

U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For Fiscal Year Ended: June 30, 2017

OR

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

For the transition period from _____ to _____

Commission file number 000-54706

MV PORTFOLIOS, INC.

(Exact name of small business issuer as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

**10752 Deerwood Park Blvd.
Suite 100
Jacksonville, FL 32256**

(Address of principal executive offices)

83-0483725

(I.R.S. Employer Identification No.)

32250

(Zip Code)

Registrant's telephone number: **(904) 903-4504**

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

Securities registered under Section 12(g) of the Act: **Common Stock**

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

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

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

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

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

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Smaller reporting company

(Do not check if a smaller reporting company)

Emerging growth company

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

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

As of February 28, 2018, there were 73,005,628 shares of the registrant's common equity outstanding.

On December 31, 2017, the last business day of the registrant's most recently completed second fiscal quarter, 41,620,628 shares of its common stock, \$0.001 par value per share (its only class of voting or non-voting common equity) were held by non-affiliates of the registrant. The market value of those shares was \$1,664,825, based on the last sale price of \$0.04 per share of the common stock on December 31, 2017. Shares of common stock held by each officer and director and by each shareowner affiliated with a director have been

excluded from this calculation because such persons may be deemed to be affiliates. This determination of officer or affiliate status is not necessarily a conclusive determination for other purposes.

DOCUMENTS INCORPORATED BY REFERENCE

None

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FORWARD-LOOKING STATEMENTS

Certain statements contained in this Form 10-K, including without limitation, statements including the words “believes,” “estimates,” “expects,” and words of similar import, constitute “forward looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such words and expressions are intended to identify such forward looking statements, but are not intended to constitute the exclusive means of identifying such statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of MV Portfolios, Inc. (the “Company”), or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements.

PART I

ITEM 1. BUSINESS

Company History

We were incorporated on April 19, 2004, and for much of our history were engaged in the acquisition and exploration of mineral properties. We shifted our focus during 2014 and are now an intellectual property company that owns patented and unpatented intellectual property. On August 28, 2014, we changed our name to MV Portfolios, Inc.

The MVP Acquisition

During 2014, we acquired 8 issued and 11 pending patents. The patents disclose systems and methods for providing video drive-by data to enable a street level view of a neighborhood surrounding a geographic location. The systems include, generally, a video and data server farm incorporating at least one video storage server that stores video image files containing video driver-by data corresponding to a geographic location, a data base server that processes a data query received from a user over the internet and an image processing server.

On February 7, 2014, we entered into a securities exchange agreement (the "Securities Exchange Agreement") with MVP Portfolio, LLC ("MVP"), MV Patents, LLC ("MV PAT"), and the other members of MVP (MV PAT and such other members, the "Members"). Pursuant to the terms of the Securities Exchange Agreement, the Members sold all of their membership interests in MVP to us in exchange for 9,385,000 shares (the "MVP Exchange Shares") of our post-Reverse Split (defined below) common stock to be issued following completion of the Reverse Split. As a result of the MVP Acquisition, we acquired the business of MVP, that is, patent licensing and assertion of rights under patents against parties believed to be selling goods or services that rely upon MVP's patented technology.

For a detailed discussion of the MVP Acquisition and the related transactions, reference is made to the Company's Current Report on Form 8-K filed with the SEC on February 10, 2014, as amended.

For financial reporting purposes, the MVP Acquisition is being accounted for as a "reverse merger" rather than a business combination, because the managing member of MV PAT, the majority member of MVP, effectively controlled the Company immediately following the closing of the MVP Acquisition. As such, MVP is deemed to be the accounting acquirer in the transaction and, consequently, the transaction is being treated as a reverse acquisition of the Company by MVP. Accordingly, the assets and liabilities and the historical operations that will be reflected in the Company's ongoing financial statements will be those of MVP. For periods prior to the formation of MVP (July 26, 2013), MV PAT would be deemed the accounting acquirer.

The parties have taken all actions with respect to the Securities Exchange intending that it be treated as a tax-free exchange under Section 351 of the Internal Revenue Code of 1986, as amended. It is expected that the \$625,000 in cash consideration paid to MV PAT will be treated as taxable income to MV PAT.

Description of MVP's Business

MV Portfolios, Inc. ("MVP") is in the business of productizing inventions. MVP employees and consultants have actively contacted University Offices of Technology Licensing to review their inventory of existing patents and provisional filings available for license. If a patent or patent application appears to have commercial value once productized, MVP will invest to complete a more robust search for prior art. Once the prior art process is completed, MVP will contract with the University or patent owner to obtain an option for exclusive rights for a 6 to 12 month period. Once an option right is established, MVP will research the market and develop a business plan for angel investors.

During the 2016 and 2017 fiscal years, MVP primarily focused on supporting LocatorX, Inc. ("LocatorX") and its mission of productizing the Solid-state Miniature Atomic Clock invented at the University of Oxford.

In September 2016, MVPI created a new subsidiary (1st Rescue, Inc.) focused on the patent pending method and apparatus for location tracking of emergency events and delivering instant Tele-MedKits via drones.

MVP management also explored other patentable inventions for productization that may be complementary to LocatorX and 1stRescue.

MVP management made minimal investments of time and funds to support the Visual Real Estate, Inc. portfolios of patents.

MVP provides a variety of operational services to its subsidiaries for its early stage subsidiaries. MVP has intercompany transfer agreements for services provided as well as intercompany loans.

LocatorX, Inc.

MVPI currently has a non-controlling interest in LocatorX. MVPI currently owns 10,000,000 shares of voting common stock, representing 15% of the issued and outstanding voting common and preferred stock on a fully diluted basis. As of June 30, 2017, MVPI currently has advances of \$549,619 to LocatorX. The advances have an interest rate of 6% with no due date (payable on demand by LocatorX). Pursuant to the agreement entered into between LocatorX and MVPI in connection with the advances, MVPI has secured and provided financing and equity for the capitalization of the LocatorX for start-up operations.

Following a series of transactions and capital contributions that occurred up to and including June 30, 2017, MVPI no longer held a controlling financial interest in its previously consolidated affiliate, LocatorX, Inc. Accordingly, the results of operations of LocatorX, Inc. were consolidated in the accompanying consolidated financial statements up to June 30, 2017. The Company held an 87% equity interest in LocatorX, Inc. at June 30, 2016. The Company accounts for this retained interest under the cost method for investments.

Mr. Meadow has voting control of LocatorX, Inc. via Series A Preferred Stock and is the chief executive officer of LocatorX, Inc. and MV Portfolios, Inc.

LocatorX is developing and licensing a suite of innovative, secure location tracking technologies to solve fundamental problems in logistics for indoor tracking where GPS does not work. The company was formed when it exclusively licensed a molecular patent for a Solid-state Miniature Atomic Clock, or SMAC, based on work at the nanomaterials lab at the University of Oxford. Conventional atomic clocks are used in GPS satellites to precisely measure distance. Once fully developed, LocatorX believes its SMAC, which is based on a man-made molecule, will enable precise indoor self location determination by listening to existing terrestrial radio towers. To differentiate from GPS, LocatorX's technologies will be marketed under the GRL brand. A Global Resource Locator.

Concurrently, LocatorX is developing a suite of App & Cloud software tools to enable future strategic licensing partners to easily implement our patented Global Resource Locator (GRL) technologies. These involve proprietary Definable Blockchain logs in Bluetooth chips for product labels, Cassandra based cloud based transaction processing, Android / iOS App Software Development Kits for secure communication to encrypted Bluetooth chips as well as 2D barcodes on product packaging. LocatorX believes manufacturers will be able to implement its technologies in their products and packaging to provide new and valuable data to users while at the same time minimizing the brand damaging impact of counterfeit goods. According to GS1.org the cost of counterfeiting is between \$1,220 billion to \$1,770 billion per year. If LocatorX is able to successfully develop its technology, it anticipates its first licensees will be major manufacturers who are currently subject to high volumes of counterfeit products and software companies who develop products in several markets including packaging, logistics and consumer marketing.

LocatorX believes it can build a brand that consumers and corporations can trust across multiple industries and product offerings by incorporating hardware based encryption and Blockchain event log tracking into its patent license agreements. With the installed base of cell towers for billions of smartphones, LocatorX believes its SMAC technology will enable "self-location" anywhere in the world. GRL enabled products will know when they are within an owner's geo-fence, obeying accordingly in terms of what data is transmitted or not. GRL enabled products will include on-chip Blockchain logging of all "transactions" from creation and packaging through delivery. Once fully developed, LocatorX believes this will provide a guarantee of product authenticity and quality that is automatic, transparent, informative, and trustworthy.

1st Rescue Business

1st Rescue, Inc. business plan is developing software and leveraging existing drone hardware to rapidly deliver Tele-MedKits from fire stations to emergency events. Sudden Cardiac Arrest is the number one life-threatening emergency event in the world, and accelerating the delivery of a Tele-MedKit with an Automatic External Defibrillator (AED) to residential locations will save many lives. Only an AED can restart a heart. CPR only adds a few minutes of survival time, and an AED is required to shock the heart into pumping on its own. When a heart stops pumping, the medical rule of thumb is that each 1 minute delay increases risk of death by 10%. First responders traveling by ambulance take an average 8.5 minutes to arrive at a victim's location.

If 1stRescue is able to develop its software, 1stRescue anticipates it will contract with large strategic licensing partners who currently provide Computer Aided Dispatch systems to 911 Emergency Command Centers. 1stRescue plans to a software company with some custom designed hardware. Our software is expected to include first responder apps; geospatial, video, biotelemetry servers; and cloud services.

If 1stRescue is able to develop its software, 1st Rescue drones are expected to be manufactured, marketed, installed, and supported by our drone manufacturing partners, which would take responsibility for installing and maintaining flight operations. The company is evaluating proven industrial cargo drone manufacturers who would use one of their slightly modified existing production units to lease or sell their drones to the municipalities. The Tele-MedKits would be manufactured and supported by a medical device systems integration partner who will provide essential global logistics support.

Other Business

On November 20, 2014, the Company formed a wholly owned subsidiary, Flexine, Inc., to explore productization potential from a patent from Harvard University for a novel material that may be used to create a unique variable focus lens for SmartPhone cameras. The Company had since discovered competitive technologies that obtained significant venture capital funding and decided to not exercise its option to license the Harvard patent.

Competition

We expect to encounter significant competition in our new lines of business from others seeking to commercialize, acquire, license and develop their intellectual property assets. Most of our competitors have much longer operating histories, and significantly greater financial and human resources, than we do. Entities such as Document Security Systems, Inc., Vringo, Inc., VirnetX Holding Corp., Acacia Research Corporation, Allied Security Trust, Altitude Capital Partners, Augme Technologies Inc., Intellectual Ventures, Ocean Tomo, RPX Corporation, Rembrandt IP Management and others presently market themselves as being in the business of creating, acquiring, licensing or leveraging the value of intellectual property assets. We expect others to enter the market. In addition, competitors may seek to acquire the same or similar patents and technologies that we may seek to acquire, making it more difficult for us to realize the value of our assets which may be the result of the inability or unwillingness of third parties to also grant licenses to parties without the cooperation of the owners of other infringed rights.

Research and Development Expenditures

We have incurred no research and development expenditures over the last fiscal year and do not anticipate significant future research and development expenditures.

Employees

We currently have three employees, our Chief Executive Officer, William D. Meadow, our Chief Financial Officer, Shea Ralph, and an Executive Administrator and one consultant.

Offices

Our principal offices are located at 10752 Deerwood Park Blvd. Suite 100 Jacksonville FL 32256, phone (904)-903-4504. Our website address is www.myportfolios.com. The information on or accessible through our website is not part of this report.

Intellectual Property and Patent Rights

We actively reach out to targeted universities to identify patented and patentable technologies to commercialize. We are focused on productizing innovations where the patent protection is strong. We invest in the portfolio to create additional IP including complementary patents and software with the goal of creating recurring revenue businesses.

Our largest portfolio is owned by our subsidiary LocatorX which is commercializing innovative location tracking technologies using "pharmaceutical grade" molecular patents of the Solid-state Miniature Atomic Clock. We have invested in the IP portfolio to create Global Resource Locator chips and secure asset tracking software and cloud services.

ITEM 1A. RISK FACTORS

An investment in shares of our common stock is highly speculative and involves a high degree of risk. We face a variety of risks that may affect our operations or financial results and many of those risks are driven by factors that we cannot control or predict. Before investing in our common stock you should carefully consider the following risks, together with the financial and other information contained in this Report. If any of the following risks actually occurs, our business, prospects, financial condition and results of operations could be materially adversely affected. In that case, the trading price of our common stock would likely decline and our stockholders may lose all or a portion of their investments in us. Only those investors who can bear the risk of loss of their entire investment should consider investing in our common stock.

The risk factors set forth below relate to our new business focus following the closing of the MVP Acquisition.

RISKS RELATED TO OUR BUSINESS AND FINANCIAL CONDITION

The Company has two primary businesses, LocatorX and 1st Rescue, both of which are development stage companies with no revenues and with significant capital requirements.

The Company currently provides management services to LocatorX and manages the operations of 1st Rescue. These subsidiaries are both development stage companies with no revenues or marketable products. In order for either subsidiary to develop their planned product offerings, they will each require significant capital. In the past, the Company has provided these subsidiaries working capital or the subsidiaries have raised capital through the sale of equity or debt securities. The sale of equity securities in the past has diluted the ownership of the Company, and the Company expects both subsidiaries to conduct significant equity sales in the future to fund their operations, which will further dilute the Company's ownership in the subsidiaries.

The Company has changed the focus of its business to commercializing, developing and monetizing intellectual property, including through licensing and enforcement. The Company may not be able to successfully monetize the patents, which it acquires and thus it may fail to realize all of the anticipated benefits of such acquisition.

There is no assurance that the Company will be able to successfully commercialize, acquire, develop or monetize the patent portfolios that it acquired from MVP. The acquisition of the patents could fail to produce anticipated benefits, or could have other adverse effects that the Company does not currently foresee. Failure to successfully monetize these patent assets may have a material adverse effect on the Company's business, financial condition and results of operations.

In addition, the acquisition of the patent portfolios is subject to a number of risks, including the fact that there is a significant time lag between acquiring a patent portfolio and recognizing revenue from those patent assets. During that time lag, material costs are likely to be incurred that would have a negative effect on the Company's results of operations, cash flows and financial position.

Therefore, there is no assurance that the monetization of the patent portfolios acquired will generate enough revenue to recoup the Company's investment or outlays.

The Company's operating history makes it difficult to evaluate its current business and future prospects.

The Company has, prior to the acquisition of MVP, been involved in businesses primarily as a junior mining exploration company. The Company not only has no operating history in executing its additional new business which includes, among other things, creating, commercializing, prosecuting, licensing, litigating or otherwise monetizing patent assets, but the Company's lack of operating history in this sector makes it difficult to evaluate its additional new business model and future prospects.

The Company may seek to internally develop additional new inventions and intellectual property, which would take time and be costly. Moreover, the failure to obtain or maintain intellectual property rights for such inventions would lead to the loss of the Company's investments in such activities.

Part of the Company's new additional business focus may include the internal development of new inventions or intellectual property that the Company will seek to monetize. However, this aspect of the Company's business would likely require significant capital and would take time to achieve. There is also the risk that the Company's initiatives in this regard would not yield any viable new inventions or technology, which would lead to a loss of the Company's investments in time and resources in such activities.

In addition, even if the Company is able to internally develop new inventions, in order for those inventions to be viable and to compete effectively, the Company would need to develop and maintain, and it would heavily rely on, a proprietary position with respect to such inventions and intellectual property. However, there are significant risks associated with any such intellectual property the Company may develop principally including the following:

- patent applications the Company may file may not result in issued patents or may take longer than the Company expects to result in issued patents;
- the Company may be subject to interference proceedings;
- the Company may be subject to opposition proceedings in the U.S. or foreign countries;
- any patents that are issued to the Company may not provide meaningful protection;
- the Company may not be able to develop additional proprietary technologies that are patentable;
- other companies may challenge patents issued to the Company;
- other companies may have independently developed and/or patented (or may in the future independently develop and patent) similar or alternative technologies, or duplicate the Company's technologies;
- other companies may design around technologies the Company has developed; and
- enforcement of the Company's patents would be complex, uncertain and very expensive.

The Company cannot be certain that patents will be issued as a result of any future applications, or that any of the Company's patents, once issued, will provide the Company with adequate protection from competing products. For example, issued patents may be circumvented or challenged, declared invalid or unenforceable, or narrowed in scope. In addition, since publication of discoveries in scientific or patent literature often lags behind actual discoveries, the Company cannot be certain that it will be the first to make its additional new inventions or to file patent applications covering those inventions. It is also possible that others may have or may obtain issued patents that could prevent the Company from commercializing the Company's products or require the Company to obtain licenses requiring the payment of significant fees or royalties in order to enable the Company to conduct its business. As to those patents that the Company may license or otherwise monetize, the Company's rights will depend on maintaining its obligations to the licensor under the applicable license agreement, and the Company may be unable to do so. The Company's failure to obtain or maintain intellectual property rights for the Company's inventions would lead to the loss the Company's investments in such activities, which would have a material and adverse effect on the Company's company.

Moreover, patent application delays could cause delays in recognizing revenue from the Company's internally generated patents and could cause the Company to miss opportunities to license patents before other competing technologies are developed or introduced into the market.

The Company's acquisitions of patent assets may be time consuming, complex and costly, which could adversely affect the Company's operating results.

Acquisitions of patent or other intellectual property assets, which are and will be critical to the Company's business plan, are often time consuming, complex and costly to consummate. The Company may utilize many different transaction structures in its acquisitions and the terms of such acquisition agreements tend to be heavily negotiated. As a result, the Company expects to incur significant operating expenses and will likely be required to raise capital during the negotiations even if the acquisition is ultimately not consummated. Even if the Company is able to acquire particular patent assets, there is no guarantee that the Company will generate sufficient revenue related to those patent assets to offset the acquisition costs. While the Company will seek to conduct confirmatory due diligence on the patent assets the Company is considering for acquisition, the Company may acquire patent assets from a seller who does not have proper title to those assets. In those cases, the Company may be required to spend significant resources to defend the Company's interest in the patent assets and, if the Company is not successful, its acquisition may be invalid, in which case the Company could lose part or all of its investment in the assets.

The Company may also identify patent or other intellectual property assets that cost more than the Company is prepared to spend with its own capital resources. The Company may incur significant costs to organize and negotiate a structured acquisition that does not ultimately result in an acquisition of any patent assets or, if consummated, proves to be unprofitable for the Company. These higher costs could adversely affect the Company's operating results, and if the Company incurs losses, the value of its securities will decline.

In addition, the Company may acquire patents and technologies that are in the early stages of adoption in the commercial, industrial and consumer markets. Demand for some of these technologies will likely be untested and may be subject to fluctuation based upon the rate at which the Company's licensees will adopt its patents and technologies in their products and services. As a result, there can be no assurance as to whether technologies the Company acquires or develops will have value that it can monetize.

In certain acquisitions of patent assets, the Company may seek to defer payment or finance a portion of the acquisition price. This approach may put the Company at a competitive disadvantage and could result in harm to the Company's business.

The Company has limited capital and may seek to negotiate acquisitions of patent or other intellectual property assets where the Company can defer payments or finance a portion of the acquisition price. These types of debt financing or deferred payment arrangements may not be as attractive to sellers of patent assets as receiving the full purchase price for those assets in cash at the closing of the acquisition. As a result, the Company might not compete effectively against other companies in the market for acquiring patent assets, many of whom have greater cash resources than the Company has. In addition, any failure to satisfy the Company's debt repayment obligations may result in adverse consequences to its operating results.

Any failure to maintain or protect the Company's patent assets or other intellectual property rights could significantly impair its return on investment from such assets and harm the Company's brand, its business and its operating results.

The Company's ability to operate its new line of business and compete in the intellectual property market largely depends on the superiority, uniqueness and value of the Company's acquired patent assets and other intellectual property. To protect the Company's proprietary rights, the Company will rely on a combination of patent, trademark, copyright and trade secret laws, confidentiality agreements with its employees and third parties, and protective contractual provisions. No assurances can be given that any of the measures the Company undertakes to protect and maintain its assets will have any measure of success.

Following the acquisition of patent assets, the Company will likely be required to spend significant time and resources to maintain the effectiveness of those assets by paying maintenance fees and making filings with the United States Patent and Trademark Office. The Company may acquire patent assets, including patent applications, which require the Company to spend resources to prosecute the applications with the United States Patent and Trademark Office. Further, there is a material risk that patent related claims (such as, for example, infringement claims (and/or claims for indemnification resulting therefrom), unenforceability claims, or invalidity claims) will be asserted or prosecuted against the Company, and such assertions or prosecutions could materially and adversely affect the Company's business. Regardless of whether any such claims are valid or can be successfully asserted, defending such claims could cause the Company to incur significant costs and could divert resources away from the Company's other activities.

Despite the Company's efforts to protect its intellectual property rights, any of the following or similar occurrences may reduce the value of the Company's intellectual property:

- the Company's applications for patents, trademarks and copyrights may not be granted and, if granted, may be challenged or invalidated;

- issued trademarks, copyrights, or patents may not provide the Company with any competitive advantages when compared to potentially infringing other properties;
- the Company's efforts to protect its intellectual property rights may not be effective in preventing misappropriation of the Company's technology; or
- the Company's efforts may not prevent the development and design by others of products or technologies similar to or competitive with, or superior to those the Company acquires and/or prosecutes.

Moreover, the Company may not be able to effectively protect its intellectual property rights in certain foreign countries where the Company may do business in the future or from which competitors may operate. If the Company fails to maintain, defend or prosecute its patent assets properly, the value of those assets would be reduced or eliminated, and the Company's business would be harmed.

Weak global economic conditions may cause infringing parties to delay entering into licensing agreements, which could prolong the Company's litigation and adversely affect its financial condition and operating results.

The Company's new additional business plan depends significantly on worldwide economic conditions, and the United States and world economies have recently experienced weak economic conditions. Uncertainty about global economic conditions poses a risk as businesses may postpone spending in response to tighter credit, negative financial news and declines in income or asset value s. This response could have a material negative effect on the willingness of parties infringing on the Company's assets to enter into licensing or other revenue generating agreements voluntarily. Entering into such agreements is critical to the Company's business plan, and the Company's failure to do so could cause material harm to its business.

If the Company is unable to adequately protect its intellectual property, the Company may not be able to compete effectively.

The Company's ability to compete depends in part upon the strength of the Company's proprietary rights that it will own as a result of the Securities Exchange or may hereafter acquire in its technologies, brands and content. The Company intends to rely on a combination of U.S. and foreign patents, copyrights, trademark, trade secret laws and license agreements to establish and protect its intellectual property and proprietary rights. The efforts the Company takes to protect its intellectual property and proprietary rights may not be sufficient or effective at stopping unauthorized use of its intellectual property and proprietary rights. In addition, effective trademark, patent, copyright and trade secret protection may not be available or cost-effective in every country in which the Company's services are made available. There may be instances where the Company is not able to fully protect or utilize its intellectual property in a manner that maximizes competitive advantage. If the Company is unable to protect its intellectual property and proprietary rights from unauthorized use, the value of the Company's products may be reduced, which could negatively impact the Company's new business. The Company's inability to obtain appropriate protections for its intellectual property may also allow competitors to enter the Company's markets and produce or sell the same or similar products. In addition, protecting the Company's intellectual property and other proprietary rights is expensive and diverts critical managerial resources. If any of the foregoing were to occur, or if the Company is otherwise unable to protect its intellectual property and proprietary rights, the Company's business and financial results could be adversely affected.

If the Company is forced to resort to legal proceedings to enforce its intellectual property rights, the proceedings could be burdensome and expensive. In addition, the Company's proprietary rights could be at risk if the Company is unsuccessful in, or cannot afford to pursue, those proceedings. The Company will also rely on trade secrets and contract law to protect some of its proprietary technology. The Company will enter into confidentiality and invention agreements with its employees and consultants. Nevertheless, these agreements may not be honored and they may not effectively protect the Company's right to its un-patented trade secrets and know-how. Moreover, others may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to the Company's trade secrets and know-how.

Being a public company has increased our expenses and administrative workload.

As a public company, we must comply with various laws and regulations, including the Sarbanes-Oxley Act of 2002 and related rules of the SEC. Complying with these laws and regulations requires the time and attention of our board of directors and management, and increases our expenses. Among other things, we must:

- maintain and evaluate a system of internal controls over financial reporting in compliance with the requirements of Section 404 of the Sarbanes-Oxley Act and the related rules and regulations of the SEC and the Public Company Accounting Oversight Board;
- maintain policies relating to disclosure controls and procedures;
- prepare and distribute periodic reports in compliance with our obligations under federal securities laws;

- institute a more comprehensive compliance function, including with respect to corporate governance; and
- involve to a greater degree our outside legal counsel and accountants in the above activities.

In addition, being a public company has made it more expensive for us to obtain director and officer liability insurance. In the future, we may be required to accept reduced coverage or incur substantially higher costs to obtain this coverage. These factors could also make it more difficult for us to attract and retain qualified executives and members of our board of directors, particularly directors willing to serve on an audit committee which we expect to establish.

RISKS RELATED TO OUR COMMON STOCK

There is not now, and there may not ever be, an active market for our common stock.

There currently is an extremely limited public market for our common stock. Further, although our common stock is currently quoted on the OTC Markets Inc., QB Tier, trading of our common stock may be extremely sporadic. For example, several days may pass before any shares may be traded. As a result, an investor may find it difficult to dispose of, or to obtain accurate quotations of the price of, our common stock. Accordingly, investors must assume they may have to bear the economic risk of an investment in our common stock for an indefinite period of time. There can be no assurance that a more active market for our common stock will develop, or if one should develop, there is no assurance that it will be sustained. This severely limits the liquidity of our common stock, and would likely have a material adverse effect on the market price of our common stock and on our ability to raise additional capital.

William Meadow, our chief executive officer and director, controls our company.

In August 2014 and November 2016, we authorized 20,000 shares of Series D Preferred Stock and 85,000 shares of Series E Preferred Stock, respectively. Messrs. William Meadow and Shea Ralph each own 10,000 shares of the Series D Preferred Stock, and we agreed to sell the Series E Preferred Stock to Mr. Meadow, our chief executive officer and director for \$85.00 in the aggregate. The Series D and Series E Preferred Stock provide, among other items, for 1,000 votes per share of preferred stock and shall automatically, and without any further action on the part of the holder, convert into one share of common stock, upon a “change in control” of the Company. As such, Mr. Meadow will continue for the foreseeable future to have the ability to exert total influence over the outcome of all matters, including, director appointments, tender offers, mergers, proxy contests or other purchases of common stock that could give our stockholders the opportunity to realize a premium for their shares of common stock. This concentrated control will limit your ability to influence corporate matters and, as a result, we may take actions that purchasers in this offering do not view as beneficial.

We cannot assure you that our common stock will become liquid or that it will be listed on a securities exchange.

Until our common stock is listed on a national securities exchange such as the New York Stock Exchange or the Nasdaq Stock Market, we expect our common stock to remain eligible for quotation on the OTC Markets, or on another over-the-counter quotation system. In those venues, however, an investor may find it difficult to obtain accurate quotations as to the market value of our common stock. In addition, if we fail to meet the criteria set forth in SEC regulations, various requirements would be imposed by law on broker-dealers who sell our securities to persons other than established customers and accredited investors. Consequently, such regulations may deter broker-dealers from recommending or selling our common stock, which may further affect the liquidity of our common stock. This would also make it more difficult for us to raise capital.

Our common stock is subject to the “penny stock” rules of the SEC and FINRA’s sales practice requirements, and the trading market in our common stock is limited, which makes transactions in our common stock cumbersome and may reduce the value of an investment in the stock.

The SEC has adopted Rule 15g-9 which establishes the definition of a “penny stock,” for the purposes relevant to us, as any equity security that has a market price of less than \$5.00 per share or with an exercise price of less than \$5.00 per share, subject to certain exceptions. For any transaction involving a penny stock, unless exempt, the rules require:

- that a broker or dealer approve a person’s account for transactions in penny stocks; and
- the broker or dealer receive from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased.

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

- obtain financial information and investment experience objectives of the person; and
- make a reasonable determination that the transactions in penny stocks are suitable for that person and the person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks.

The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prescribed by the SEC relating to the penny stock market, which, in highlight form sets forth:

- the basis on which the broker or dealer made the suitability determination; and
- that the broker or dealer received a signed, written agreement from the investor prior to the transaction.

Generally, brokers may be less willing to execute transactions in securities subject to the “penny stock” rules. This may make it more difficult for investors to dispose of common stock and cause a decline in the market value of stock.

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

In addition to the “penny stock” rules promulgated by the SEC, the Financial Industry Regulatory Authority (FINRA) has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer’s financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low-priced securities will not be suitable for at least some customers. FINRA’s requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock.

The price of our common stock may become volatile, which could lead to losses by investors and costly securities litigation.

The trading price of our common stock is likely to be highly volatile and could fluctuate in response to factors such as:

- actual or anticipated variations in our operating results;
- announcements of developments by us, our strategic partners or our competitors;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments;
- adoption of new accounting standards affecting our industry;
- additions or departures of key personnel;
- sales of our common stock or other securities in the open market; and
- other events or factors, many of which are beyond our control.

The stock market is subject to significant price and volume fluctuations. In the past, following periods of volatility in the market price of a company’s securities, securities class action litigation has often been initiated against such company. Litigation initiated against us, whether or not successful, could result in substantial costs and diversion of our management’s attention and resources, which could harm our business and financial condition.

Compliance with U.S. securities laws, including the Sarbanes-Oxley Act, will be costly and time-consuming.

We are a reporting company under U.S. securities laws and are obliged to comply with the provisions of applicable U.S. laws and regulations, including the Securities Act of 1933, as amended (the “Securities Act”), the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Sarbanes-Oxley Act of 2002 and the related rules of the SEC, and the rules and regulations of the relevant U.S. market, in each case, as amended from time to time. Preparing and filing annual and quarterly reports and other information with the SEC, furnishing audited reports to shareholders and other compliance with these rules and regulations will involve a material increase in regulatory, legal and accounting expenses and the attention of management, and there can be no assurance that we will be able to comply with the applicable regulations in a timely manner, if at all.

During the last three years, we have been consistently delinquent in our Exchange Act filings, which has subjected us to potentially having our registration revoked under Section 12 (j) of the Exchange Act. If in the future, we are again delinquent in our filings, we could have our Exchange Act registration revoked. In addition, the price of our common stock could be adversely affected due to the filing failure.

We do not anticipate dividends to be paid on our common stock, and investors may lose the entire amount of their investment.

Cash dividends have never been declared or paid on our common stock, and we do not anticipate such a declaration or payment for the foreseeable future. We expect to use future earnings, if any, to fund business growth. Therefore, shareholders will not receive any funds absent a sale of their shares. We cannot assure shareholders of a positive return on their investment when they sell their shares, nor can we assure that shareholders will not lose the entire amount of their investment.

If securities analysts do not initiate coverage or continue to cover our common stock or publish unfavorable research or reports about our business, this may have a negative impact on the market price of our common stock.

The trading market for our common stock may be affected by, among other things, the research and reports that securities analysts publish about our business and the Company. We do not have any control over these analysts. There is no guarantee that securities analysts will cover our common stock. If securities analysts do not cover our common stock, the lack of research coverage may adversely affect its market price. If we are covered by securities analysts, and our stock is the subject of an unfavorable report, our stock price and trading volume would likely decline. If one or more of these analysts ceases to cover the Company or fails to publish regular reports on the Company, we could lose visibility in the financial markets, which could cause our stock price or trading volume to decline.

You may experience dilution of your ownership interests because of the future issuance of additional shares of our common stock.

In the future, we may issue our authorized but previously unissued equity securities, resulting in the dilution of the ownership interests of our present shareholders and the purchasers of our common stock offered hereby. We are currently authorized to issue an aggregate of 350,000,000 shares of capital stock, par value \$0.001 per share, consisting of 300,000,000 shares of common stock and 50,000,000 shares of preferred stock, with the preferences and rights determined by our Board of Directors. As of June 30, 2017, there were 73,005,628 shares of our common stock and 12,729,400 shares of our preferred stock outstanding.

Any future issuance of our equity or equity-backed securities may dilute then-current shareholders' ownership percentages and could also result in a decrease in the fair market value of our equity securities, because our assets would be owned by a larger pool of outstanding equity. As described above, we may need to raise additional capital through public or private offerings of our common or preferred stock or other securities that are convertible into or exercisable for our common or preferred stock. We may also issue such securities in connection with hiring or retaining employees and consultants (including stock options issued under our equity incentive plans), as payment to providers of goods and services, in connection with future acquisitions or for other business purposes. Our Board of Directors may at any time authorize the issuance of additional common or preferred stock without common shareholder approval, subject only to the total number of authorized common and preferred shares set forth in our certificate of incorporation. The terms of equity securities issued by us in future transactions may be more favorable to new investors, and may include dividend and/or liquidation preferences, superior voting rights and the issuance of warrants or other derivative securities, which may have a further dilutive effect. Also, the future issuance of any such additional shares of common or preferred stock or other securities may create downward pressure on the trading price of the common stock. There can be no assurance that any such future issuances will not be at a price (or exercise prices) below the price at which shares of the common stock are then traded.

We may obtain additional capital through the issuance of preferred stock, which may limit your rights as a holder of our common stock.

We have a total of 50 million shares of preferred stock authorized for issuance, with 37,270,600 of such shares available for future issuances. Without any further shareholder vote or action, our Board of Directors may designate and approve for issuance additional shares of our preferred stock out of that number. The terms of any such preferred stock may include priority claims to assets and dividends and special voting rights which could limit the rights of the holders of our common stock. The designation and issuance of additional preferred stock favorable to current management or shareholders could make any possible takeover of the Company or the removal of our management more difficult.

Any future failure to maintain effective internal control over our financial reporting could materially adversely affect us.

Section 404 of the Sarbanes-Oxley Act of 2002 requires us to include in our annual reports on Form 10-K, an assessment by management of the effectiveness of our internal control over financial reporting. While we intend to diligently and thoroughly document, review, test and improve our internal control over financial reporting in order to ensure compliance with Section 404, management has not in this report concluded and may not be able to conclude in the future that our internal control over financial reporting is effective. This could result in a loss of investor confidence in the reliability of our financial statements, which in turn could negatively impact the price of our common stock.

In particular, we must perform system and process evaluation and testing of our internal control over financial reporting to allow management, and in the future our independent registered public accounting firm, to report on the effectiveness of our internal control over financial reporting, as required by Section 404. Our compliance with Section 404 will require that we incur substantial accounting expense and expend significant management efforts. We currently do not have an internal audit group, and we will need to retain the services of additional accounting and financial staff or consultants with appropriate public company experience and technical accounting knowledge to satisfy the ongoing requirements of Section 404. We intend to review the effectiveness of our internal controls and procedures and make any changes management determines appropriate, including to achieve compliance with Section 404.



Any significant deficiencies in our control systems may affect our ability to comply with SEC reporting requirements and any applicable listing standards or cause our financial statements to contain material misstatements, which could negatively affect the market price and trading liquidity of our common stock and cause investors to lose confidence in our reported financial information, as well as subject us to civil or criminal investigations and penalties.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

We lease office space on a month-to-month basis in Jacksonville, Florida for approximately \$2,000 per month.

ITEM 3. LEGAL PROCEEDINGS

Except as described above with respect to our patent litigation, no legal or governmental proceedings are presently pending or, to our knowledge, threatened, to which we are a party, except as follows:

A complaint was filed against LocatorX by Finnish company, VTT Technical Research Centre of Finland, Ltd., claiming a breach of contract in an amount of approximately €50,000. LocatorX disputes any alleged breach and intends to vigorously defend the lawsuit, although it can provide no assurance that it will be successful. As of the date hereof, LocatorX has moved to dismiss the complaint, based on specific contractual terms that require all conflicts relating to its business dealings with VTT to be adjudicated/arbitrated in Finland. The motion to dismiss is pending, and no ruling has been entered at this time.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

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

Our common stock is quoted on the OTC Markets, Inc. QB Tier. Our stock symbol was "CLGL" from August 2009 through September 2014. Effective October 2014, our stock symbol became "MVPI".

The following table sets forth the high and low closing bid prices for our common stock for the fiscal quarters indicated as reported on the OTC Markets, Inc. QB Tier. The quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions. Historically, our common stock has been thinly traded and, thus, current pricing of our common stock on the OTC Markets, Inc. QB Tier may not necessarily represent its fair market value.

<i>Period</i>		<i>High</i>	<i>Low</i>
<i>Fiscal Year Ending June 30, 2016</i>			
<i>First Quarter</i>	\$.12	.05
<i>Second Quarter</i>		.08	.05
<i>Third Quarter</i>		.08	.01
<i>Fourth Quarter</i>		.03	.02
<i>Fiscal Year Ending June 30, 2017</i>			
<i>First Quarter</i>	\$.08	.01
<i>Second Quarter</i>		.04	.01
<i>Third Quarter</i>		.07	.03
<i>Fourth Quarter</i>		.05	.02

Dividends

We have never declared any cash dividends with respect to our common stock. Future payment of dividends is within the discretion of our Board of Directors and will depend on our earnings, capital requirements, financial condition and other relevant factors. Other than provisions of the Nevada Revised Statutes requiring post-dividend solvency according to certain measures, there are no material restrictions limiting, or that are likely to limit, our ability to pay dividends on our common stock. Nonetheless, we presently intend to retain future earnings, if any, for use in our business and have no present intention to pay cash dividends on our common stock.

Holdings

On September 12, 2014, we had a 1 for 100 Reverse Split shares of our common stock issued and outstanding held by 57 shareholders of record. 73,005,628 shares of Common Stock are held by 108 shareholders of record as of June 30, 2017; 8,000,000 shares of our Series A Preferred Stock are held by 1 shareholder; 749,740 shares of our Series B Preferred Stock are held by 3 shareholders; 3,876,660 shares of our Series C Preferred Stock are held by 17 shareholders; 20,000 shares of our Series D Preferred Stock are held by 2 shareholders; and 85,000 shares of our Series E Preferred Stock held by 1 shareholder.

Securities Authorized For Issuance Under Equity Compensation Plans

The following table provides information about our common stock that may be issued upon the exercise of options, warrants and rights under all of our existing equity compensation plans as of June 30, 2017.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities Remaining available for issuance under equity compensation plans (excluding securities reflected in column (a)) (a)
Equity compensation plans approved by security holders	5,140,339	\$ 0.50	1,010,225
Equity compensation plans not approved by security holders	10,000,000	\$ 0.06	—

In June 2007, we adopted our 2007 Plan. The 2007 Plan was approved by our Board of Directors and the holders of a majority of the outstanding shares of our common stock. In December 2010, the number of shares reserved for issuance under the 2007 Plan was increased by the Board from 3,000,000 shares to 16,000,000 shares of common stock, subject to adjustment under certain circumstances. This increase was approved by our then majority stockholder.

On February 7, 2014, the Company's Board of Directors voted to terminate the 2007 Stock Option Plan and adopted the 2014 Equity Incentive Plan (the "2014 Plan"), which provides for the issuance of incentive awards of up to 6,150,564 post 1 for 100 Reverse Split shares of the Company's Common Stock to officers, key employees, consultants and directors. The options' exercise price will be no less than the closing price of the Company's shares on the day of issuance. When incentive stock options are granted to an employee who, at the time the incentive stock option is granted, owns stock representing more than 10% of the voting power of all classes of stock of the Company, the per share exercise price will be no less than 110% of the closing price of the Company's shares on the day of issuance. A majority of the shareholders of the Company approved the 2014 Plan on August 26, 2014.

On March 31, 2017, the Company granted an aggregate of 10,000,000 common stock options to certain officers of the Company. The options have an exercise price of \$0.06 per share and expire on March 31, 2020.

The Company has 6,150,564 options available for grant under the 2014 Plan. As of June 30, 2017, there were 15,140,339 stock options outstanding.

ITEM 6. SELECTED FINANCIAL DATA

Not applicable.

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

The following discussion and analysis of financial condition and results of operations are based on the preparation of our financial statements in accordance with U.S. generally accepted accounting principles, highlight the principal factors that have affected our financial condition and results of operations as well as our liquidity and capital resources for the periods described and should be read in conjunction with the financial information included elsewhere in this Annual Report, including our audited financial statements for the years ended June 30, 2016 and 2015 and the related notes. References in this Management's Discussion and Analysis of Financial Condition and Results of Operations to "MV Portfolios," "us," "we," "our," and similar terms refer to MV Portfolios, Inc., a Nevada corporation. This discussion includes forward-looking statements, as that term is defined in the federal securities laws, based upon current expectations that involve risks and uncertainties, such as plans, objectives, expectations and intentions. Actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of a number of factors. Words such as "anticipate," "estimate," "plan," "continuing," "ongoing," "expect," "believe," "intend," "may," "will," "should," "could," and similar expressions are used to identify forward-looking statements.

Historical information presented relates to MV Patents operations prior to the closing of the MVP Acquisition. Where relevant and applicable we have presented information relating to our financial condition following the closing of the MVP Acquisition.

We caution you that these statements are not guarantees of future performance or events and are subject to a number of uncertainties, risks and other influences, many of which are beyond our control, which may influence the accuracy of the statements and the projections upon which the statements are based. See "Note Regarding Forward-Looking Statements." Our actual results could differ materially from those anticipated in the forward-looking statements as a result of certain factors discussed in "Risk Factors" and elsewhere in this Annual Report. Any one or more of these uncertainties, risks and other influences could materially affect our results of operations and whether forward-looking statements made by us ultimately prove to be accurate. Our actual results, performance and achievements could differ materially from those expressed or implied in these forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether from new information, future events or otherwise.

Background and Recent Developments

MV Portfolios, Inc. (“MV Portfolios” or the “Company”) is a Nevada corporation. On February 7, 2014, the Company entered into a securities exchange agreement (the “Securities Exchange”) with MVP Portfolio, LLC, a Florida limited liability company (“MVP Portfolio”), MV Patents, LLC (“MV Patents”) a Florida limited liability company and majority member of MVP Portfolio, and other members of MVP Portfolio (all such members collectively, the “Members”). Pursuant to the Securities Exchange, the Members sold all of their membership interests in MVP Portfolio to the Company in exchange for an aggregate of 9,385,000 shares of common stock, \$0.001 par value per share, after taking into account an anticipated 1 for 100 reverse stock split (the “Reverse Split”) of the Company’s issued and outstanding common stock. Following the Securities Exchange, the Company assumed the additional line of business of MVP Portfolio.

MV Patents, formed on July 11, 2011 has limited operations. MVP Portfolio was formed on July 26, 2013 as a wholly owned subsidiary of MV Patents. On August 30, 2013, MV Patents transferred a portion of its patents without recourse to MVP Portfolio. Pursuant to the Securities Exchange on February 7, 2014, MVP Portfolio ceased to be a subsidiary of MV Patents and became a wholly owned subsidiary of MV Portfolios, Inc. MV Patents is deemed to be the predecessor entity to MVP Portfolio.

On March 6, 2014, MVP Portfolio changed its form of organization to a Florida corporation from a Florida limited liability company, and changed its name to Visual Real Estate, Inc. (“VRE”). VRE has historically maintained a June 30 fiscal year, through MV Patents, the predecessor business to MVP Portfolio.

The Securities Exchange was accounted for as a reverse recapitalization, such that MVP Portfolio (VRE as of March 6, 2014), the legal acquiree, is considered the acquirer for accounting purposes and VRE is treated as the surviving and continuing entity. Pursuant to the Securities Exchange, the pre-Securities Exchange exploration stage mining business will be discontinued, and the business of VRE will be continued. In addition, VRE’s management assumed operational, management and governance control of the Company. The accounting for a reverse recapitalization is similar to that resulting from a reverse acquisition, except that no goodwill or other intangible assets should be recorded. The fair value of the consideration effectively transferred in a reverse recapitalization is equal to the net tangible assets (liabilities) assumed.

On November 20, 2014, the Company formed a wholly owned subsidiary, ResoCator, Inc. (which name was changed to LocatorX, Inc. in March 2016). LocatorX is developing and licensing a suite of innovative, secure location tracking technologies to solve fundamental problems in logistics for indoor tracking where GPS does not work.

In September 2016, MVPI created a new subsidiary (1st Rescue, Inc.) focused on the patent pending method and apparatus for location tracking of emergency events and delivering instant Tele-Medkits via drones.

Results of Operations

Fiscal Years Ended June 30, 2017 and 2016

General and administrative expenses decreased from \$3,450,337 in the fiscal year ended June 30, 2016 to \$1,786,835 in the fiscal year ended June 30, 2017 primarily due to a reduction of share based compensation from \$2,047,161 to \$713,119 and a decrease in legal fees from \$860,644 to \$154,358 incurred in defending certain patents.

Non-operating expenses increased from a non-operating gain of \$10,178 in the fiscal year ended June 30, 2016 to a non-operating expense of \$523,479 in the year ended June 30, 2017. The change over the prior year was primarily due to the loss on the deconsolidation of LocatorX of \$396,538 and penalties for non-compliance with a shareholders’ agreement of \$93,866.

We had net loss of \$3,227,020 in the year ended June 30, 2016, and a net loss of \$2,310,314 in the year ended June 30, 2017.

Liquidity and Capital Resources

Our cash and cash equivalents balance as of June 30, 2016 was \$2,640 and \$10,121 as of June 30, 2017. Due to our brief history and historical operating losses, our operations have not been a source of liquidity, and our sources of liquidity primarily have been from the sale of debt and proceeds.

During the year ended June 30, 2017, the Company issued 18,175,000 shares and obligated itself to issue an additional 7,475,000 common shares upon demand from the purchasing investors and 12,825,000 warrants for cash of \$513,000 through a private placement of securities. The warrants are exercisable at a price of \$0.06 per share and have a two year life. In connection with the private placement the Company issued 1,700,000 common shares and 850,000 warrants with a two year life, exercise price of \$.06 for investment banking fees.

During the year ended June 30, 2017, our former majority owned subsidiary LocatorX, Inc. issued 1,195,000 and 63,000 shares of its Series B and C preferred stock for \$572,500. The issuance of the subsidiary shares resulted in an adjustment to non-controlling interest of \$226,842.

In connection with a private placement completed on November 26, 2016, the Company agreed to file its required financial reports in a timely manner pursuant to the requirements of the Exchange Act. Not meeting the filing requirements of the Exchange Act constituted a Filing Compliance Default under the terms of the private placement and triggered certain liquidated damages payments from the Company to the investors in the private placement. The liquidated damages payment is function of the overall investment of the investors, and was equal to 2% of the aggregate of the subscription amount (\$549,000) and the amount of the warrants purchased (\$688,500) paid monthly (such payments being Public Information Failure Payments). To the extent the Company does not pay the monthly Public Information Failure Payments in a timely manner, such amounts accrue interest at 1.5% per month (18% per annum).

The Company was in default of its Exchange Act filing requirement as of March 17, 2017 and remained in such a status as of June 30, 2017. As of June 30, 2017, the Company had accrued \$93,866 in Public Information Failure Payment obligations in its accrued expenses. Since June 30, 2017, and as of March 17, 2018, the Company has not met the filing requirements specified by the terms of the private placement and has in turn accrued \$325,202 in Public Information Failure obligations in its accrued expenses.

We will be required to raise additional financing to operate our business and to satisfy the amounts owed to our prior investors as discussed above. Pursuant to the securities purchase agreement we entered into in connection with the above private placement in November 2016, we are not permitted to close another private placement unless we receive at least \$1.0 million in net proceeds. There is no assurance that we will be successful in completing any new private placement. If we are unsuccessful in completing any new private placements, we may be required to raise financing on more onerous terms, and if are unable to raise such financing at all, we may be required to materially alter the scope of our operations.

In the future, we expect to seek to raise additional capital through additional sales of our equity or debt securities. There can be no assurance, however, that such financing will be available to us or, if it is available, that it will be available on terms acceptable to us and that it will be sufficient to fund our expected needs. If we are unable to obtain sufficient financing, we may not be able to proceed with our new business plan or meet our ongoing operational working capital needs.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Critical Accounting Policies

The preparation of financial statements in conformity with generally accepted accounting principles requires management to select appropriate accounting policies and to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. See Note "SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES," in the accompanying Notes to our consolidated financial statements, for further descriptions of our major accounting policies and for information related to the impact of the implementation of new accounting pronouncements on our results of operations and financial position.

In preparing our consolidated financial statements, we make estimates and assumptions that affect the accounting for and recognition and disclosure of assets, liabilities, equity, revenues and expenses. We must make these estimates and assumptions because certain information that we use is dependent on future events, cannot be calculated with a high degree of precision from data available or simply cannot be readily calculated based on generally accepted methods. In some cases, these estimates are particularly difficult to determine and we must exercise significant judgment. We periodically evaluate our estimates and judgments that are most critical in nature. We believe that the following discussion of critical accounting policies address all important accounting areas where the nature of accounting estimates or assumptions is material due to the levels of subjectivity and judgment. Actual results could differ materially from the estimates and assumptions that we use in the preparation of our financial statements.

Fair Value Measurements

The Company measures fair value in accordance with FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, which defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price).

Deferred Offering and Financing Costs

The Company incurred direct incremental costs associated with procuring financing. These costs are deferred and recorded as an asset, and will be amortized over the life of the debt.

Intangible Assets

The Company has several patent portfolios. As of June 30, 2017 and 2016, no value has been assigned to the patents. The main patents in the portfolio were transferred to MV Patents, the predecessor business to VRE, by a member on July 25, 2011, for the consideration of \$1 without recourse. The patents were transferred to VRE on August 30, 2013 without recourse. As such, the patents are recorded at historical cost, which was deemed to be zero at the time of transfer.

Derivative Financial Instruments

For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported as charges or credits to income. For warrants and convertible derivative financial instruments, the Company used a probability-weighted scenario analysis model to estimate the fair values. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period, in accordance with FASB ASC Topic 815, *Derivatives and Hedging*. Derivative instrument liabilities are classified in the consolidated balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

Stock-Based Compensation

The Company accounts for its stock-based compensation in which the Company obtains employee services in share-based payment transactions under FASB ASC Topic 718, *Compensation - Stock Compensation*, which requires the Company to expense the cost of employee services received in exchange for an award of equity instruments based on the grant date fair value of such instruments over the vesting period.

The Company also adopted FASB ASC Subtopic 505-50, *Equity-Based Payments to Non-Employees*, to account for equity instruments issued to parties other than employees for acquiring goods or services. Such awards for services are recorded at either the fair value of the consideration received or the fair value of the instruments issued in exchange for such services, whichever is more reliably measurable.

Recent Accounting Pronouncements

For information regarding recent accounting pronouncements, see Note "SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES," in the Notes to our accompanying consolidated financial statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

Our audited financial statements are included beginning immediately following the signature page to this report. See Item 15 for a list of the financial statements included herein.

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

On January 2, 2018, our Board of Directors dismissed MaloneBailey, LLP ("MaloneBailey") as its independent registered public accounting firm, effective as of such date.

The report of MaloneBailey on our consolidated financial statements as of June 30, 2016 and 2015 and for the years June 30, 2016 and 2015 did not contain an adverse opinion or disclaimer of opinion, and was not qualified or modified as to uncertainty, audit scope, or accounting principles, other than an explanatory paragraph relating to our ability to continue as a going concern. During the years ended June 30, 2016 and 2015 and through January 2, 2018 there were no disagreements (as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions to Item 304 of Regulation S-K) with MaloneBailey on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of MaloneBailey, would have caused MaloneBailey to make reference to the matter in its report on the consolidated financial statements for such year. There were also no reportable events except that MaloneBailey advised us of certain material weaknesses in our internal control over financial reporting as disclosed in Item 9A to our Form 10-K filed April 2017.

On January 2, 2018, the Board of Directors approved the appointment of LBB & Associates Ltd., LLP ("LBB") as our independent registered public accounting firm for the fiscal year ended June 30, 2017.

During the years ended June 30, 2016 and 2015 and through January 2, 2018, neither we nor anyone on our behalf consulted with LBB with respect to either (i) the application of accounting principles to a specific transaction, either completed or proposed, or the type of audit opinion that might be rendered on our financial statements, and neither written nor oral advice was provided to us that LBB concluded was an important factor considered by us in reaching a decision as to any accounting, auditing or financial reporting issue; (ii) any matter that was either the subject of disagreement (as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions to Item 304 of Regulation S-K) or a reportable event (as described in Item 304(a)(1)(v) of Regulation S-K).

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. It should be noted that the design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. Under the supervision and with the participation of our management, including William D Meadow, our Chief Executive Officer and Shea Ralph, our Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures as required by Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were not effective.

Management's Annual Report on Internal Control over Financial Reporting

The management of MV Portfolios, Inc. is responsible for establishing and maintaining an adequate system of internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Under the supervision and with the participation of our management, consisting of William D. Meadow, our Chief Executive Officer and Shea Ralph, our Chief Financial Officer, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act as of the end of the period covered by this report (the "Evaluation Date"). Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded, as of the Evaluation Date, that our disclosure controls and procedures were not effective because of the identification of what might be deemed a material weakness in our internal control over financial reporting which is identified below.

Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes of accounting principles generally accepted in the United States. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance of achieving their control objectives. In evaluating the effectiveness of our internal control over financial reporting, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control—Integrated Framework*. Based on this evaluation, our sole officer concluded that, during the period covered by this annual report, our internal controls over financial reporting were not operating effectively. Management did identify the following material weaknesses in our internal control over financial reporting for year ended June 30, 2017:

1. We do not have an audit committee. While we are not currently obligated to have an audit committee, including a member who is an "audit committee financial expert," as defined in Item 407 of Regulation S-K, under applicable regulations or listing standards; however, it is management's view that such a committee is an important internal control over financial reporting, the lack of which may result in ineffective oversight in the establishment and monitoring of internal controls and procedures.
2. We did not maintain proper segregation of duties for the preparation of our financial statements. For the fiscal year ended June 30, 2017, we had only one officer overseeing all transactions. This has resulted in several deficiencies including the lack of control over preparation of financial statements, and proper application of accounting policies.
3. We have not implemented a formal process of internal control that provides for multiple levels of supervision and review.
4. We were not able to timely file our SEC filings.

This Annual Report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the Securities and Exchange Commission (the "SEC") that permit us to provide only management's report in this annual report.

Changes in Internal Control over Financial Reporting

None.

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

Executive Officers and Directors

The following table sets forth certain information, with respect to our current directors and executive officers.

Directors serve until the next annual meeting of the shareholders; until their successors are elected or appointed and qualified, or until their prior resignation or removal. Officers serve for such terms as determined by our Board of Directors. Each officer holds office until such officer's successor is elected or appointed and qualified or until such officer's earlier resignation or removal. No family relationships exist between any of our present directors and officers.

Name	Position(s) Held	Age	Date of Election or Appointment as Officer/Director
William D. Meadow	President, Chief Executive Officer, Chief Financial Officer, Treasurer, Secretary and Director	57	February 7, 2014
Shea Ralph	Treasurer, Secretary, Chief Financial Officer and Director	57	February 7, 2014

The following is a brief account of the business experience during the past five years or more of each of our directors and executive officers.

William Meadow, 57, is the founder and has been the Chief Executive Officer of MV Portfolios, Inc. since 2013. Mr. Meadow was the founder and Chief Executive Officer of ControlCam from 2009 through 2012 providing low altitude aerial survey operations, and was the founder and has been the Chief Executive Officer of Visre, Inc./Visual Real Estate, Inc. from 2004 active through 2009 providing street level imaging systems. He was the Co-Founder and Chairman of Real Mortgage Systems, Inc. from 2005 to 2009 providing financing for single family residences. From 1996 to 2000, Mr. Meadow worked on behalf of Columbia University by marketing and licensing patents as CEO of 4D Technology, Inc. He was founder of Payformance Corporation, now called PaySpan, and worked at that company from 1984 to 2003, providing payment technologies to Fortune 500 clients. Mr. Meadow served as VP of Corporate Development for BBN Corporation from 1995 to 1996, a company he joined after selling Network One, a Voice Over IP company that he founded. Mr. Meadow received his B.S. in Marketing from Florida State University. He has patent development and licensing experience across multiple industries with over 20 issued patents. He has patent development and licensing experience across multiple industries, and knowledge of the patent monetization industry, in general, as well as his position as founder of MV Patents, LLC, provides him with valuable expertise which the Board believes qualifies him to serve as a director of the Company.

Shea Ralph, 57, has worked as an independent consultant and strategic advisor of business development and corporate strategy from 2007 to the present. Mr. Ralph is currently a director and executive vice president of strategy of the LocatorX, Inc. Mr. Ralph was chosen to be a director of the Company based on his expertise in business development and corporate governance.

Neither Mr. Meadow nor Mr. Ralph has any family relationship with any other executive officers or directors of the Company. There are no arrangements or understandings between either Mr. Meadow or Mr. Ralph and any other person pursuant to which such person was appointed as an officer or director of the Company. There have been no related party transactions in the past two years in which the Company or any of its subsidiaries was or is to be a party, in which either Mr. Meadow or Mr. Ralph has, or will have, a direct or indirect material interest.

Board Committees

We have not yet established any committees of our Board of Directors. Our Board of Directors may designate from among its members an executive committee and one or more other committees in the future. We do not have a nominating committee or a nominating committee charter. The entire Board of Directors performs all functions that would otherwise be performed by committees. Given the present size of our Board, we do not believe that it is practical for us to have committees. If we are able to grow our business and increase our operations, we intend to expand the size of our Board and allocate responsibilities accordingly.

Audit Committee Financial Expert

We have no separate audit committee at this time. The entire Board of Directors oversees our audits and auditing procedures. Neither of the current members of our Board of Directors is an "audit committee financial expert," as that term is defined in Item 407 of Regulation S-K under the Securities Act.

Shareholder Communications

We do not have a policy with regard to the consideration of any director candidates recommended by security holders. To date, no security holders have made any such recommendations.

Code of Ethics

We have adopted a Code of Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions. A copy of our Code of Ethics will be provided to any person requesting same without charge. To request a copy of our Code of Ethics please make written request to our President at 10752 Deerwood Park Blvd. Suite 100 Jacksonville FL 32256. We believe our Code of Ethics is reasonably designed to deter wrongdoing and promote honest and ethical conduct; provide full, fair, accurate, timely and understandable disclosure in public reports; comply with applicable laws; ensure prompt internal reporting of code violations; and provide accountability for adherence to the code.

Compliance with Section 16(a) of the Exchange Act

We registered our common stock pursuant to Section 12 of the Exchange Act by filing a Form 8-A with the SEC on May 10, 2012. Accordingly, our officers, directors and principal shareholders are subject, as of May 10, 2012, to the beneficial ownership reporting requirements of Section 16(a) of the Exchange Act. Messrs. Meadow and Ralph failed to file certain Form 4 filings in connection with grants of stock options.

ITEM 11. EXECUTIVE COMPENSATION

The following table sets forth information concerning the total compensation paid or accrued by us during the last two fiscal years ended June 30, 2017, to (i) all individuals that served as our principal executive officer or acted in a similar capacity for us at any time during the fiscal year ended June 30, 2017; (ii) all individuals that served as our principal financial officer or acted in a similar capacity for us at any time during the fiscal year ended June 30, 2017; and (iii) all individuals that served as executive officers of ours at any time during the fiscal year ended June 30, 2017, that received annual compensation during the fiscal year ended June 30, 2017, in excess of \$100,000.

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Option Awards (\$)(1)	All Other Compensation (\$)	Total (\$)
William D. Meadow, Chief Executive Officer	2017	250,000	—	128,611	—	378,611
	2016	250,000	—	—	—	250,000
Shea Ralph, Chief Financial Officer	2017	180,000	—	55,119	—	235,119
	2016	180,000	—	—	—	180,000

(1) The amounts in the “Option Awards (\$)” column reflect the grant date fair values of stock options granted during the year. These amounts are determined in accordance with the provisions of FASB ASC Topic 718, rather than an amount paid to or realized by the executive officer. For a description of these stock option awards, see footnote 9 in the Company’s financial statements.

On March 31, 2017, we entered into an employment agreement with William Meadow (the “Meadow Employment Agreement”), whereby Mr. Meadow agreed to serve as our Chief Executive Officer, on a part-time basis, for a period of three (3) years, subject to renewal, in consideration for an annual salary of \$250,000. Additionally, under the terms of the Meadow Employment Agreement, Mr. Meadow shall be eligible for an annual bonus if the Company meets certain criteria, as established by the Board of Directors. Under the agreement, Mr. Meadow was granted an option to purchase 7,000,000 shares at an exercise price per share of \$0.06. In the event Mr. Meadow’s employment is terminated without Cause or if the Company does not renew the agreement or by Mr. Meadow without Good Reason, Mr. Meadow shall be entitled to a lump sum payment equal to Mr. Meadow’s salary for the prior twelve (12) months plus any annual bonus he would have been eligible to receive.

On March 31, 2017, we entered into an employment agreement with Shea Ralph (the “Ralph Employment Agreement”), whereby Mr. Ralph agreed to serve as our Chief Financial Officer, on a part-time basis, for a period of three (3) years, subject to renewal, in consideration for an annual salary of \$180,000. Additionally, under the terms of the Ralph Employment Agreement, Mr. Ralph shall be eligible for an annual bonus if the Company meets certain criteria, as established by the Board of Directors. Under the agreement, Mr. Ralph was granted an option to purchase 3,000,000 shares at an exercise price per share of \$0.06. In the event Mr. Ralph’s employment is terminated without Cause or if the Company does not renew the agreement or by Mr. Ralph without Good Reason, Mr. Ralph shall be entitled to a lump sum payment equal to Mr. Ralph’s salary for the prior twelve (12) months plus any annual bonus he would have been eligible to receive.

Outstanding Equity Awards at Fiscal Year-End

The Company has 6,150,564 options available for grant under the 2014 Plan. As of June 30, 2017, there were 15,140,339 stock options outstanding of which 15,027,839 have vested. The remaining 112,500 options vested on October 21, 2017.

Compensation of Directors

Our directors do not receive any cash compensation for serving as such, for serving on committees (if any) of the Board of Directors or for special assignments. As of the date hereof, there were no other arrangements between us and our directors that resulted in our making payments to any of our directors for any services provided to us by them as Directors.

Deferred Compensation Plan

Effective January 1, 2014, the Company adopted a qualified 401(k) deferred compensation plan, with deferrals beginning in June 2014. All employees who are eighteen years or older and have worked for at least three consecutive months are eligible to participate in the plan. The plan provides for mandatory safe-harbor matching contributions and discretionary non-elective contributions as determined by management. The Company did not elect to make any contributions for the periods ended June 30, 2017 and 2016.

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

The following table sets forth information with respect to the beneficial ownership of our common stock known by us as of March 12, 2018:

- each person or entity known by us to be the beneficial owner of more than 5% of our common stock;
- each of our directors;
- each of our executive officers; and
- all of our directors and executive officers as a group.

Except as otherwise indicated, the persons listed below have sole voting and investment power with respect to all shares of our common stock owned by them, except to the extent such power may be shared with a spouse. Information given with respect to beneficial owners who are not officers or directors of ours is to the best of our knowledge.

Unless otherwise indicated in the following table, the address for each person named in the table is c/o MV Portfolios, Inc. 10752 Deerwood Park Blvd. Suite 100 Jacksonville FL 32256

Name and Address of Beneficial Owner	Title of Class	Amount and Nature of Beneficial Ownership ^a	Percent of Class ^b
William Meadow	Common Stock	23,655,226 ⁽¹⁾	28.65%
William Meadow	Series D Preferred Stock	10,000	50% ⁽²⁾
William Meadow	Series E Preferred Stock	85,000	100% ⁽²⁾
Shea Ralph	Common Stock	6,240,113 ⁽³⁾	8.08%
Shea Ralph	Series D Preferred Stock	10,000	50% ⁽²⁾
All directors & executive officers as a group (2 persons)	Common Stock	29,895,339	40.95%
Brio Capital Master Fund Ltd. c/o Brio Capital Management LLC 100 Merrick Road, Suite 401 W Rockville Center, NY 11570	Common Stock	8,423,061 ⁽⁴⁾	9.9%

- a. A person is deemed to be the beneficial owner of securities that can be acquired by the person within 60 days from the record date upon the exercise of options or warrants. Accordingly, common shares issuable upon exercise of options and warrants that are currently exercisable, or exercisable within 60 days of March 12, 2018, have been included in the table with respect to the beneficial ownership of the person owning the options or warrants.
- b. As of March 12, 2018, there were 73,005,628 shares currently issued and outstanding. Each person beneficially owns a percentage of our outstanding common shares equal to a fraction, the numerator of which is the number of common shares held by such person plus the number of common shares that such person can acquire within 60 days of March 12, 2018 upon the exercise or conversion of options, warrants or convertible securities, and the denominator of which is 73,005,628 (the number of shares currently outstanding) plus the number of shares such person can so acquire during such 60-day period.

(1) Includes (i) 9,460,226 shares of our common stock issuable upon the exercise of options; (ii) 14,100,000 shares of common stock; (iii) 10,000 shares of Series D preferred stock convertible on a one-for-one basis into common stock; and (iv) 85,000 shares of Series E preferred stock convertible on a one-for-one basis into common stock.

(2) Each share of Series D and Series E preferred stock has the right to vote with the common stock at a rate of 1,000 votes per share of Series D or Series E preferred stock. As such, on all matters submitted to a vote of shareholders, Mr. Meadow has the right to vote an aggregate of 118,570,226 shares, or 95.0% of the voting shares.

(3) Includes (i) 4,230,113 shares of our common stock issuable upon the exercise of options; (ii) 2,000,000 shares of common stock; and (iii) 10,000 shares of Series D preferred stock convertible on a one-for-one basis into common stock.

(4) Based on information set forth in a Schedule 13G filed with the SEC on January 26, 2018 by Brio Capital Master Fund Ltd. Includes 5,528,843 shares of common stock owned by Brio Capital Master Fund Ltd. and 2,894,218 shares of common stock issuable upon conversion of certain rights, warrants and Series C PFD Preferred Stock (“Derivative Securities”) but excludes 1,797,615 shares of common stock which are currently not exercisable as would such Derivative Securities are not exercisable when the holder, together with its affiliates, beneficially own in excess of 9.99% of the number of shares of common stock outstanding immediately after giving effect to such exercise.

Changes in Control

Not Applicable.

Securities Authorized for Issuance Under Equity Compensation Plans

See Part II, Item 5 above.

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

MVPI formed 1st Rescue, Inc., in September 2016. In exchange for the conveyance of a license to 1st Rescue to use certain LocatorX, Inc. technology (GPS location; associated supporting software), the shareholders of MVPI agreed to provide: 15,422,120 common shares in 1st Rescue to LocatorX shareholders as of September 2016 (based on their pro rata ownership of LocatorX); and cash consideration of \$100,000 to be paid to LocatorX in the event 1st Rescue raises \$1,000,000 in capital. All of MVPI’s directors and officers are shareholders of LocatorX and therefore they participated in the foregoing share distribution.

LocatorX has received advances from Mr. Meadow. As of December 31, 2016 and 2015, the balance outstanding with respect to such advances from Mr. Meadow was \$72,031 and \$77,031, respectively. As of June 30, 2017, the balance outstanding with respect to such advances from Mr. Meadow was \$72,031. The advances have no interest and are due on demand. During the year ended December 31, 2016, Mr. Meadow forgave \$5,000 on advances.

On January 7, 2015, LocatorX entered into a Patent Royalty Agreement with William Meadow, which was amended on March 31, 2017. In exchange for the assignment and ownership of the patents to LocatorX, LocatorX had agreed to pay Mr. Meadow a minimum annual royalty fee of \$60,000. LocatorX and Mr. Meadow have agreed to terminate the Patent Royalty Agreement, in exchange for the issuance to Mr. Meadow of an option to purchase 2,000,000 shares of LocatorX common stock at an exercise price of \$1.50 per share.

As of June 30, 2017, we owed Messrs. Meadow and Ralph \$320,150 and \$195,943, respectively, for unpaid salary as well as unused vacation time, which unpaid balance earns 6% until paid.

Other than as disclosed immediately above, there have been no transactions since the beginning of our last two fiscal years, and there are no currently proposed transactions, in which we were or are to be a participant and the amount involved exceeds the lesser of \$120,000 or 1% of the average of our total assets at yearend for the last two completed fiscal years, and in which any of our directors, executive officers or beneficial holders of more than 5% of our outstanding common stock, or any of their respective immediate family members, has had or will have any direct or material indirect interest.

Director Independence

We are not currently subject to listing requirements of any national securities exchange or inter-dealer quotation system which has requirements that a majority of the Board of Directors be “independent” and, as a result, we are not at this time required to (and we do not) have our Board of Directors comprised of a majority of “Independent Directors.”

Our Board of Directors has considered the independence of its Directors in reference to the definition of “Independent Director” established by the Nasdaq Marketplace Rule 5605(a)(2). In doing so, the Board of Directors has reviewed all commercial and other relationships of each director in making its determination as to the independence of its Directors. After such review, the Board of Directors has determined none of our directors qualifies as independent under the requirements of the Nasdaq listing standards.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit Fees.

The aggregate fees billed to us by our principal accountant for services rendered during the fiscal years ended June 30, 2016 and 2015, are set forth in the table below:

Fee Category	Fiscal year ended June 30, 2017	Fiscal year ended June 30, 2016
Audit fees (1)	\$ 24,000	\$ 22,000
Audit-related fees (2)	—	207,381
Tax fees (3)	—	4,700
All other fees (4)	—	—
Total fees	\$ 24,000	\$ 234,081

- (1) Audit fees consist of fees incurred for professional services rendered for the audit of consolidated financial statements, for reviews of our interim consolidated financial statements included in our quarterly reports on Form 10-Q and for services that are normally provided in connection with statutory or regulatory filings or engagements. Our audit and reviews for the years ended June 30, 2017 were performed by LBB & Associates Ltd., LLP. Our audit and reviews for the years ended June 30, 2016 and June 30, 2015, and for the period February 7, 2014 to June 30, 2014 were performed by MaloneBailey, LLP.
- (2) Audit-related fees consist of fees billed for providing consents for SEC registration statements such as Forms S-1 and S-8 and other periodic reports and other documents filed with the SEC, or other documents issued in connection with securities offerings.
- (3) Tax fees consist of fees billed for professional services relating to tax compliance, tax planning, and tax advice.
- (4) All other fees consist of fees billed for all other services.

Audit Committee's Pre-Approval Practice

We do not have an audit committee. Our Board of Directors performs the function of an audit committee. Section 10A(i) of the Exchange Act prohibits our auditors from performing audit services for us as well as any services not considered to be audit services unless such services are pre-approved by our audit committee or, in cases where no such committee exists, by our Board of Directors (in lieu of an audit committee) or unless the services meet certain de minimis standards.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Financial Statement Schedules

The consolidated financial statements of MV Portfolios, Inc. are listed on the Index to Financial Statements on this annual report on Form 10-K beginning on page F-1.

Exhibits

The following Exhibits were filed with the Annual Report on Form 10-K:

Exhibit No.	SEC Report Reference Number	Description
3.1	3.1	Amended and Restated Articles of Incorporation of Registrant as filed with the Nevada Secretary of State on August 29, 2007 (3)
3.2	3.1	Certificate of Amendment to Articles of Incorporation of Registrant as filed with the Nevada Secretary of State on March 9, 2009 (4)
3.3	10.3	Certificate of Designation of Series A Convertible Preferred Stock as filed with the Nevada Secretary of State on December 23, 2010 (5)
3.4	10.4	Certificate of Amendment to Articles of Incorporation of Registrant as filed with the Nevada Secretary of State on December 30, 2010 (6)
3.5	3.2	Certificate of Designation of Series B Convertible Preferred Stock (20)
3.6	3.3	Certificate of Designation of Series C Convertible Preferred Stock (20)
3.7	3.4	Certificate of Designation of Series D Convertible Preferred Stock (20)
3.8	3.1	Certificate of Amendment to Articles of Incorporation of Registrant as filed with the Nevada Secretary of State on August 28, 2014 (20)
3.9	3.1	Certificate of Designation of Series E Convertible Preferred Stock (8)
3.10	3.2	By-Laws of Registrant (7)
4.1	4.7	Form of Investor Warrant Dated December, 2010 for purchase of Registrant's common stock, with Schedule of Investors (9)
4.2	10.3	Form of November 2013 Warrant to Purchase Common Stock (10)
4.3	4.2	Form of February 2014 Broker Warrant to Purchase Common Stock (2)
4.4	4.1	Form of November 2016 Warrant to Purchase Common Stock (8)
10.1	10.1	Registrant's 2007 Stock Option Plan adopted June 15, 2007, as amended December 21, 2010 (11)
10.2	*	Employment Agreement dated March 31, 2017 between the Registrant and William Meadow
10.3	*	Employment Agreement dated March 31, 2017 between the Registrant and Shea Ralph
10.4	10.30	Registrant's 2014 Equity Incentive Plan adopted February 7, 2014 (12)
10.5	10.1	Form of Securities Purchase Agreement for November 2016 offering (8)
14.1	14.1	Code of Ethics (1)
21	*	List of Subsidiaries
31.1	*	Certification of Principal Executive Officer, pursuant to SEC Rules 13a-14(a) and 15d-14(a), adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	*	Certification of Principal Financial Officer, pursuant to SEC Rules 13a-14(a) and 15d-14(a), adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	*	Certification of Chief Executive and Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**
32.2	*	Certification of Chief Executive and Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

* Filed herewith.

** This certification is being furnished and shall not be deemed “filed” with the SEC for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the Registrant specifically incorporates it by reference.

** This XBRL exhibit is being furnished and shall not be deemed “filed” with the SEC for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the Registrant specifically incorporates it by reference.

(1) Filed with the SEC on July 13, 2007, as an exhibit, numbered as indicated above, to the Registrant’s current report on Form 8-K, which exhibit is incorporated herein by reference.

- (2) Filed with the SEC on February 10, 2014, as an exhibit, numbered as indicated above, to the Registrant's current report on Form 8-K, which exhibit is incorporated herein by reference.
- (3) Filed with the SEC on August 9, 2007, as an exhibit, numbered as indicated above, to the Registrant's current report on Form 8-K, which exhibit is incorporated herein by reference.
- (4) Filed with the SEC on March 11, 2009, as an exhibit, numbered as indicated above, to the Registrant's quarterly report on Form 10-Q, which exhibit is incorporated herein by reference.
- (5) Filed with the SEC on December 30, 2010, as an exhibit, numbered as indicated above, to the Registrant's current report on Form 8-K, which exhibit is incorporated herein by reference.
- (6) Filed with the SEC on January 18, 2011, as an exhibit, numbered as indicated above, to the Registrant's current report on Form 8-K/A-1, which exhibit is incorporated herein by reference.
- (7) Filed with the SEC on May 30, 2006, as an exhibit, numbered as indicated above, to the Registrant's registration statement on Form SB-2/A, which exhibit is incorporated herein by reference.
- (8) Filed with the SEC on November 23, 2016, as an exhibit, numbered as indicated above, to the Registrant's current report on Form 8-K, which exhibit is incorporated herein by reference.
- (9) Filed with the SEC on March 7, 2013 as an exhibit, numbered as indicated above, to the Registrant's Registration Statement on Form S-1, Amendment No. 5, which exhibit is incorporated herein by reference.
- (10) Filed with the SEC on November 21, 2013, as an exhibit, numbered as indicated above, to the Registrant's current report on Form 8-K, which exhibit is incorporated herein by reference.
- (11) Filed with the SEC on May 17, 2011, as an exhibit, numbered as indicated above, to the Registrant's annual report on Form 10-K, which exhibit is incorporated herein by reference.
- (12) Filed with the SEC on May 6, 2014, as an exhibit, numbered as indicated above, to the Registrant's annual report on Form 10-K, which exhibit is incorporated herein by reference.

In reviewing the agreements included as exhibits and incorporated by reference to this Annual Report on Form 10-K, please remember that, while these exhibits constitute public disclosure under the federal securities laws, they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about the Company or the other parties to the agreements. The agreements may contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the parties to the applicable agreement and:

- should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;
- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Additional information about the Company may be found elsewhere in this Annual Report on Form 10-K and the Company's other public filings, which are available without charge through the SEC's website at <http://www.sec.gov>.

SIGNATURES

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

MV Portfolios, Inc.

March 28, 2018

By: /s/ William D. Meadow
William D. Meadow, President and
Principal Executive Officer

March 29, 2018

By: /s/ Shea Ralph
Shea Ralph, Treasurer and Principal
Financial Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>SIGNATURE</u>	<u>TITLE</u>	<u>DATE</u>
<u>/s/ William D. Meadow</u> William D. Meadow	Director	March 28, 2018
<u>/s/ Shea Ralph</u> Shea Ralph	Director	March 28, 2018

MV PORTFOLIOS, INC. AND SUBSIDIARIES

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
MV Portfolios, Inc.
Jacksonville, Florida

We have audited the accompanying consolidated balance sheet of MV Portfolios, Inc. and its subsidiaries (the "Company") as of June 30, 2017, and the related consolidated statements of operations, stockholders' deficit, and cash flows for the year then ended. These financial statements are the responsibility of the entity's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of MV Portfolios, Inc. and its subsidiaries as of June 30, 2017 and the results of their operations and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the consolidated financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

LBB & Associates Ltd., LLP
www.lbbcpa.com
Houston, Texas
March 28, 2018

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
MV Portfolios, Inc.
Jacksonville, Florida

We have audited the accompanying consolidated balance sheet of MV Portfolios, Inc. and its subsidiaries (the "Company") as of June 30, 2016, and the related consolidated statements of operations, stockholders' deficit, and cash flows for the year then ended. These financial statements are the responsibility of the entity's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of MV Portfolios, Inc. and its subsidiaries as of June 30, 2016 and the results of their operations and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the consolidated financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ MaloneBailey, LLP
www.malonebailey.com
Houston, Texas
April 17, 2017

MV PORTFOLIOS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Assets		
Current assets:		
Cash	\$ 10,121	\$ 2,640
Advances to related party	5,000	—
Investment and advances to unconsolidated subsidiary	549,619	—
Other current assets	2,000	—
Total assets	<u>\$ 566,740</u>	<u>\$ 2,640</u>
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	\$ 897,785	\$ 1,345,811
Accounts payable - related party	50,000	—
Accrued expenses	102,962	—
Accrued expenses - related party	512,302	—
Advances - related party	25,500	5,000
Short term loan – net of discount of \$12,760 and \$19,417	12,240	5,583
Total liabilities	<u>1,600,789</u>	<u>1,356,394</u>
Commitments and contingencies		
Stockholders' deficit:		
Convertible preferred stock, 50,000,000 shares authorized:		
Convertible preferred stock, Series A, par value \$0.001 per share; 22,000,000 shares authorized; 8,000,000 shares issued and outstanding	8,000	8,000
Convertible preferred stock, Series B, par value \$0.001 per share; 3,329,530 shares authorized; 749,740 shares issued and outstanding	749	749
Convertible preferred stock, Series C, par value \$0.001 per share; 8,000,000 shares authorized; 3,874,560 and 3,927,366 shares issued and outstanding	3,875	3,928
Convertible preferred stock, Series D, par value \$0.001 per share; 20,000 shares authorized; 20,000 shares issued and outstanding	20	20
Convertible preferred stock, Series E, par value \$0.001 per share; 85,000 authorized; 85,000 shares issued and outstanding	85	—
Common stock, par value \$0.001 per share; 300,000,000 shares authorized; 73,005,628 and 44,977,822 shares issued and outstanding	73,006	44,978
Additional paid-in capital	26,293,038	24,410,394
Accumulated deficit	(27,412,822)	(25,526,018)
Total stockholders' deficit attributable to MV Portfolios, Inc.	<u>(1,034,049)</u>	<u>(1,057,949)</u>
Total stockholders' equity attributable to non-controlling interest	—	(295,805)
Total stockholders' deficit	<u>(1,034,049)</u>	<u>(1,353,754)</u>
Total liabilities and stockholders' deficit	<u>\$ 566,740</u>	<u>\$ 2,640</u>

See accompanying notes to the consolidated financial statements.

MV PORTFOLIOS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	<u>Year Ended</u> <u>June 30, 2017</u>	<u>Year Ended</u> <u>June 30, 2016</u>
Operating expenses:		
General and administrative	\$ 1,786,835	\$ 3,450,337
Loss from operations	<u>1,786,835</u>	<u>3,450,337</u>
Other income (expenses):		
Interest expense	(33,075)	(1,522)
Other expense	(93,866)	—
Loss on deconsolidation of LocatorX, Inc.	(396,538)	—
Gain on change in fair value of derivative liabilities	—	11,700
Total other income (expenses), net	<u>(523,479)</u>	<u>10,178</u>
Net loss	(2,310,314)	(3,440,159)
Net loss attributable to non-controlling interest	(423,510)	(213,139)
Net loss attributable to MV Portfolios, Inc.	<u>\$ (1,886,804)</u>	<u>\$ (3,227,020)</u>
Basic and diluted net loss per share:		
Net loss per share	<u>\$ (0.03)</u>	<u>\$ (0.08)</u>
Weighted average number of common shares outstanding basic and diluted	60,636,177	38,767,293

See accompanying notes to the consolidated financial statements.

MV PORTFOLIOS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Series A Preferred Stock		Series B Preferred Stock		Series C Preferred Stock		Series D Preferred Stock		Series E Preferred Stock		Common Stock		Additional Paid-In Capital	Non-controlling Interest	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount				
Balance, June 30, 2015	8,000,000	\$ 8,000	749,740	\$ 749	4,032,977	\$ 4,034	20,000	\$ 20	—	—	24,872,211	\$ 24,872	\$ 20,906,276	\$ (12,571)	\$ (22,298,998)	(1,367,618)
Common stock issued for cash											10,500,000	10,500	409,500			420,000
Common shares issued to settle liability											9,500,000	9,500	475,500			485,000
Warrants expense													152,167			152,167
Conversion of Preferred C to common stock					(105,611)	(106)					105,611	106	—			—
Option amortization expense													1,898,994			1,898,994
Net loss														(213,139)	(3,227,020)	(3,440,159)
Debt Discount due to warrants issued with debt													19,938			19,938
Contribution by non-controlling interest													552,019	(70,095)		481,924
Balance, June 30, 2016	8,000,000	\$ 8,000	749,740	\$ 749	3,927,366	\$ 3,928	20,000	\$ 20	—	—	44,997,822	\$ 44,978	\$ 24,410,394	\$ (295,805)	\$ (25,526,018)	(1,353,754)
Common stock issued for cash											18,175,000	18,175	494,825			513,000
Cost of capital											1,700,000	1,700	(1,700)			—
Common shares issued for services											2,500,000	2,500	47,500			50,000
Preferred C shares converted to common					(52,806)	(53)					52,806	53	—			—
Preferred shares issued for cash									85,000	85						85
Common shares issued to settle liability											5,600,000	5,600	106,400			112,000
Option amortization expense													663,119			663,119
Contribution by non-controlling interest													572,500	(226,842)		345,658
Deconsolidation of LocatorX Inc.														946,157		946,157
Net loss														(423,510)	(1,886,804)	(2,310,314)
Balance June 30, 2017	8,000,000	\$ 8,000	749,740	\$ 749	3,874,560	\$ 3,875	20,000	\$ 20	85,000	\$ 85	73,005,628	\$ 73,006	\$ 26,293,038	\$ —	\$ (27,412,822)	\$(1,034,049)

See accompanying notes to the consolidated financial statements.

MV PORTFOLIOS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended June 30, 2017	Year Ended June 30, 2016
Cash flows from operating activities:		
Net loss	\$ (2,310,314)	\$ (3,440,159)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss on deconsolidation of LocatorX, Inc.	396,538	—
Amortization of debt discounts and deferred financing costs	7,157	521
Gain on change in fair value of derivative liabilities	—	(11,700)
Stock-based compensation	663,119	1,894,994
Common stock issued for services	50,000	—
Warrants issued for services	—	152,167
Loss on common stock issued for liabilities	—	105,000
Change in operating assets and liabilities:		
Other current assets	(7,000)	—
Accounts payable	(336,026)	—
Accounts payable - related parties	50,000	—
Accrued expenses	102,962	361,385
Accrued expenses - related parties	512,302	—
Net cash used in operating activities	<u>(871,262)</u>	<u>(937,792)</u>
Cash flows from financing activities:		
Contribution by non-controlling interest	345,658	481,924
Repayment of convertible notes	—	—
Proceeds from the sale of common stock	513,000	420,000
Proceeds from the sale of Series E preferred stock	85	—
Proceeds from related party debt	20,000	5,000
Proceeds from issuing debt	—	25,000
Net cash provided by financing activities	<u>878,743</u>	<u>931,924</u>
Net increase (decrease) in cash	7,481	(5,868)
Cash, beginning of period	2,640	8,508
Cash, end of period	<u>\$ 10,121</u>	<u>\$ 2,640</u>
Supplemental disclosures of cash flow information:		
Interest paid	\$ —	\$ —
Income taxes paid	\$ —	\$ —
Non-cash investing and financing activities:		
Conversion of Series C Preferred stock to common stock	\$ 53	\$ 161
Common stock issued for liabilities	\$ 112,000	\$ 485,000
Debt discount on warrants	\$ —	\$ 19,938

See accompanying notes to the consolidated financial statements.

MV PORTFOLIOS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. General Organization and Business

MV Portfolios, Inc. and subsidiaries (collectively the “Company”) is a Nevada corporation. The Company was an exploration stage mining company with a focus on the identification, acquisition and development of rare and precious metals mining properties in the Americas. On February 7, 2014, the Company entered into a securities exchange agreement (the “Securities Exchange”) with MVP Portfolio, LLC (“MVP Portfolio”), a Florida limited liability company, MV Patents, LLC (“MV Patents”), a Florida limited liability company and majority member of MVP Portfolio, and other members of MVP Portfolio (all such members collectively, the “Members”). Pursuant to the Securities Exchange, the Members sold all of their membership interests in MVP Portfolio to the Company in exchange for an aggregate of 9,385,000 shares of common stock, \$0.10 par value per share, after taking into account the 1 for 100 reverse stock split (the “Reverse Split”) of the Company’s issued and outstanding common stock. Following the Securities Exchange, the Company assumed the additional line of business of MVP Portfolio.

The Securities Exchange was consummated in anticipation of a 1 for 100 Reverse Split. As the share exchange is dependent upon the Reverse Split, all share and per share amounts herein have been retroactively restated to reflect the 1 for 100 Reverse Split as if it has been effected during all periods presented.

MV Patents, formed on July 11, 2011 has limited operations. MVP Portfolio was formed on July 26, 2013 as a wholly owned subsidiary of MV Patents. On August 30, 2013, MV Patents transferred a portion of its patents without recourse to MVP Portfolio. Pursuant to the Securities Exchange on February 7, 2014, MVP Portfolio ceased to be a subsidiary of MV Patents and became a wholly owned subsidiary of the Company. MV Patents is deemed to be the predecessor entity to MVP Portfolio.

On March 6, 2014, MVP Portfolio changed its form of organization to a Florida corporation from a Florida limited liability company, and changed its name to Visual Real Estate, Inc. (“VRE”). VRE has historically maintained a June 30 fiscal year, through MV Patents, the predecessor business to MVP Portfolio.

Subsequent to the Securities Exchange, the Company changed its fiscal year end to June 30, which is VRE’s year end.

VRE owns a patent portfolio it refers to as “Video Drive-by” and online mapping, which has previously been used by its predecessors and licensees commercially. VRE currently owns a patent portfolio consisting of eight (8) issued and sixteen (16) pending patents. The patents disclose systems and methods for providing video drive-by data to enable a street level view of a neighborhood surrounding a geographic location. The systems include, generally, a video and data server farm incorporating at least one (1) video storage server that stores video image files containing video drive-by data corresponding to a geographic location, a data base server that processes a data query received from a user over the internet and an image processing server. VRE’s activities since inception have consisted principally of acquiring additional technology patents and raising capital.

On March 17, 2014, VRE filed a patent infringement lawsuit against Goggle Inc. in the United States District Court for the Middle District of Florida; case number 3:14-cv-00274-TJC-PDB. The lawsuit claimed infringement of three of VRE’s patents and identified Goggle Street View and Goggle Earth as infringing upon VRE’s patents. On August 20, 2014, Goggle, Inc. filed four petitions for InterParties Review (“IPR”) before the Patent Trial and Appeal Board (“PTAB”) challenging our patent infringement claims. On January 25, 2016, the PTAB issued a final written decision on the IPR which was not favorable to VRE. The ruling, indicating that the claims were too broad, invalidating our most valuable claims. Therefore, we have dropped the lawsuit.

On November 20, 2014, the Company formed a wholly owned subsidiary, Flexine, Inc., which will explore productization potential from a patent from Harvard University for a novel material that may be used to create a unique variable focus lens for SmartPhone cameras.

On November 20, 2014, the Company formed a wholly owned subsidiary, LocatorX, Inc.(which name was changed from ResoCator, Inc. in March 2017), which will explore productization potential from a patent from the University of Oxford for a Solid-state Miniature Atomic Clock (“SMAC”). MV Portfolios, Inc. has signed an option agreement for US Patent 82217724 with ISIS Innovations (University of Oxford’s patent licensing company).

On September 1, 2016, the Company formed a wholly owned subsidiary, Rabbit Drones, Inc. (which name was changed to 1st Rescue, Inc. in January 2017), which will explore the productization potential for a Solid-state Miniature Atomic Clock (“SMAC”) with a focus on medical equipment.

2. Summary of Significant Accounting Principles

Principles of Consolidation

The results of operations and cash flows for the years ended June 30, 2017 and 2016 include the consolidated results of operations and changes in cash flows of MV Portfolios, Inc. and Subsidiaries which includes Flexine, Inc., Visual Real Estate Inc. and LocatorX, Inc. (formerly named ResoCator, Inc.). LocatorX, Inc. was formed as a wholly-owned subsidiary and has subsequently added additional investors. All material intercompany balances and transactions have been eliminated.

As of June 30, 2017, the Company has a voting interest of 15.03% in LocatorX, Inc., accordingly the Company deconsolidated LocatorX, Inc. in June 2017. As of June 30, 2016, the Company had a voting interest of 73%.

MV PORTFOLIOS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of June 30, 2017 and 2016, and the reported revenues and expenses for the years then ended. Actual results could differ from those estimates made by management.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all instruments with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes.

Intangible Assets

The Company has several patent portfolios. As of June 30, 2017 and 2016, no value has been assigned to the patents. The main patents in the portfolio were transferred to MV Patents, the predecessor business to VRE, by a member on July 25, 2011, for the consideration of \$1 without recourse. The patents were transferred to VRE on August 30, 2013 without recourse. As such, the patents are recorded at historical cost, which was deemed to be zero at the time of transfer.

Derivative Financial Instruments

For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported as charges or credits to income. For warrants and convertible derivative financial instruments, the Company used a probability-weighted scenario analysis model to value the derivative instruments. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period, in accordance with Financial Accounting Services Board ("FASB") Accounting Standards Codification ("ASC") Topic 815, *Derivatives and Hedging*. Derivative instrument liabilities are classified in the consolidated balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the consolidated balance sheet date.

Fair Value Measurements

The Company measures fair value in accordance with FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, which defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements. ASC Topic 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price).

Stock-Based Compensation

The Company accounts for its stock-based compensation in which the Company obtains employee services in share-based payment transactions under FASB ASC Topic 718, *Compensation - Stock Compensation*, which requires the Company to expense the cost of employee services received in exchange for an award of equity instruments based on the grant date fair value of such instruments over the vesting period. The Company also adopted FASB ASC Subtopic 505-50, *Equity-Based Payments to Non-Employees*, to account for equity instruments issued to parties other than employees for acquiring goods or services. Such awards for services are recorded at either the fair value of the consideration received or the fair value of the instruments issued in exchange for such services, whichever is more reliably measurable. The Company incurred \$713,119 and \$2,047,161 of stock-based compensation for the years ended June 30, 2017 and 2016, respectively.

MV PORTFOLIOS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Net Earnings (Loss) per Common Share

Basic net earnings (loss) per common share are computed by dividing net income (loss) by the weighted-average number of common shares outstanding during the period. Diluted net earnings (loss) per common share is determined using the weighted average number of common shares outstanding during the period, adjusted for the dilutive effect of common stock equivalents. In periods when losses are reported, the diluted weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive. For the years ended June 30, 2017 and 2016, a net loss was reported and the Company excluded options and outstanding warrants to purchase shares of common stock, as the effect would be anti-dilutive.

Income Taxes

The Company accounts for income taxes in accordance with FASB ASC Topic 740, *Income Taxes*. Under FASB ASC Topic 740, deferred tax assets and liabilities are determined based on temporary differences between the bases of certain assets and liabilities for income tax and financial reporting purposes. The deferred tax assets and liabilities are classified according to the financial statement classification of the assets and liabilities generating the differences.

The Company maintains a valuation allowance with respect to deferred tax assets. The Company establishes a valuation allowance based upon the potential likelihood of realizing the deferred tax asset and taking into consideration the Company's financial position and results of operations for the current period. Future realization of the deferred tax asset depends on the existence of sufficient taxable income within the carry-forward period under the Federal tax laws.

Changes in circumstances, such as the Company generating taxable income, could cause a change in judgment about the realizability of the related deferred tax asset. Any change in the valuation allowance will be included in income in the year of the change in estimate.

Management is required to analyze all open tax years, as defined by the statute of limitations, for all major jurisdictions, including federal and certain state taxing authorities. At June 30, 2017, the Company is subject to U.S. federal examinations by taxing authorities for all tax years from inception (July 11, 2011). At June 30, 2017 and 2016, the Company did not have a liability for any unrecognized taxes. The Company has no examinations in progress and is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax liabilities will significantly change in the next twelve months.

Reclassifications

Certain amounts in the prior period have been reclassified to conform to the current period's financial statement presentation. These reclassifications have no effect on previously reported net income.

New Accounting Pronouncements

Management does not believe that any recently issued, but not effective, accounting standards, if currently adopted, would have a material effect on the Company's financial statements.

3. Going Concern

The Company is engaged in limited operations. The ongoing business plan of the Company is to assert its intellectual property rights to monetize its patents through net recoveries. Net recoveries relate to monetary payments received by the Company in respect to its patents through judgments, settlements, royalty agreements, or other disposition of the patents or cash proceeds of any equity actually received as consideration for any such disposition, including those received in connection with litigation.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. As shown in the accompanying consolidated financial statements, the Company has incurred losses for all periods presented, as the ongoing business has not yet commenced. The Company has not established an ongoing source of revenues and has funded activities to date primarily from convertible notes and common stock offerings. In addition, the Company had a working capital deficit as of June 30, 2017. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

The Company is subject to a number of risks including, but not limited to, the need to obtain adequate funding and possible risk of failure to monetize its patents. If the Company does not successfully monetize its patents, it will be unable to generate revenues or achieve profitability.

MV PORTFOLIOS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Management's plan with respect to funding the ongoing operations is to secure equity financing through access to U.S. capital markets as a registrant of the U.S. Securities and Exchange Commission.

While the Company believes it will be successful in obtaining the necessary financing to (i) fund its operations, (ii) monetize its patents and meet revenue projections and (iii) manage costs, it does not currently have any financing plans in place and there are no assurances that such additional funding will be achieved and that it will succeed in its future operations. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts of liabilities that might be necessary should the Company be unable to continue as a going concern.

4. Non-Controlling Interests in Consolidated Subsidiary and Deconsolidation

Following a series of transactions and capital contributions that occurred up to and including June 30, 2017, the Company no longer held a controlling financial interest in its previously consolidated affiliate, LocatorX, Inc. Accordingly, the results of operations of LocatorX, Inc. were consolidated in the accompanying consolidated financial statements up to June 30, 2017. The Company held a 73% equity interest in LocatorX, Inc. at June 30, 2016, and held a 15% equity interest at June 30, 2017. The Company accounts for this retained interest under the cost method for investments.

Mr. Meadows has voting control of LocatorX, Inc. via Series A Preferred Stock and is the chief executive officer of LocatorX, Inc. and MV Portfolios, Inc.

LocatorX, Inc. is developing and marketing new technologies using Miniature Atomic Clock (MAC) technology patented by the University of Oxford. The Company has an exclusive global license to this patent and others for the lifetime of the patent. A new, man-made, nitrogen encaged 'Buckyball' molecule is the core of the MAC. Currently, LocatorX, Inc. has no revenues and has general and administrative expenses as it is implementing its business plan.

We determined the fair value of our investment in and advances to LocatorX, Inc. to be \$549,619 as of June 30, 2017 and we recorded a loss on deconsolidation of \$396,538, subsequent to June 30, 2017, the Company received \$427,000 from LocatorX as payment on such advances.

5. Related Party Transactions

Officer and director fees totaled \$216,896 and \$381,196 for the years ended June 30, 2017 and 2016, respectively. The total compensation of officers and directors was recorded as a component of general and administrative expenses.

In September 2014 the Company granted 5,140,339 common stock options to its officers. The total fair value of the award was estimated to be \$9,605,675. Share-based compensation expense is recognized ratably over the vesting periods. For the year ended June 30, 2017 and 2016, the Company recognized share-based compensation expense as a component of general and administrative expenses of \$318,516 and \$1,766,833.

In March 2017, the Company issued 85,000 Series E shares with 1,000 to 1 voting rights pursuant to the November 2016 private placement of securities for \$85 to our chief executive officer Mr. Meadow. The Series E Preferred Stock shall automatically, and without any further action on the part of the holder, convert into one share of common stock, upon a "change in control" of the Company. Mr. Meadow has the ability to exert total influence over the outcome of all matters, including, director appointments, tender offers, mergers, proxy contests and other equity transactions.

As of June 30, 2017 and June 30, 2016, the Company owed its officers and directors \$512,302 and \$314,198, respectively for compensation which was recorded as accounts payable and accrued liabilities in its consolidated balance sheets.

As of June 30, 2017 and 2016, the Company had advances of \$25,500 and \$5,000 from an officer. The note is due on demand, and bears no interest.

Effective September 1, 2016, the Board of Directors of 1st Rescue, Inc. approved a consulting agreement with Mr. Meadow for \$5,000 per month which is included in accounts payable for \$50,000 as of June 30, 2017.

MV PORTFOLIOS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

6. Fair Value Measurements

As defined in FASB ASC Topic 820, fair value is the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Topic requires disclosure that establishes a framework for measuring fair value and expands disclosure about fair value measurements. The statement requires fair value measurements be classified and disclosed in one of the following categories:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. The Company considers active markets as those in which transactions for the assets or liabilities occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Pricing inputs other than quoted market prices included in Level 1 that are based on observable market data and are directly or indirectly observable for substantially the full term of the asset or liability. These include quoted market prices for similar assets or liabilities, quoted market prices for identical or similar assets in markets that are not active, adjusted quoted market prices, inputs from observable data such as interest rate and yield curves, volatilities or default rates observable at commonly quoted intervals or inputs derived from observable market data by correlation or other means.

Level 3: Pricing inputs that are unobservable or less observable from objective sources. Unobservable inputs should only be used to the extent observable inputs are not available. These inputs maintain the concept of an exit price from the perspective of a market participant and should reflect assumptions of other market participants. An entity should consider all market participant assumptions that are available without unreasonable cost and effort. These are given the lowest priority and are generally used in internally developed methodologies to generate management's best estimate of the fair value when no observable market data is available.

Financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement.

The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels.

Certain assets and liabilities are reported at fair value on a recurring or non-recurring basis in the Company's consolidated balance sheets. The following methods and assumptions were used to estimate the fair values:

Cash, Prepaid expenses, Accounts payable, Accrued liabilities

The carrying amounts approximate fair value because of the short-term nature or maturity of the instruments.

Derivative liabilities

The Company's determination of fair value of its derivative instruments incorporates various factors required under FASB Topic ASC 815. See Note 6 for the fair value calculations. The fair values of the Company's derivatives are valued using less observable data from objective sources as inputs into internal valuation models. Therefore, the Company considers the fair value of its derivatives to be Level 3 hierarchy.

The following table sets forth the fair value hierarchy within our financial assets and liabilities by level that they were accounted for at fair value on a recurring basis as of June 30, 2017 and June 30, 2016:

	Fair Value Measurement at June 30, 2017		
	Level 1	Level 2	Level 3
Liabilities:			
Warrant derivative liabilities	\$ —	\$ —	\$ —
Total	\$ —	\$ —	\$ —
	Fair Value Measurement at June 30, 2016		
	Level 1	Level 2	Level 3
Liabilities:			
Warrant derivative liabilities	\$ —	\$ —	\$ —
Total	\$ —	\$ —	\$ —

The following table sets forth the changes in the fair value of derivative liabilities for the period from June 30, 2015 through year ended June 30, 2017:

Balance, June 30, 2015	\$ 11,700
Change in fair value of derivative liabilities	(11,700)
Balance, June 30, 2016	—
Change in fair value of derivative liabilities	—
Balance, June 30, 2017	\$ —

MV PORTFOLIOS, INC. AND SUBSIDIARIES
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7. Short Term Loan

In May 2016, the Company issued a note for \$25,000 with an annual rate of interest of 4.0%. Along with the debt offering, the Company also issued 1,666,667 warrants. The warrants are exercisable immediately with an exercise price of \$0.06 per share and expire May 26, 2019. The Company used the Black-Scholes option pricing model to determine the relative fair value of the warrant and a debt discount of \$19,938 was recorded.

During the years ended June 30, 2017 and 2016, the Company recognized amortization expense of \$7,157 and \$521 and the note balance as of June 30, 2017 was \$12,240 or \$25,000 net of discount of \$12,760.

8. Stockholders' Equity

Common stock

During the period from September to November 2015, the Company issued 10,500,000 common shares for a total cash consideration of \$420,000 and 5,250,000 warrants to purchase up to an additional 2,625,000 common shares at \$0.06 per share through a private placement of securities.

During the period from September to November 2015, the Company issued 9,500,000 common shares for a total fair value of \$485,000 to settle \$380,000 liabilities, and recognized a loss of \$105,000. In addition, the Company also issued 4,750,000 warrants to purchase up to an additional 2,375,000 common shares at \$0.06 per share.

In March 2017, the Company issued 5,600,000 common shares to its officer to settle accrued salary for \$112,000.

In June 2016, the Company issued 105,611 common shares upon the conversion of 105,611 shares of Series C preferred stock.

During the year ended June 30, 2017, the Company issued 18,175,000 and obligated to issue an additional 7,475,000 common shares and 12,825,000 warrants for cash of \$513,000 through a private placement of securities. The warrants are exercisable at a price of \$0.001 per share and have a 2 year life. In connection with the private placement the Company issued 1,700,000 common shares and 850,000 warrants with a 2 year life, exercise price of \$.06 for investment banking fees. In connection with an escrow agreement the Company is obligated to issue an additional 7,475,000 shares of common stock to 2 investors. In connection with the filing compliance default, the Company issued an additional 882,657 warrants and adjusted the exercise price to \$0.001.

During the year ended June 30, 2017, the Company issued 2,500,000 common shares for services valued at \$50,000.

Preferred Stock

The Company is authorized to issue 50,000,000 shares of Preferred Stock.

Series A Preferred Stock

The Company is authorized to issue 8,000,000 shares of Series A Preferred Stock. There are 8,000,000 shares of Series A Preferred Stock outstanding. No Series A Preferred Stock was issued for the years ended June 30, 2017 and 2016, respectively.

The Series A convertible preferred stock are convertible into common shares at a ratio of 100 to 1 and have no voting rights.

Series B Preferred Stock

The Company is authorized to issue 3,329,530 shares of Series B Preferred Stock. There are 749,740 shares of Series B Preferred Stock outstanding. No Series B Preferred Stock was issued for the years ended June 30, 2017 and 2016, respectively.

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Series B Preferred Stock is convertible into common stock at a ratio of 1 to 1. Each share of Series B Preferred Stock will participate in dividends and other distributions on an equivalent basis with common stock. Holders of Series B Preferred Stock shall vote together with the holders of common stock as a single class, and each holder of outstanding shares of Series B Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of common stock into which the shares of Series B Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on a particular matter.

Series C Preferred Stock

The Company is authorized to issue 8,000,000 shares of Series C Preferred Stock. There are 3,874,560 shares of Series C Preferred Stock outstanding.

Each share of Series C Preferred Stock will be entitled to a liquidation preference equal to \$0.001 per share. Otherwise, the Series C Preferred Stock will be equivalent in all respects to the Common Stock, with each share of Series C Preferred stock entitled to one vote and the holders of the Series C Preferred Stock voting together with the holders of the Common Stock. The Series C Preferred Stock is convertible into common stock at a ratio of 1 to 1.

During the year ended June 30, 2016, the Company issued 105,611 common shares upon the conversion of 105,611 shares of Series C Preferred Stock.

During the year ended June 30, 2017, the Company issued 52,806 common shares for the conversion of 52,806 Series C Preferred Stock.

Series D Preferred Stock

The Company is authorized to issue 20,000 shares of Series D Preferred Stock. There are 20,000 shares of Series D Preferred Stock outstanding.

In September 2014, the Company issued 20,000 shares of Series D convertible preferred stock (the "Series D Preferred Stock"), to officers and Directors for compensation valued at \$40,000. The Series D Preferred Stock will be equivalent in all respects to the Company's common stock, except that each share of Series D Preferred Stock will be entitled to cast 1,000 votes per share and contain liquidation preference. Series D Convertible Preferred Stock is convertible into common stock at a ratio of 1 to 1.

Series E Preferred Stock

The Company is authorized to issue 85,000 shares of Series E Preferred Stock. There are 85,000 shares of Series E Preferred Stock outstanding.

In March 2017, the Company issued 85,000 Series E shares with 1,000 to 1 voting rights pursuant to the November 2016 private placement of securities for \$85 to Mr. Meadow. The Series E Preferred Stock shall automatically, and without any further action on the part of the holder, convert into one share of common stock, upon a "change in control" of the Company. Mr. Meadow will continue for the foreseeable future to have the ability to exert total influence over the outcome of all matters, including, director appointments, tender offers, mergers, proxy contests and equity transactions.

Non-controlling Interest

During the year ended June 30, 2017, LocatorX, Inc. issued 1,195,000 and 63,000 shares of its Series B and C preferred stock for \$572,500. The issuance of the subsidiary shares resulted in an adjustment to non-controlling interest of \$226,842.

During the year ended June 30, 2016, LocatorX, Inc. issued 240,962 shares of its Series B preferred stock for \$481,924. The issuance of the subsidiary shares resulted in an adjustment to non-controlling interest of \$70,095.

Filing Compliance Default

In connection with a private placement completed on November 26, 2016, the Company agreed to file its required financial reports in a timely manner pursuant to the requirements of the Securities Exchange Act of 1934 ("Exchange Act"). Not meeting the filing requirements of the Exchange Act constitutes a Filing Compliance Default under the terms of the private placement and triggers certain liquidated damages payments from the Company to the investors in the private placement. The liquidated damages payment is function of the overall investment of the investors; two percent (2%) of the aggregate of the subscription amount (\$549,000) and the amount of the warrants purchased (\$688,500) paid monthly (such payments being Public Information Failure Payments). To the extent the Company does not pay the monthly Public Information Failure Payments in a timely manner, such amounts shall accrue interest at 1.5% per month (18% per annum).

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The Company was in default of its Exchange Act filing requirement as of March 17, 2017 and remained in such a status as of June 30, 2017. As of June 30, 2017, the Company had accrued \$93,866 in Public Information Failure Payment obligations in its accrued expenses. The Company issued an additional 882,657 warrants and adjusted the exercise price to \$0.001. Since June 30, 2017, and as of March 17, 2018, the Company has not met the filing requirements specified by the terms of the private placement and has in turn accrued \$325,202 in Public Information Failure obligations in its accrued expenses.

9. Stock Options and Warrants

Options

On February 7, 2014, the Company's Board of Directors voted to terminate the 2007 Stock Option Plan and adopted the 2014 Equity Incentive Plan (the "2014 Plan"), which provides for the issuance of incentive awards of up to 6,150,564 shares of the Company's Common Stock to officers, key employees, consultants and directors. The options' exercise price will be no less than the closing price of the Company's shares on the day of issuance. When incentive stock options are granted to an employee who, at the time the incentive stock option is granted, owns stock representing more than 10% of the voting power of all classes of stock of the Company, the per share exercise price will be no less than 110% of the closing price of the Company's shares on the day of issuance.

On March 31, 2017, the Company granted an aggregate of 10,000,000 common stock options to certain officers of the Company. The options have a fair value of \$183,730 and vest immediately and are exercisable at \$0.06 per share and expire on March 31, 2020.

The estimated fair value of each option award granted was determined on the date of effectiveness of the grant using the Black-Scholes option valuation model.

The Company recorded option amortization expense in accordance with the vesting terms of \$502,246 and \$1,766,833 for the years ended June 30, 2017 and 2016, respectively.

A summary of the status of the Company's stock option plan as of June 30, 2017 and 2016 are as follows:

	<u>Options</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Term (Years)</u>	<u>Aggregate Intrinsic Value</u>
Outstanding at June 30, 2015	5,140,339	\$ 0.50	8.675	\$ —
Granted	—	—	—	\$ —
Outstanding at June 30, 2016	5,140,339	0.500	7.673	\$ —
Exercisable at June 30, 2016	3,742,754	0.500	7.653	\$ —
Granted	10,000,000	0.06	3.00	\$ —
Outstanding at June 30, 2017	15,140,339	0.500	3.927	\$ —
Exercisable at June 30, 2017	15,027,839	\$ 0.21	3.939	\$ —

LocatorX, Inc. Options

During the years ended June 30, 2017 and 2016, LocatorX granted 2,640,000 and 3,790,000 options to certain consultants and officers and are exercisable at \$0.20 to \$1.20 per share and expire in December 2020.

During the year ended June 30, 2016, 667,500 options were forfeited when the consultant that had vesting options did not have their contracts renewed. The options vest in twelve quarterly installments.

MV PORTFOLIOS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The estimated fair value of each option award granted was determined on the date of effectiveness of the grant using the Black-Scholes option valuation model and the fair value of the options is \$267,514 and \$387,661 for June 30, 2017 and 2016, respectively. The following assumptions were used for the options granted during the years ended June 30, 2017 and 2016:

	2017	2016
Risk-free interest rate	1.03%	0.45% - 1.07%
Expected volatility	84.31%	73.58% - 93.57%
Dividend yield	0.00%	0.00%
Expected option term	1.8 – 3 years	1.3 – 4.4 years

Options amortization expense of the LocatorX's stock options was \$75,979 and \$128,161 for the year ended June 30, 2017 and 2016, respectively. A summary of the status of LocatorX's stock options as of June 30, 2017 and 2016 are as follows:

	<u>Options</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Term (Years)</u>	<u>Aggregate Intrinsic Value</u>
Outstanding at June 30, 2015	300,000	\$ —		
Granted	3,790,000	0.200		
Forfeited	667,500	0.170		
Outstanding at June 30, 2016	3,422,500	0.186	2.557	\$ —
Exercisable at June 30, 2016	663,333	0.349	2.745	\$ —
Forfeited	—	—		
Granted	2,640,000	1.17		
Outstanding at June 30, 2017	6,062,500	0.61	1.95	\$ —
Exercisable at June 30, 2017	2,079,994	\$ 0.25	1.53	\$ —

Warrants

The estimated fair value of the warrants issued was determined on the date of effectiveness of the grant using the Black-Scholes option valuation model. Warrants expense was \$84,894 and \$152,167 for the years ended June 30, 2017 and 2016, respectively. The Company granted 16,224,324 warrants during the year ended June 30, 2017 in connection with a private placement. During the year ended June 30, 2017, the Company granted 2,250,000 warrants for services valued at \$84,894.

The following table presents the warrant activity during the years ended June 30, 2017 and 2016 presented on a post 1 for 100 Reverse Split basis:

	<u>Common Shares Covered by Warrants</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Term (Years)</u>	<u>Aggregate Intrinsic Value</u>
Outstanding at June 30, 2015	2,965,343	\$ 1.118	1.919	\$ —
Granted	11,666,667	0.060		
Expired	(1,418,534)	1.352		
Outstanding at June 30, 2016	13,213,476	0.159	1.813	\$ —
Exercisable at June 30, 2016	13,213,476	\$ 0.159	1.813	\$ —
Granted	18,474,324	0.01		
Expired	(513,476)	0.50		
Outstanding at June 30, 2017	31,174,324	\$ 0.067	1.0	\$ 165,000
Exercisable at June 30, 2017	29,374,324	\$ 0.067	1.0	\$ 165,000

MV PORTFOLIOS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The estimated fair value of \$84,894 and \$152,167 for the warrants was determined on the date of effectiveness of the grant using the Black-Scholes option valuation model. The following assumptions were used for the warrants for the years ended June 30, 2017 and 2016:

	2017	2016
Risk-free interest rate	0.99%	0.99%
Expected volatility	266% - 284%	186% - 207%
Dividend yield	0.00%	0.00%
Expected option term	4 years	1 years

10. Income Taxes

No provision for federal and state income taxes has been recognized for the years ended June 30, 2017 and 2016, as the Company incurred a net operating loss for income tax purposes in each period and has no carryback potential.

The Company had net operating loss carry-forwards for income tax reporting purposes of approximately \$10,700,000 as of June 30, 2017, which may be offset against future taxable income. These net operating loss carry-forwards may be carried forward in varying amounts until the time when they expire in 2037. Current tax laws limit the amount of loss available to be offset against future taxable income when a substantial change in ownership occurs or a change in the nature of the business, both of which occurred on February 7, 2014. Therefore, the amount available to offset future taxable income has been limited.

Deferred tax assets consisted of the following as of June 30, 2017 and 2016:

	June 30, 2017	June 30, 2016
Net operating loss carry-forwards	\$ 3,600,000	\$ 2,873,000
Valuation allowance	(3,600,000)	(2,873,000)
Net deferred tax asset	\$ —	\$ —

11. Retirement Plan

Effective January 1, 2014, the Company adopted a qualified 401(k) deferred compensation plan, with deferrals beginning in June 2014. All employees who are eighteen years or older and have worked for at least three consecutive months are eligible to participate in the plan. The plan provides for mandatory safe-harbor matching contributions and discretionary non-elective contributions as determined by management. The Company did not elect to make any contributions for the year ended June 30, 2017 and 2016.

12. Commitments and Contingencies

Employment Agreements

In March 2017, the Company entered into employment agreements with two executive officers for a term of 3 years. The agreements have contingencies for termination to pay severance up to twenty four months and health care. The agreements provide for additional bonus payments that are defined in the agreement.

Other

On November 16, 2015, SiberLaw LLP filed for a default judgment against VRE, Inc. for a liquidated amount of \$146,736. The Duval county Florida court ruled in SiberLaw's favor, and the amount is recorded as a liability on the balance sheet. SiberLaw registered a lien at the US Patent Trademark Office for all patents owned by the Company's subsidiary Visual Real Estate Inc. These patents relate to Video Drive By family of patents including US Patent 7389181, 7929800, 8078396, 8090633, 8207964, 8213743, 8558848 and 8554015.

MV PORTFOLIOS, INC. AND SUBSIDIARIES
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The Company is involved in various legal proceedings and litigation arising in the ordinary course of business. In the opinion of management and legal counsel, the outcome of such proceedings and litigation will not have a material adverse effect on the Company's consolidated financial statements.

13. Subsequent Events

Subsequent to June 30, 2017, the Company received \$427,000 from LocatorX, Inc. as payment on advances from MVPI to LocatorX, Inc..

In November 2017, the Board of Directors extended the expiration date for 10,000,000 warrants expiring in September 2017 to December 2018.

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, William D. Meadow, certify that:

1. I have reviewed this report on Form 10-K of MV Portfolios, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 28, 2018

/s/ William D. Meadow
William D. Meadow
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Shea Ralph, certify that:

1. I have reviewed this report on Form 10-K of MV Portfolios, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 28, 2018

/s/ Shea Ralph

Shea Ralph

Chief Financial Officer

(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, William D. Meadow, Chief Executive Officer of MV Portfolios, Inc., (the “Company”), in compliance with Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that, to the best of my knowledge, the Company’s Report on Form 10-K for the fiscal year ended June 30, 2017 (the “Report”) filed with the Securities and Exchange Commission:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 28, 2018

/s/ William D. Meadow

William D. Meadow
Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement, has been provided to MV Portfolios, Inc., and will be retained by MV Portfolios, Inc., and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Shea Ralph, Chief Financial Officer of MV Portfolios, Inc., (the “Company”), in compliance with Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that, to the best of my knowledge, the Company’s Report on Form 10-K for the for the fiscal year ended June 30, 2017 (the “Report”) filed with the Securities and Exchange Commission:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 28, 2018

/s/ Shea Ralph

Shea Ralph

Chief Financial Officer

(Principal Financial and Accounting Officer)

A signed original of this written statement, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement, has been provided to MV Portfolios, Inc., and will be retained by MV Portfolios, Inc., and furnished to the Securities and Exchange Commission or its staff upon request.
