 requires a customer in a cloud computing arrangement that is a service contract to follow the internal-use software guidance in ASC 350-40 to determine which implementation costs to defer and recognize as an asset. The amendments in this update are effective for public entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. For all other entities, the amendment is effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. The Company adopted ASU 2018-15 on January 1, 2021 and does not believe the adoption had a material impact on its consolidated financial statements as of December 31, 2021 and 2020.

In August 2020, FASB issued ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity; Own Equity ("ASU 2020-06"), as part of its overall simplification initiative to reduce costs and complexity of applying accounting standards while maintaining or improving the usefulness of the information provided to users of consolidated financial statements. Among other changes, the new guidance removes from GAAP separation models for convertible debt that require the convertible debt to be separated into a debt and equity component, unless the conversion feature is required to be bifurcated and accounted for as a derivative or the debt is issued at a substantial premium. As a result, after adopting the guidance, entities will no longer separately present such embedded conversion features in equity, and will instead account for the convertible debt wholly as debt. The new guidance also requires use of the "if-converted" method when calculating the dilutive impact of convertible debt on earnings per share, which is consistent with the Company's current accounting treatment under the current guidance. The guidance is effective for consolidated financial statements issued for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years, with early adoption permitted, but only at the beginning of the fiscal year. The Company is currently evaluating the impact the adoption of ASU 2020-06 will have on its consolidated financial statements.

Management does not believe that any other recently issued accounting standards could have a material effect on the accompanying consolidated financial statements. As new accounting pronouncements are issued, the Company will adopt those that are applicable under the circumstances.

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4. DEBT

Notes Payable

The Company has entered into promissory notes with third-party investors. During the years ended December 31, 2021 and 2020, the Company entered into notes for aggregate principal amounts of $119,000 and $240,317, respectively. In 2021, the Company repaid principal on these notes in the amount of $27,550 and $6,380 of interest, of which, $5,072 was paid in cash and $1,308 was forgiven. In 2021 and 2020, the Company incurred original issue discounts of $4,000 and $21,847, respectively, pertaining to these notes, which were recorded as debt discounts and are amortized to interest expense over the life of the notes. Amortization expense was $11,120 and $7,582 for the years ended December 31, 2021 and 2020, respectively.

The notes bear interest at rates ranging from 4 to 18%. Interest expense on these notes was $156,470 and $133,490 during the years ended December 31, 2021 and 2020, respectively. Accrued interest on the note payable was $515,807 and $365,717 as of December 31, 2021 and 2020, respectively. Notes that were issued prior to 2021 were in default as of December 31, 2020. In 2021, the maturity date of those notes was extended to September 1, 2024 with the exception of some notes that were repaid in 2021. Upon the maturity date, all outstanding principal and any unpaid interest is due.

As of December 31, 2021 and 2020, the outstanding principal of these notes was $1,258,196 and $1,166,749, presented net of unamortized discounts of $30,901 and $37,521 for carrying amounts of $1,227,295 and $1,128,728, all respectively.

Regulation CF and Regulation D Offerings

In October 2020, the Company initiated a Regulation CF and 506(c) offering via its subsidiary WHPP. Under the offering, WHPP issued promissory notes that bear interest at 8 to 10% per annum and mature on December 31, 2027, at which point all then outstanding principal and accrued interest become due and payable. These notes are guaranteed by Wind Harvest International, Inc. In connection with the notes, investors are entitled to receive the proceeds from the sale of 640 common stock warrants for each $100 in note principal invested (see Note 5).

As of December 31, 2021 and 2020, the Company has raised an aggregate principal of $1,916,515 and $692,429. In 2021 and 2020, the Company incurred issuance costs of $28,318 and $51,932, respectively, which were recorded as debt discounts and are amortized to interest expense over the life of the notes. As of December 31, 2020, the Company had a subscription receivable of $277,215 pertaining to the offering which was collected in 2021.

WHPP was granted 7,834,138 and 4,431,546 warrants to purchase common stock in connection with the notes in 2021 and 2020, respectively. The total fair values of the warrants of $34,591 and $2,275 was recorded as a debt discount in 2021 and 2020, respectively, and are being amortized to interest expense over the life of the notes.

Amortization expense on the debt discount was $13,553 and $976 for the years ended December 31, 2021 and 2020, respectively. Interest expense on these notes was $135,613 and $2,090 during the years ended December 31, 2021 and 2020, respectively, all of which was accrued and unpaid as of December 31, 2021. Interest payments on the accrued interest are due and payable each year.

The following is a summary of notes payable for the years ended December 31, 2021 and 2020:

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	Principal	Unamortized Debt Discount	Notes Payable, Net
Balance, December 31, 2019	$ 926,429	$ (23,755)	$ 902,674
Issuance of notes to third parties	240,317	(21,847)	218,470
Issuance of notes pursuant to Regulation CF offering	692,429	(54,208)	638,221
Amortization of debt discount	-	8,557	8,557
Balance, December 31, 2020	1,859,175	(91,253)	1,767,922
Issuance of notes to third parties	119,000	(4,000)	115,000
Repayments	(27,550)	-	(27,550)
Issuance of notes pursuant to Regulation CF offering	1,224,086	(62,909)	1,161,177
Amortization of debt discount	-	24,673	24,673
Balance, December 31, 2021	$ 3,174,710	$ (133,489)	$ 3,041,222

Convertible Notes Payable

From 2012 through 2021, the Company entered into several convertible promissory note agreements. The outstanding principal of the convertible notes was $4,242,000 and $4,002,000 as of December 31, 2021 and 2020, respectively. The notes bear interest at 10% per annum. In 2021 the maturity date of the previously issued notes was extended to September 1, 2024. Upon the maturity date, all outstanding principal and any unpaid interest is due. In connection with these notes, the Company granted warrants to purchase 27,517,336 shares of preferred stock of which 24,198,525 shares were outstanding and available for exercise as of December 31, 2021. The warrants had a fair value of $441,577, which were recorded as a debt discount and amortized to interest expense.

With respect to principal of $1,357,000 and $1,117,000 and accrued interest of $851,428 and $747,005 as of December 31, 2021 and 2020, respectively, upon a preferred equity financing of $1,500,000 - $2,000,000 (dependent upon the agreement), the outstanding principal and all accrued and unpaid interest shall automatically convert into shares of preferred stock at a conversion price equal to 90% - 100% (dependent upon the agreement) of the price per share at which such preferred stock was sold in the equity financing. With respect to the principal of $2,885,000 as of December 31, 2021 and 2020, and accrued interest of $2,230,564 and $1,962,064 as of December 31, 2021 and 2020, respectively, the notes are convertible into Series A Preferred stock at the holder's option at a conversion price of $0.05 per share.

Interest expense on these notes was $400,638 and $400,200 during the years ended December 31, 2021 and 2020 respectively. As of December 31, 2021 and 2020, accrued interest on convertible notes was $3,081,992 and $2,689,069, respectively.

Notes Payable, Related Party

In 2012, the Company entered into promissory notes with its founders and an entity that sold its assets to the Company in 2006. The outstanding principal of the related party notes was $1,501,666 and $1,506,506 as of December 31, 2021 and 2020, respectively.

The notes bear interest at 4% per annum. Interest expense on the notes was $60,163 and $60,353 during the years ended December 31, 2021 and 2020, respectively. As of December 31, 2021 and 2020, accrued interest on related party notes was $566,502 and $508,999, respectively.

The outstanding principal and accrued interest are payable thirty days from the trigger date, which is defined as the earliest of a) revenues of $50,000,000, b) EBITDA of $10,000,000 or c) a debt or equity financing of $25,000,000.

5. STOCKHOLDERS' EQUITY (DEFICIT)

Preferred and Common Stock

As of September 30, 2020, the Company's certificate of incorporation was amended and restated, which authorized the Company to issue up to 117,000,000 shares of preferred stock, designated as Series A Preferred Stock, and up to 162,000,000 shares of common stock, $0.0001 par value. The preferred stock is convertible into shares of common stock at a dilution protected one for one rate. From November 2021 to December 2021, the Company issued 240,000 shares of Series A Preferred Stock as a result of outstanding warrant exercises at an issuance price of $0.05 per share, for gross proceeds of $11,996.

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The holders of each class of stock shall have the following rights and preferences:

Voting

The holders of preferred are entitled to vote, together with the holders of common stock as a single class, on all matters submitted to stockholders for a vote and have the right to vote the number of shares equal to the number of shares of common stock into which each share of preferred stock could convert on the record date for determination of stockholders entitled to vote. Certain Series A Preferred Stockholders have the right to designate one director.

Dividends

The Company shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock unless the holders of the preferred stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of preferred stock in an amount equal to 8% of the Original Issue Price (as defined below) per share per annum. Thereafter, any additional dividend shall be payable on a pro rata basis to the holders of common stock and preferred stock (assuming the conversion of preferred stock into common stock at the then current conversion price). The dividend shall not be cumulative and shall be payable only if, when and as declared by the Board of Directors. Through December 31, 2021, no dividends had been declared. The preferred stock Original Issue Price shall mean $0.05 per share.

Liquidation

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company or deemed liquidation event, the holders of preferred stock then outstanding shall be entitled to be paid out of the assets of the Company available for distribution to its stockholders before any payment shall be made to the holders of common stock in an amount per share equal to the greater of (i) the Original Issue Price, plus any dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had all shares of preferred stock been converted into common stock. The total liquidation preferences as of December 31, 2021 and 2020 amounted to $4,644,009 and $4,632,009, respectively.

Redemption

No class of stock shall have any redemption rights.

Conversion

Each share of preferred stock shall be convertible, at the option of the holder at any time into shares of common stock by dividing the Original Issue Price by the conversion price in effect at the time of conversion and subject to adjustment for certain dilutive events. The conversion price shall initially be equal to $0.05 per share. Each share of preferred stock is mandatorily convertible into one share of common stock upon a qualified initial public offering (as defined in the articles of incorporation) or upon the majority vote of the preferred stockholders.

As of December 31, 2021 and 2020, the Company had 92,880,172 and 92,640,172 shares of preferred stock issued and outstanding, respectively. As of December 31, 2021 and 2020, the Company had 18,560,000 shares of common stock issued and outstanding.

Warrants

Preferred Stock Warrants

As of December 31, 2021 and 2020, the Company had 23,938,025 and 24,418,125 outstanding warrants, respectively, to purchase shares of preferred stock. The warrants, issued between 2012 and 2016, have an exercise price of $0.05 per share and a ten-year term. As of December 31, 2021, all outstanding warrants were exercisable with a weighted average exercise price of $0.05 per share and a weighted average duration to expiration of 2.16 years. 240,000 warrants were exercised in 2021, as discussed in Note 5.

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Common Stock Warrants

In connection with the notes issued by WHPP in its crowdfunding offering (Note 4), investors are entitled to receive proceeds from the exercise and sale of the resulting shares of common stock of WHI in the amount of 640 common stock warrants for each $100 in note principal invested. As of December 31, 2021 and 2020, WHPP was granted warrants to purchase 12,265,683 and 4,431,546 shares of the Company's common stock. The warrants have an exercise price of $0.01 per share and expire in December 2027 and January 2028. WHPP promissory note holders will receive a pro-rata share of the profits when the warrants are exercised and the shares issued under the warrants are sold by WHPP. As of December 31, 2021, no warrants were exercised.

The following table presents, on a weighted average basis, the assumptions used in the Black-Scholes option-pricing model to determine the grant-date fair value of the warrants granted:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Risk-free interest rate	0.31-0.35%	0.24%
Expected term (in years)	3.00	3.50
Expected volatility	65.25%	65.25%
Expected dividend yield	0%	0%

As of December 31, 2021 and 2020, the total fair value of the warrants of $34,591 and $2,275, respectively, was recorded as a debt discount and is being amortized to interest expense over the life of the notes. Amortization expense on the debt discount was $2,471 and $976 for the years ended December 31, 2021 and 2020, respectively.

6. INCOME TAXES

Deferred taxes are recognized for temporary differences between the basis of assets and liabilities for financial statement and income tax purposes. The differences relate primarily to cash to accrual differences and net operating loss carryforwards. As of December 31, 2021 and 2020, the Company had net deferred tax assets before valuation allowance of $5,562,727 and $2,181,029, respectively. The following table presents the deferred tax assets and liabilities by source:

	December 31, 2021	December 31, 2020
Deferred tax assets:		
Net operating loss carryforwards	$ 4,353,434	$ 1,192,292
Cash to accrual differences	1,209,293	988,737
Valuation allowance	(5,562,727)	(2,181,029)
Net deferred tax assets	$ -	$ -

The Company recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. The Company assessed the need for a valuation allowance against its net deferred tax assets and determined a full valuation allowance is required due to taxable losses for the years ended December 31, 2021 and 2020, cumulative losses through December 31, 2021, and no history of generating taxable income. Therefore, valuation allowances of $5,562,727 and $2,181,029 , were recorded as of December 31, 2021 and 2020, respectively. Valuation allowance increased by $3,381,698 during the year ended December 31, 2021. Deferred tax assets were calculated using the Company's combined effective tax rate, which it estimated to be 28.1%. The effective rate is reduced to 0% for 2021 and 2020 due to the full valuation allowance on its net deferred tax assets.

The Company's ability to utilize net operating loss carryforwards will depend on its ability to generate adequate future taxable income. At December 31, 2021 and 2020, the Company had net operating loss carryforwards available to offset future taxable income in the amounts of $15,487,135 and $4,241,521, respectively.

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The Company has evaluated its income tax positions and has determined that it does not have any uncertain tax positions. The Company will recognize interest and penalties related to any uncertain tax positions through its income tax expense

The Company may in the future become subject to federal, state and local income taxation though it has not been since its inception, other than minimum state tax. The Company is not presently subject to any income tax audit in any taxing jurisdiction, though its 2019-2021 tax years remain open to examination.

7. COMMITMENTS AND CONTINGENCIES

Contingencies

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matters will have a material adverse effect on its business, financial condition or results of operations.

Lease Obligations

Effective November 10, 2021, the Company entered into a lease agreement for office space. The lease term commenced November 20, 2021, and expires after 48 months, on November 19, 2025. Monthly lease obligations under the agreement are base rent starting at $3,996 per month plus operating costs ranging from $1,358 to $1,484, but subject to actual expenses. The base rent is contractually escalated to $4,038 per month beginning November 20, 2022, $4,079 per month beginning November 20, 2023 and to $4,121 per month beginning November 20, 2024.

The Company entered into a lease agreement for a portion of the leased office space with a sub-lessor at a rate of $7,400 for the entire term of the lease. The 7-month lease term commenced November 2021 and expires in May 2022. The income from the sublease is recorded to other income on the consolidated statements of operations.

The minimum rental commitments for the next five years under the operating lease at December 31, 2021, are as follows:

Year Ending December 31	
2022	$ 64,361
2023	65,354
2024	66,353
2025	59,599
2026	-
Thereafter	-
Total	$ 255,667

8. SUBSEQUENT EVENTS

Subsequent to December 31, 2021, the Company has received proceeds of $648,500 from promissory note agreements with third-party investors. These notes consist of following:

$27,500 of promissory notes with terms substantially the same as those disclosed in Note 4, section *Regulation CF and Regulation D Offerings*. These notes included the issuance of warrants for the purchase of 176,000 shares of common stock.

$93,000 of promissory notes bearing interest at 10% and maturing in 2023.

$100,000 promissory notes bearing interest at 10%, due in 2023, convertible into 1,111,111 shares of preferred stock upon initiation of a preferred stock financing round.

$128,000 of convertible notes, bearing interest at 10%, maturing in 2024, with a 10% discount on auto conversion if/upon a triggering equity financing of $2,000,000 (including these and any other convertible notes).

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$300,000 promissory notes bearing interest at 1% and maturing in December 2022. These notes included the issuance of warrants for the purchase of 700,000 shares of common stock.

The Company has also received proceeds of $334,430 pursuant to exercise of warrants into shares of preferred/common stock.

On February 15, 2022, the Company's certificate of incorporation was amended and restated, which authorized the Company to issue up to 117,000,000 shares of preferred stock, designated as Series A Preferred Stock, and up to 262,000,000 shares of common stock, $0.0001 par value. The preferred stock is convertible into shares of common stock at a dilution protected one for one rate.

As a result of the amended and restated certificate of incorporation, the Company adopted the *2022 Equity Incentive Plan* (the “Plan”). The Plan permits the grant of stock options and restricted stock to attract and retain talent. Under the Plan the Company may issue stock options having a term of ten years and a strike price of no less than fair value of the common stock. The Company has reserved 86,000,000 shares of common stock under the Plan. All shares of common stock remain available for grant under the Plan.

On July 8, 2022, the Company received notice regarding unasserted claims made by a former employee. Management has retained legal counsel and is evaluating these claims. At this time, management cannot reasonably determine the likelihood of any outcome in this matter, including its potential liability and as such, no accrual is necessary as of December 31, 2021.

Effective May 25, 2022, the Company extended its existing lease agreement for office space to include additional space. The lease term for the additional space commenced July 1, 2022, and expires on November 19, 2025. New monthly lease obligations under the agreement are base rent starting at $7,560 per month plus operating costs estimated at $2,880, but subject to actual expenses. The base rent is contractually escalated to $7,787 per month beginning November 20, 2022, $8,021 per month beginning November 20, 2023 and to $8,262 per month beginning November 20, 2024.

The Company entered into a lease agreement for a portion of the leased office space with a sub-lessor at a rate of $500 per month. The 6-month lease term commenced July 2022 and expires in November 2022.

Management has evaluated subsequent events through July 22, 2022, the date the consolidated financial statements were available to be issued. Based on this evaluation, no additional material events were identified which require adjustment or disclosure in these consolidated financial statements.

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Wind Harvest

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE, AND COMPANY HAS NO OBLIGATION TO REGISTER THIS NOTE IN THE FUTURE. THIS NOTE HAS BEEN ISSUED PURSUANT TO REGULATION CROWDFUNDING UNDER SECTION 4(A)(6) OF THE SECURITIES ACT AND MAY NOT BE OFFERED, SOLD, OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED BY RULE 501 OF REGULATION CROWDFUNDING AND APPLICABLE STATE LAWS OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM. NEITHER THE OFFERING OF THE NOTE NOR ANY OFFERING MATERIALS HAVE BEEN REVIEWED BY ANY ADMINISTRATOR UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE LAW.

PROMISSORY NOTE
WITH
PROFIT SHARE KICKER

PRINCIPAL AMOUNT:

EFFECTIVE DATE:

PROFIT SHARE KICKER: Share of profits from the sale of 250 shares of Wind Harvest International, Inc. Common Stock per $100 invested.

FOR VALUE RECEIVED, the undersigned, **Wind Harvest Pilot Project Inc**, a Delaware public benefit corporation (“***Company***”) hereby promises to pay to the order of ____________ (“***Holder***”) the amounts and on the terms described herein. This Note is issued pursuant to Regulation Crowdfunding under Section 4(a)(6) of the Securities Act (“***Regulation Crowdfunding***”) and as part of the Financing.

1. **Certain Definitions.**

   1.1. “***Financing***” means Company’s issuance of Notes in exchange for amounts invested by the Investors of up to $2,500,000 pursuant to Regulation Crowdfunding and/or Rule 506(c) of Regulation D under the Securities Act.

1.2. “***Investors***” means all of the holders of the Notes.

1.3. “***Loan Agreement***” means an agreement, entered into in September 2022, under which Company makes loans to Parent using the proceeds of the Financing.

1.4. “***Maturity Date,***” as to this Note, means December 31, 2027.

1.5. “***Note*****”** means this Note.

1.6. “***Notes***” means this Note and all of the promissory notes whose principal terms (other than the interest rate) are substantially similar to those of this Note. Such principal terms shall include the Maturity Date, the Warrant Expiration Date, and the provisions regarding the Profit Share Kicker in **Section 14** hereof.

1.7. “***Parent***” means Wind Harvest International, Inc., a Delaware corporation and the parent company of Company.

1.8. “***Pro Rata Share***” means, for any Investor, the ratio that results from dividing the original amount of the Investor’s investment by the total original amount invested by all of the Investors.

1.9. “***Reasonable Efforts***” are good faith efforts that (1) are reasonably calculated to accomplish the applicable objective, (2) do not require any expenditure of funds or the incurrence of any liability that, in either case, is unreasonable in light of the applicable objective, (3) do not require action that is contrary to prudent business judgment in light of the applicable objective, and (4) do not expose the obligated party to unreasonable risk. The fact that the objective is not actually accomplished is not dispositive evidence that the obligated party did not in fact utilize its Reasonable Efforts in attempting to accomplish the objective.

1.10. “***Warrants***” means warrants for Parent’s Common Stock ($0.0001 par value per share) that have an exercise price of $0.01 per share and are issued by Parent to Company under the Loan Agreement.

1.11. **“*Warrant Expiration Date***” means December 31, 2027.

1.12. “***Warrant Shares***” means shares of Parent’s Common Stock issuable under the Warrants.

2. **Principal and Interest Payments.** Unless accelerated by Holder as a result of a default under this Note, all principal and accrued interest will be due and payable as follows:

2.1. Beginning on the Effective Date, simple interest on the principal sum of $______________ will accrue at a fixed rate of seven percent (7%) per annum (computed on the basis of a 365-day year and the number of days actually elapsed).

2.2. Within sixty (60) days following the end of each fiscal year before the Maturity Date, Company shall make a payment of the interest accrued for the most recently ended fiscal year.

2.3. Except as otherwise provided in this Note, all unpaid principal (or such lesser amount as will then equal the outstanding principal amount hereunder) interest, and any other sums owing under this Note shall be due and payable in full on the Maturity Date.

3. **Prepayment.** Prepayment, in whole or in part, of principal and/or interest under this Note is available at Company's option at any time following the Effective Date, without penalty or premium.

4. **Manner and Time of Payments.** Except to the extent otherwise provided herein, all payments to be made by Company and other amounts due hereunder shall be made in United States dollars, in immediately available funds, to Holder at such account as Holder shall specify by notice to Company from time to time, not later than 5:00 p.m. Eastern Time on the date on which such payments shall become due (each such payment made after such time on such due date to be deemed to have been made on the next succeeding business day). Such payments shall be made without (to the fullest extent permitted by applicable law) defense, set-off, or counterclaim.

5. **Subordination.** This Note is subordinated to all indebtedness of Company to banks, commercial finance lenders, insurance companies, leasing and equipment financing institutions, and/or other institutions regularly engaged in the business of lending money.

6. **Security.** This Note is unsecured.

7. **Information Rights.** Upon Holder's request, Company will deliver to Holder unaudited financial statements for Company's most recently ended fiscal year. Company shall have one hundred twenty (120) days following the end of each fiscal year to prepare such statements.

8. **Assignment.** This Note may be assigned or transferred by Holder or Company so long as such assignment complies with all applicable laws and regulations.

9. **Late Payments**. If any payment required to be made under this Note is not paid within fifteen (15) business days after the date due, Company shall increase the payment by five percent (5%) of the amount overdue to reimburse Holder for the additional expenses incurred as a result of such delinquency, but such increase shall not obligate Holder to accept any overdue payment hereunder or limit the rights and remedies available to Holder as a result of Company's default, as hereinafter provided. The amount of any such increased payment shall be deemed outstanding and payable pursuant to this Note.

10. **Events of Default.** Each of the following shall constitute an event of default (each, an "***Event of Default***") hereunder:

    10.1. **Nonpayment.** The failure of Company to pay any payment due and payable under this Note to Holder within fifteen (15) business days after such payment is due, provided that such nonpayment is not cured prior to the expiration of any applicable notice and grace periods provided herein.

    10.2. **Nonperformance.** The failure of Company to perform or observe any of the provisions, terms, covenants, conditions, or warranties of this Note, provided that such default is not cured prior to the expiration of any applicable notice and grace periods provided herein.

11. **Remedies.** Upon the occurrence of any Event of Default, if Company does not cure such Event of Default within ten (10) business days after receiving notice from Holder of such Event of Default, Holder shall have the option of declaring the entire unpaid balance of this Note, together with all accrued and unpaid interest, late fees and all other sums owing hereunder, to be immediately due and payable in full, without notice, demand, or legal process of any kind. Immediately upon doing so, Holder may exercise (singly, concurrently, successively, or otherwise) any and all rights and remedies available to Holder hereunder, or otherwise available to Holder at law or in equity. Any failure of Holder to accelerate the unpaid balance of this Note upon the occurrence of an Event of Default hereunder shall not constitute a waiver of such default or of the right to accelerate this Note at any time thereafter so long as the Event of Default remains uncured.

    The failure to exercise or delay in exercising any such right or remedy stated in the previous paragraph, or the failure to insist upon strict performance of any term of this Note, shall not be construed as a waiver or release of the same, or of any Event of Default, or of any obligation or liability of Company thereunder, nor shall Holder be deemed, by any act of omission or commission or otherwise, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by Holder, and then only to the extent specifically set forth in the writing. A waiver as to one event shall not be construed as continuing or a bar to or waiver of any right or remedy as to a subsequent event.

12. **Nature of Transaction; Interest Limitations; Limitations of Liability.**

    12.1. Company has issued this Note in a commercial transaction for business purposes.

    12.2. All agreements between Company and Holder, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency, whether by reason of demand or acceleration of this Note or otherwise, shall the interest contracted for, charged, received, paid, or agreed to be paid to Holder exceed the maximum amount permissible under applicable law. If, from any circumstance whatsoever, interest would otherwise be payable to Holder in excess of the maximum amount permissible under applicable law, the interest payable to Holder shall be reduced to the maximum amount permissible under applicable law; and if from any circumstance Holder shall ever receive anything of value deemed interest by applicable law in excess of the maximum amount permissible under applicable law, an amount equal to the excessive interest shall be applied to the unpaid principal balance hereof, or if such excessive amount of interest exceeds the unpaid balance of principal hereof, such excess shall be refunded to Company. All interest paid or agreed to be paid to Holder shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period (including any renewal or extension) until payment in full of the principal so that the interest hereon for such full period shall not exceed the maximum amount permissible under applicable law. Company agrees that any amount payable to or received by Holder that is not specifically denominated as an interest payment in the applicable agreement providing for same shall be deemed, to the maximum extent permitted by applicable law, to be an expense, fee, or premium, and not interest.

12.3. To the fullest extent permitted by law, neither party (including each party's directors, officers, employees, agents, and representatives) shall be liable to the other or any other person for any injury to or loss of goodwill, reputation, business, production, revenues, profits, anticipated profits, contracts, or opportunities (regardless of how these are classified as damages), or for any consequential, incidental, indirect, exemplary, special, punitive or enhanced damages whether arising out of breach of contract, tort (including negligence), strict liability, product liability or otherwise (including the entry into, performance, or breach of this Note), regardless of whether such loss or damage was foreseeable or the party suffering the loss has been advised of the possibility of such loss or damage, and notwithstanding the failure of any agreed or other remedy of its essential purpose.

13. **Notes are Pari Passu.** The Notes will rank equally without preference or priority of any kind over one another, and all payments on account of principal and interest with respect to any of the Notes will be applied ratably and proportionately on all outstanding Notes on the basis of the original principal amount of outstanding Notes.

14. **Profit Share Kicker.**

14.1. Under the Loan Agreement, Parent has agreed to issue Company Warrants for 250 Warrant Shares for every $100 invested by Investors (the "***Profit Share Kicker Warrants***").

14.2. Company shall make Reasonable Efforts to exercise all of the Profit Share Kicker Warrants and sell all of the Warrant Shares issuable thereunder (the "***Profit Share Kicker Shares***") before the Warrant Expiration Date.

14.3. If, before the Warrant Expiration Date, Company has resold any or all of the Profit Share Kicker Shares, Company shall pay to Holder such Holder's Pro Rata Share of the profit from such resale. Such payment shall be referred to herein as the "***Profit Share Kicker***."

14.4. Payment of the Profit Share Kicker may occur in one transaction or in multiple transactions before the Warrant Expiration Date, provided that Company shall pay to each Holder such Holder's Pro Rata Share of the profit from each resale within sixty (60) days following such resale.

14.5. For purposes of illustration only, if Company raises $2,500,000 from Investors, Company will receive Profit Share Kicker Warrants for 6,250,000 Profit Share Kicker Shares. Company would then make Reasonable Efforts to exercise the Profit Share Kicker Warrants and sell the 6,250,000 Profit Share Kicker Shares. If an Investor invests $10,000, the Investor would be entitled to a Profit Share Kicker consisting of the profits from 25,000 Profit Share Kicker Shares, provided that, it is possible that Company will not exercise any or all of the Profit Share Kicker Warrants or sell any or all of the Profit Share Kicker Shares. In that case, the Investor's Profit Share Kicker could be a lower amount or zero.

14.6. The Profit Share Kicker would be in addition to the repayment of principal and all accrued interest under this Note.

14.7. Company shall have no obligation to exercise any Warrants or to sell any Warrant Shares issuable thereunder.

15. **Guaranty.** Company is a finance subsidiary of Parent pursuant to Rule 3a-5 of the Investment Company Act of 1940 (the "***Rule***"). Company shall cause Parent to execute, on or before the Effective Date, a guaranty in accordance with the requirements of the Rule (the "***Guaranty***"). The Guaranty shall unconditionally guarantee any and all payments due under this Note and shall be substantially in the same form attached hereto as ***Exhibit A***.

16. **Representations and Warranties of Company.** Company hereby represents and warrants to Holder as follows:

16.1. **Organization.** Company is a duly organized and validly existing corporation in good standing under the laws of the jurisdiction of its organization

16.2. **Authority; Binding Agreement.** All action on the part of Company and its officers necessary for the authorization, execution, delivery, and performance of this Note by Company and the performance of Company's obligations hereunder, has been taken. This Note, when executed and delivered by Company, shall comprise valid and binding obligations of Company enforceable in accordance with their terms, subject to laws of general application relating to bankruptcy, insolvency, the relief of debtors, and general principles of equity that restrict the availability of equitable remedies, and subject to rights to indemnity and federal and state securities laws.

16.3. **Governmental Consents.** All consents, approvals, orders, or authorizations of, or registrations, qualifications, designations, declarations, or filings with, any governmental authority, required on the part of Company in connection with the offer, sale, issuance, or valid execution of this Note, or the consummation of any other transaction contemplated hereby has been obtained, except for notices required or permitted to be filed after the date of this Note with certain state and federal securities regulatory bodies, which notices will be filed on a timely basis.

17. **Representations, Warranties, and Covenants of Holder.** Holder hereby represents, warrants, and covenants to Company as follows:

17.1. **No Transfer Without Registration or Exemption.** Holder understands that the Note has not been registered under the Securities Act, or the securities laws of any State and that Company has no obligation to register this Note in the future. Holder understands that this Note has been issued pursuant to Regulation Crowdfunding and may not be offered, sold, or otherwise transferred, pledged or hypothecated except as permitted by Rule 501 of Regulation Crowdfunding ("Rule 501") and applicable State laws or pursuant to an effective registration statement or an exemption therefrom. Holder understands that Rule 501 provides that this Note may not be transferred for one year after the date of issuance (with limited exceptions) and that even after one year there may not be any market for this Note.

17.2. **Holder Can Protect Its Interests.** Holder understands that the purchase of this Note involves a high degree of risk, and that Company's future prospects are uncertain. Holder understands the risks involved in the purchase of this Note, including (1) the speculative high-risk nature of the investment; (2) the financial hazards involved, including the risk of losing the entire investment; and (3) the lack of liquidity of the investment due to the absence of a trading market for this Note. Holder has fully reviewed Company's information on the Wefunder platform, including Company's Form C and all amendments thereto, if any. Holder has such knowledge and experience in financial and business matters that Holder can properly evaluate the merits and risks of purchase of this Note and can protect Holder's own interests in this regard.

17.3. **Holder Advised to Seek Representation.** Holder understands that nothing in this Note or any other materials presented to Holder in connection with the purchase and sale of this Note constitutes legal, tax, or investment advice. Company has advised Holder to consult with such legal, tax, and investment advisors as Holder, in its sole discretion, deems necessary or appropriate in connection with its purchase of the Note.

17.4. **Information.** Holder acknowledges that it has received all the information it considers necessary or appropriate for deciding whether to purchase the Note. Holder further represents that it has had an opportunity to ask questions and receive answers from Company regarding the terms and conditions of the offering of the Note and the business, properties, prospects and financial condition of Company, and to obtain additional information (to the extent the Company possessed such information or could acquire such information without unreasonable effort or expense) necessary to verify the accuracy or any information furnished to it or to which it had access.

17.5. **Indemnity.** Holder agrees to indemnify and hold harmless Company and its officers for any claims, judgments, or expenses incurred as a result of any misrepresentation made by Holder.

17.6. **Authority; Binding Agreement.** Holder represents and warrants to, and covenants with, Company that (i) Holder has full right, power, authority, and capacity to enter into this Note and to consummate the transactions contemplated hereby and has taken all necessary action to authorize the execution, delivery, and performance of this Note, and (ii) this Note constitutes a valid and binding obligation of Holder enforceable against Holder in accordance with its terms, except as enforceability may be limited by applicable law.

17.7. **Complete Information.** All information provided by Holder to Company herein, and all information provided by Holder to Company in connection with the purchase and sale of this Note—including information provided by Holder on the Wefunder platform—is true, correct, and complete as of the date hereof.

17.8. **Accredited Investor.** If Holder has checked the box next to "Accredited Investor" on the signature page, Holder represents that Holder is an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act.

17.9. **Unaccredited Investor.** If Holder has checked the box next to "Unaccredited Investor" on the signature page, Holder represents that Holder is complying with the rules and regulations of Regulation Crowdfunding, including the investment limits set forth therein.

17.10. **Holder Not Subject to Backup Withholding.** Holder certifies that Holder is not subject to backup withholding because: (a) Holder is exempt from backup withholding, (b) Holder has not been notified by the Internal Revenue Service (IRS) that Holder is subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified Holder that Holder is no longer subject to backup withholding.

18. **Miscellaneous.**

18.1. **Successors and Assigns.** The terms and conditions of this Note shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. The words "Company" and "Holder" whenever used herein shall be deemed and construed to include such respective successors and assigns. Nothing in this Note, express or implied, is intended to confer upon any third party any rights, remedies, obligations, or liabilities under or by reason of this Note, except as expressly provided herein.

18.2. **Governing Law.** This Note shall be governed by and construed under the laws of the State of Delaware, without giving effect to conflicts of laws principles.

18.3. **Counterparts.** This Note may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18.4. **Titles and Subtitles.** The titles and subtitles used in this Note are used for convenience only and are not to be considered in construing or interpreting this Note.

18.5. **Notice.** Any notice or demand which Holder may or must give to Company under this Note shall be made in writing and delivered to the address below, or to such other address which Company may later designate in writing to Holder. Notice shall be deemed to have been duly given when (a) delivered by hand and receipted for by Company or (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed.

Kevin Wolf, Chief Executive Officer
Wind Harvest Pilot Project Inc
712 Fifth Street
Davis, CA 95616

Any notice or demand which Company may or must give to Holder under this Note shall be made in writing and delivered to an address provided by the Wefunder platform following Holder's purchase of the Note, or to such other address which Holder may later designate in writing to Company. Notice shall be deemed to have been duly given when (a) delivered by hand and receipted for by Holder or (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed.

18.6. **Severability.** In the event that any provision of this Note becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Note shall continue in full force and effect without said provision; provided that no severance shall be effective if it materially changes the economic benefit of this Note to any party.

18.7. **Entire Agreement.** This Note, along with the agreements completed on the Wefunder platform, constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the purchase of the Note by Holder from Company, and supersedes all prior and contemporaneous understandings or agreements of the parties.

18.8. **Amendments.** This Note may be amended by mutual agreement of the parties in writing, provided that no provision of **Section 14** hereof may be amended without the written consent of Company and Investors holding a majority of the aggregate outstanding principal amount under all of the Notes.

18.9. **Expenses.** Company and Holder shall each be responsible for bearing their own expenses incurred on their behalf (including attorney's fees) with respect to this Note and the transaction contemplated hereby.

18.10. **Company's Right to Accept or Reject Investments.** Company may accept or reject any investments, in whole or in part. This means that Company may sell to Holder a Note in a smaller amount than Holder invests or may choose not to sell the Note to Holder. If Company accepts Holder's investment, in whole or in part, except as otherwise set forth on the Wefunder platform, this Note will constitute an irrevocable commitment by Holder to purchase this Note, and a copy of this Note will be executed by Company and returned to Holder. If Company rejects Holder's investment in whole or in part, Company will return the payment tendered for any unissued portion of the investment.

18.11. **Tax Withholding.** Holder hereby authorizes Company to make any withholding required by law. Holder agrees to provide to Company a Form W-9 or comparable form.

18.12. **Further Assurances.** Each party hereby covenants and agrees, without the necessity of any further consideration, to execute and deliver any and all such further documents and take any and all such other actions as may be necessary or appropriate to carry out the intent and purposes of this Note and to consummate the transactions contemplated herein.

18.13. **Electronic Signatures.** Each party agrees that electronic signatures, whether digital or encrypted, to this Note are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures.

18.14. **Note Not Effective Until Company Accepts Funds.** This Note is not effective until Company has accepted from the Holder an amount equal to the principal amount of this Note.

[Signature page follows]

IN WITNESS WHEREOF, Company has caused this **PROMISSORY NOTE** to be executed by its duly authorized officer as of the date first above written.

COMPANY:

WIND HARVEST PILOT PROJECT INC

By: ________________________________

Name: Kevin Wolf

Title: Chief Executive Officer

ACCEPTED AND AGREED:

[If Holder is an individual]

HOLDER:

[NAME]

Signature: ____________________

Print Name: ___________________

- **Accredited Investor**
- **Unaccredited Investor**

[If Holder is an entity]

HOLDER:

[NAME]

By: ________________________

Name: ______________________

Title: ________________________

- **Accredited Investor**
- **Unaccredited Investor**

EXHIBIT A

GUARANTY

This Guaranty (this “**Guaranty**”), dated as of _______________, is made by Wind Harvest International, Inc., a Delaware corporation (“**Guarantor**”), in favor and for the benefit of _________ (“**Beneficiary**”). The Guarantor and Beneficiary are collectively referred to herein as the “Parties” and each may individually be referred to herein as a “Party.”

Reference is made to the Promissory Note dated as of _____________ (the “**Note**”), by and between Beneficiary and Wind Harvest Pilot Project Inc (“**Obligor**”), which is a Delaware public benefit corporation and a finance subsidiary of Guarantor pursuant to Rule 3a-5 of the Investment Company Act of 1940.

Guarantor expects to derive substantial benefits from Beneficiary’s loan to Obligor under the Note, and Guarantor finds it advantageous, desirable and in its best interests to execute and deliver this Guaranty to Beneficiary.

In consideration of such benefits, and in order to induce Beneficiary to enter into the Note, Guarantor hereby agrees as follows:

1. Guaranty. On a subordinated basis as provided in **Section 6** hereof, Guarantor absolutely, unconditionally and irrevocably guarantees, as primary obligor and not merely as surety, the full and punctual payment and performance of all present and future obligations, liabilities, covenants and agreements required to be observed and performed or paid or reimbursed by Obligor under or relating to the Note (including all payment of principal, interest, and premium, if any), plus all costs, expenses and fees (including the reasonable fees and expenses of Beneficiary's counsel) in any way relating to the enforcement or protection of Beneficiary's rights hereunder (collectively, the “**Obligations**”).

2. Guaranty Absolute and Unconditional. Guarantor agrees that its Obligations under this Guaranty are, on a subordinated basis as described in **Section 6** hereof, irrevocable, continuing, absolute and unconditional and shall not be discharged or impaired or otherwise affected by, and Guarantor hereby irrevocably waives any defenses to enforcement it may have (now or in the future) by reason of

(a) Any illegality, invalidity or unenforceability of any Obligation or the Note or any related agreement or instrument, or any law, regulation, decree or order of any jurisdiction or any other event affecting any term of the Obligations.

(b) Any change in the time, place or manner of payment or performance of, or in or of any other term of the Obligations, or any rescission, waiver, release, assignment, amendment or other modification of the Note.

(c) Any default, failure or delay, willful or otherwise, in the performance of the Obligations.

(d) Any change, restructuring or termination of the corporate structure, ownership or existence of Guarantor or Obligor or any insolvency, bankruptcy, reorganization or other similar proceeding affecting Obligor or its assets or any resulting restructuring, release or discharge of any Obligations.

(e) The failure of any other guarantor or third party to execute or deliver this Guaranty or any other guaranty or agreement, or the release or reduction of liability of Guarantor or any other guarantor or surety with respect to the Obligations.

(f) The failure of Beneficiary to assert any claim or demand or to exercise or enforce any right or remedy under the provisions of the Note or otherwise.

(g) The existence of any claim, set-off, counterclaim, recoupment or other rights that Guarantor or Obligor may have against Beneficiary (other than a defense of payment or performance).

(h) Any other circumstance (including, without limitation, any statute of limitations), act, omission or manner of administering the Note or any existence of or reliance on any representation by Beneficiary that might vary the risk of Guarantor or otherwise operate as a defense available to, or a legal or equitable discharge of, Guarantor.

3. Certain Waivers; Acknowledgments. Guarantor further acknowledges and agrees as follows:

(a) Guarantor hereby unconditionally and irrevocably waives any right to revoke this Guaranty and acknowledges that this Guaranty is continuing in nature and applies to all presently existing and future Obligations, until the complete, irrevocable and indefeasible payment and satisfaction in full of the Obligations.

(b) In the event of Obligor's default in any payment of principal, interest, or premium under the Note, or in the event of Obligor's default in any other payment under the Note, Beneficiary may institute legal proceedings directly against Guarantor to enforce this Guaranty without first proceeding against Obligor.

(c) This Guaranty is a guaranty of payment and performance and not of collection. Beneficiary shall not be obligated to enforce or exhaust its remedies against Obligor or under the Note before proceeding to enforce this Guaranty.

(d) This Guaranty is a direct guaranty and independent of the obligations of Obligor under the Note. Beneficiary may resort to Guarantor for payment and performance of the Obligations whether or not Beneficiary shall have resorted to any collateral therefor (if any) or shall have proceeded against Obligor or any other guarantors with respect to the Obligations. Beneficiary may, at Beneficiary's option, proceed against Guarantor and Obligor, jointly and severally, or against Guarantor only without having obtained a judgment against Obligor.

(e) If Obligor fails to make a scheduled payment under the Note, Guarantor is obligated to make the scheduled payment immediately and, if Guarantor does not, Beneficiary may immediately bring suit directly against Guarantor for payment of all amounts due and payable.

(f) Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of non-performance, default, acceleration, protest or dishonor and any other notice with respect to any of the Obligations and this Guaranty and any requirement that Beneficiary protect, secure, perfect or insure any lien or any property subject thereto.

(g) Guarantor agrees that its guaranty hereunder shall continue to be effective or be reinstated, as the case may be, if at any time all or part of any payment of any Obligation is voided, rescinded or recovered or must otherwise be returned by Beneficiary upon the insolvency, bankruptcy or reorganization of Obligor.

(h) Guarantor acknowledges that this Guaranty is in effect and binding without reference to whether it is signed by Beneficiary or any other person, and that possession of this Guaranty by Beneficiary shall be conclusive evidence of Guarantor's due delivery hereof.

4. Subrogation. Guarantor waives and shall not exercise any rights that it may acquire by way of subrogation, contribution, reimbursement or indemnification for payments made under this Guaranty until all Obligations shall have been indefeasibly paid and discharged in full.

5. Information Rights. Upon Beneficiary's request, Guarantor will deliver to Beneficiary unaudited financial statements for Guarantor's most recently ended fiscal year. Guarantor shall have one hundred twenty (120) days following the end of each fiscal year to prepare such statements.

6. Subordination. This Guaranty is subordinated in right of payment to all indebtedness of Company to banks, commercial finance lenders, insurance companies, leasing and equipment financing institutions, and/or other institutions regularly engaged in the business of lending money.

7. Representations and Warranties. To induce Beneficiary to enter into the Note and to invest in Obligor pursuant to the terms of the Note, Guarantor represents and warrants that: (a) Guarantor is a duly organized and validly existing corporation in good standing under the laws of the jurisdiction of its organization; (b) the execution, delivery and performance of this Guaranty have been duly authorized by all necessary action and will not violate any order, judgment or decree to which Guarantor or any of its assets may be subject; and (c) this Guaranty, when executed and delivered to Beneficiary, constitutes Guarantor's valid and legally binding agreement in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency, the relief of debtors, and general principles of equity that restrict the availability of equitable remedies, and subject to rights to indemnity and federal and state securities laws.

8. Notice. Any notice or demand which Beneficiary may or must give to Guarantor under this Guaranty shall be made in writing and delivered to the address below, or to such other address which Guarantor may later designate in writing to Beneficiary. Notice shall be deemed

to have been duly given when (a) delivered by hand and receipted for by Guarantor or (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed.

Kevin Wolf, President
Wind Harvest International, Inc.
712 Fifth Street
Davis, CA 95616

Any notice or demand which Guarantor may or must give to Holder under this Note shall be made in writing and delivered to an address provided by the Wefunder platform following Beneficiary's purchase of the Note, or to such other address which Beneficiary may later designate in writing to Guarantor. Notice shall be deemed to have been duly given when (a) delivered by hand and receipted for by Beneficiary or (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed.

9. Successors and Assigns. The terms and conditions of this Guaranty shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. The words "Guarantor" and "Beneficiary" whenever used herein shall be deemed and construed to include such respective successors and assigns. Nothing in this Guaranty, express or implied, is intended to confer upon any third party any rights, remedies, obligations, or liabilities under or by reason of this Guaranty, except as expressly provided herein.

10. Assignment. Either Party may assign or transfer its rights, powers or obligations hereunder so long as such assignment complies with all applicable laws and regulations.

11. Governing Law. This Guaranty shall be governed by and construed under the laws of the State of Delaware, without giving effect to conflicts of laws principles.

12. Headings. Section headings are for convenience of reference only and shall not define, modify, expand or limit any of the terms of this Guaranty.

13. Severability. In the event that any provision of this Guaranty becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Guaranty shall continue in full force and effect without said provision; provided that no severance shall be effective if it materially changes the economic benefit of this Guaranty to any party.

14. Entire Agreement. This Guaranty constitutes the sole and entire agreement of Guarantor and Beneficiary with respect to the subject matter hereof and supersedes all previous agreements or understandings, oral or written, with respect to such subject matter.

15. Amendments. This Guaranty may be amended by mutual agreement of the parties in writing.

16. Electronic Signatures. Each Party agrees that an electronic signature, whether digital or encrypted, to this Guaranty is intended to authenticate this writing and to have the same force and effect as a manual signature. Electronic signature means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first above written.

GUARANTOR:

WIND HARVEST INTERNATIONAL, INC.

By: ______________________

Name: Kevin Wolf

Title: President/CEO

ACCEPTED AND AGREED:

[If Beneficiary is an individual]

BENEFICIARY:

[NAME]

Signature: ______________________

Print Name: ______________________

[If Beneficiary is an entity]

BENEFICIARY:

[NAME]

By: ___________________________

Name: _________________________

Title: __________________________

Exhibit B: Quick Facts and Pitch Deck

Wind Harvest

Investor Highlights

Value Proposition: We will be the world's leading *mid-level* vertical axis wind turbine (VAWT) brand, universally respected for its environmental, economic, and social values as well as the wealth it brings to investors. We will open new markets for wind turbines, create a portfolio of projects and massively expand the amount of renewable energy produced around the world.

Wind Harvest International was incorporated in Delaware in January 2006 as a successor to the Wind Harvest Company ("WHC"). The original company was formed in 1976 and raised $6.14 million before it sold its assets to the new company. Subsequently, $9.6 million of additional equity and $2.4 million of long-term debt have brought our H-type VAWTs through Technology Readiness Level 7 - full scale prototype operating in industry conditions.

Leadership Team: CEO Kevin Wolf, who co-founded Wind Harvest in 2006 has extensive knowledge of VAWT engineering and markets. Rob Wheelock has over 40 years of experience in planning, financing, managing, and selling businesses. Alana Steele, an attorney with years of experience in wind farm development leads the Wind Harvest Renewables efforts. Dr. Ola Ajala is the Company's principal engineer and supervises the engineering team.

Products/Services: Our short H-type VAWTs open untapped renewable resources that no other technology can use. Our mid-size *Wind Harvesters*™ operate in wind too turbulent for propeller-type turbines. We provide services such as extended warranties, 24/7 fault protection, turbine placement support, and project development. We earn additional income by licensing our patents to potential competitors.

Technologies/Special Know-How: Our breakthrough is developing and validating (twice) the first aeroelastic engineering model for H-type VAWTs. No other company has been able to break into this space because they've lacked models validated on a full-scale VAWT prototype. Because we are first to market, we've filed new patent applications that should make it difficult for competitors to make a turbine as durable, inexpensive and efficient as ours. We collect data on wildlife and our VAWTs and Doppler LiDAR data and modeling needed for wind farm pilot projects.

Market: 20% of wind farms have good mid-level wind resources and no technology but ours to exploit it. This is a $400 billion market that will double in ten years. Our next largest market ($20B in the U.S.) is high energy using facilities where tall turbines aren't permitted. Airports, distribution warehouses, data centers, ridgeline telecom towers, and more energy intensive business and government facilities need short W*ind Harvesters* that don't harm views and fit in setback easements. We make money from sales margins, service agreements, project development fees and more.

Distribution Channels: Through *Wind Harvest Renewables*, we are advancing pilot projects that demonstrate our turbines for distributed energy markets. We have identified hundreds of high-energy using facilities with good mid-level wind. Renewable energy project developers who want to become customers or hold distributor and manufacturing licensees are found through existing connections, cold calling and by exhibiting at renewable energy trade shows.

Quick Facts

Company Name:
Wind Harvest International Inc
Contact: Kevin Wolf, CEO
Address:
712 Fifth St. Davis, CA 95616
Phone: (530) 758-4211
Email: kwolf@windharvest.com
Website: www.windharvest.com

Industry: Renewable Energy, Manufacturing and Services, Project Development
Domain: Wind Turbines, Renewable Energy

Bank: Chase
Law Firm: Pillsbury Law
Patent Estate: Briggs IP
Auditor: Artesian CPA

Number of Employees: 10
Leadership Team:
Kevin Wolf, CEO
Alana Steele, COO – WHR
Dr. Ola Alaja – Principal Eng.
Rob Wheelock – Advisor
General Manager – TBD
VP Sales – TBD
CFO - TBD

Amount of Financing Sought:
$7 million of private equity

Current Investors:
CEO
Maas family
Family and friends
Crowdfunding

Use of Funds: Finish TRL 8 (certification), Enter TRL 9 (bank financing of product), Fund Pilot Projects, Hire key staff

Competition: There currently are no turbines selling to the mid-level wind markets. Wind Harvest expects to be the first with its *Wind Harvester* 4.0-70kW VAWT. There are companies (e.g., X-flow Energy) that are attempting to enter this space but have yet to reach TRL 6 with a full-scale prototype. Major renewable energy OEMs will enter the market once it is proven that VAWTs can be certified and safely installed under existing turbines in wind farms.

Financial Projections. ($ in thousands)

	2023	2024	2025	2026	2027	2028
Revenue	$ 2,516	$ 34,235	$ 136,667	$ 426,010	$ 1,301,138	$ 2,248,442
EBITDA	$ (3,876)	$ (3,068)	$ 5,255	$ 62,884	$ 247,676	$ 573,039

Wind Harvest

Harvesting Untapped Mid-Wind Markets

CEO: Kevin Wolf

We design and sell short vertical axis wind turbines that:

- Produce energy from turbulent mid-level wind
- Operate under existing turbines in wind farms
- Fit onto properties where tall turbines can't
- Open problematic windy land for development

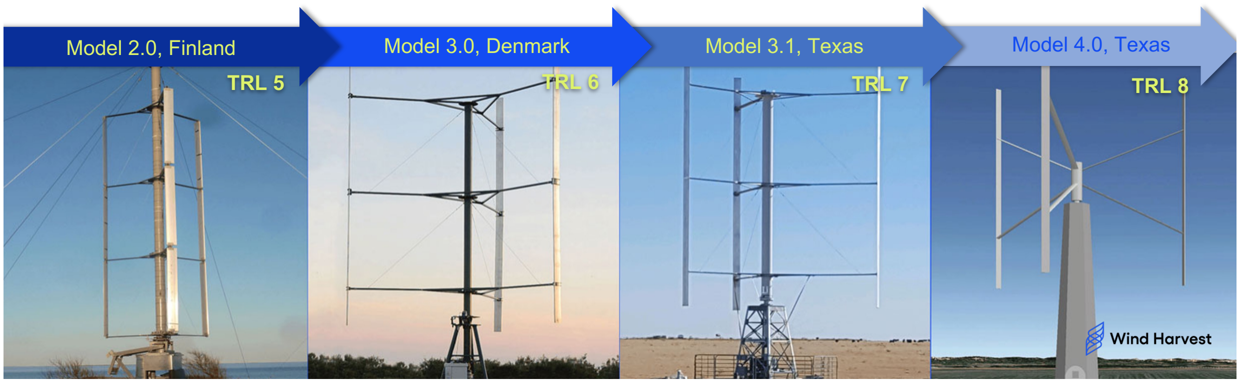
Our products are needed by landowners and developers for projects where tall traditional turbines aren't permitted because of their size, height, noise, and impacts on wildlife.

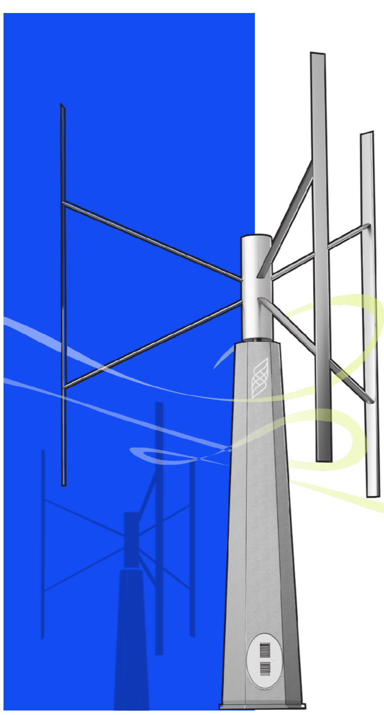
Wind Harvester™ Model 3.1, at UL Advanced Wind Turbine Testing Facility, Texas

Wind Harvest

Wind Harvest: Our Progress

- Our Model 3.1 completed Technology Readiness Level (TRL 7). We are two years ahead of competition.
- Our *Wind Harvesters*™ are one year away from full certification (TRL 8) and sales.
- Our 2023-24 projects will profitably use our turbines. This will lead us to complete the TRL process.





Environmental Attributes: Low-Impact Technology

Dense | Compact *Wind Harvesters* are designed to operate with a 3-foot gap between their rotors that maximizes land use. They have much higher energy densities per acre than traditional solar or wind projects.

Durable | *Wind Harvesters* are designed to have a lifespan exceeding 40 years. Our aeroelastic modeling shows our blades will last over 70 years.

Recyclable | The aircraft aluminum blades, galvanized steel rotors and towers and other components are 99% recyclable.

Wildlife Friendly | Three-dimensional vertical axis turbines should be easily seen and avoided by birds and bats. We will use high-tech motion detection and avoidance technology in our projects until this hypothesis is fully proven.

Wind Harvest

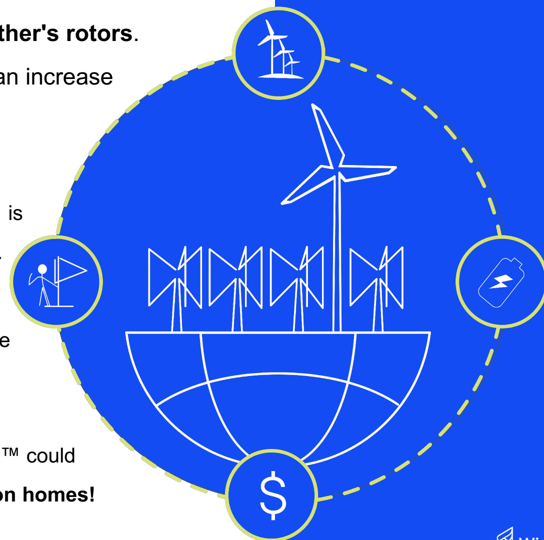
Primary Market: Wind Farms

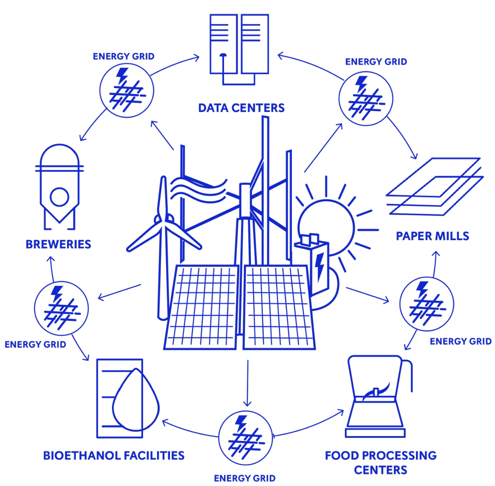
Our compact turbines work synergistically under tall turbines to cause the wind to speed up into each other's rotors. Harvesting this turbulent, mid-layer of wind can increase the energy output from the land.

The existing market for Wind Harvesters™ is >**$400 billion** and should **double** by 2032.

20% of on-shore wind farms should be able to profitably use our turbines.

The best wind farms with *Wind Harvesters*™ could annually produce the energy for **120 million homes!**





Distributed Wind Markets

We will sell many *Wind Harvesters* to customers who can't use tall propeller-type machines. With our compact turbines:

- High energy using facilities with tight setback easements can add MWs of affordable wind energy.
- Airports can add our turbines because they won't negatively affect aviation or radar.
- Owners can lease their windy land to developers to buy our turbines, often along with batteries and solar panels.
- Telecom towers on windy ridgelines can use less expensive energy from our turbines. Tall turbines often cannot be delivered to these difficult to reach places.

Wind Harvest: Sales Pipeline to Our Own Projects

Name of Project	Location	Year		
		2023	2024	2025
St. Lucy 1, 2 and 3	Barbados	2	40	140
Lodestone Energy, Ltd*	New Zealand	0	10	0
Abby-Ecosse Energy*	UK	0	2	0
U.S. Air Force Bases	CA and SD	5	4	56
High-Energy Use Facilities	USA	0	20	140
Rio Visa Resiliency	Solano, CA	0	2	14
Total Prospects		**7**	**78**	**350**

**Projected to become licensees*

Wind Harvest

Wind Harvest

Meet the Passion Behind the Product

Kevin Wolf

CEO and Co-Founder
Board President

Mr. Wolf served as COO where he facilitated the engineering team that developed the *Wind Harvester* 3.1 and led the project development program. Starting as CEO in 2019, he organized and led the crowdfunding campaign from 2020 through 2023. With his leadership, the company has a superior Model 4.0 turbine ready for commercialization.

Christine Nielson

President, Wind Harvest Pilot Project
Board Member, Wind Harvest International

Cornelius Fitzgerald

CFO, Wind Harvest Pilot Project
Board Member: Wind Harvest
President, Clean Energy Holdings

Entering the Market: A Growth Roadmap

Wind Harvest expects to complete the certification process and begins sales of its first model Wind Harvester by the end of 2023.

To prepare for the transition from testing to production, we have established a roadmap of key targets we expect to hit to ensure maximum market penetration.

2022

Q2/Q3

Completed design and start ordering two *Wind Harvesters 4.0-70kW*
- Confirmed model accuracy with Model 3.1 data.

Q4
- Converted $9.8M in debt to equity
- Prepared for $7M Series A-4 Equity Raise

2023

Q1
- Order six Model 4.0 turbines.
- File four new patent applications

Q2
- Complete Series A-4 raise
- Hire General Manager.

Q3
- Install and commission pair of Model 4.0 turbines for certification
- Hire VP of Sales

Q4
- Install 5 additional turbines in projects
- Complete U.S. Small Wind certification.

Wind Harvest

Competition

XFLOW ENERGY

SEATWIRL®

Co-opetition

Wind Harvest

Potential Competition

Mid-level wind turbine competitors are likely two years behind us as none have tested a full-scale prototype (Technology Readiness Level 6).

Scaling with Strategic Alliances

Turbine companies like GE and Vestas will enter the field once *Wind Harvesters* are certified to work in turbulent wind. Our strategy with them is "co-opetition". We will license our IP to competitors; without our patents, they won't be able to make inexpensive and durable VAWTs. The mid-level market is too massive to build out on our own. Making a little from the many sales of others will provide a large source of additional profit.

Patents: A First to Market Advantage

Four new patent applications covering H-type VAWT technology will be filed in early 2023, prior to the installation and commissioning of the Model 4.0 turbines. "Prior art searches" by Briggs IP provides us with a high level of confidence that all four will become fully patented and of great value to the Company.

Our patents will:

- Make it difficult for others to produce an H-type VAWT of our size.
- Lower manufacturing costs.
- Reduce assembly and installation costs.
- Decrease aerodynamic drag and increase efficiency.
- Increase durability and fatigue life .

Sales Projections

Projected Sales in $Millions	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**Total**
Special Purpose Entities	$ 2.5	$ 26.5	$ 87.4	$ 238	$ 535	$ 678	$ 1,567
Customers			4.9	54	297	565	921
Distributors		2.9	29.1	89	357	678	1,156
Manufacturer Licensees				79	357	3,389	3,825
Total Projected Sales	**$ 2.5**	**$ 29.5**	**$ 121.4**	**$ 460**	**$ 1,546**	**$ 5,309**	**$ 7,469**

Near-Limitless Scalability

We can source components for Wind Harvesters from many suppliers and have them built in more than one factory. As a result, we don't expect manufacturing to limit our growth. There are also many qualified project developers and construction companies that can install our products.

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Exit Strategies:
Achieving Stockholder Liquidity

“Think big. Be ethical, practical and strategic.”

Wind Harvest is on a path to raise over **$20 million** over the next year. In 2025, the Company will be well-positioned to consider the following liquidity opportunities:

IPO

With millions in revenues in 2024-2025, there should be a strong public interest in a large IPO that would allow our stockholders to sell their shares on a publicly traded platform.

Strategic Buyer

A buyout by a big company in the renewable energy industry could be the best way to meet our potential and install many more *Wind Harvesters* around the world.

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Creating New Markets for Wind Turbines

- First utility-scale turbines to operate in turbulent wind.
- $29M in sales being developed for 2023-24.
- Competition hasn’t achieved TRL 6 (full-scale model).
- Wind farm owners and developers want our turbines.
- Near-limitless scalability.
- $7M in the Series A-4 round that closes in Spring 2023.
- Solid exit strategies with 10-100X return possible.

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