

Alternative Reporting Standard: Disclosure Guidelines for the Pink[®] Market

Federal and state securities laws require issuers to provide *current information* to the public markets. With a view to facilitating compliance with these laws, OTC Markets Group has created these Disclosure Guidelines (“Guidelines”)¹ that set forth the disclosure obligations that make up the “Alternative Reporting Standard” for Pink companies. Companies on the Pink Market that do not make disclosure directly to the SEC (via EDGAR), a banking regulator, or a non-U.S. regulatory authority may provide disclosure under our “Alternative Reporting Standard.” We use information provided by companies under these Guidelines to designate the appropriate tier in the Pink Market: Current Information or Limited Information.²

Pink Current Information Tier

To qualify for the Current Information Tier:

1. **Subscribe to the OTC Disclosure & News Service:** To submit an application, visit [Gateway](#) to sign in or create a new account. Allow OTC Markets Group 2-4 weeks to process your application and provide authorized user credentials to OTCIQ.
2. **Publish Initial Disclosure:** Upload the following documents through OTCIQ:
 - Annual Report for the most recently completed fiscal year.
 - All Quarterly Reports for the Current Fiscal Year.

Annual or Quarterly Reports are composed of:

- **Disclosure Statements:** Disclosure information pursuant to these Guidelines for the applicable period. Available as a fillable form beginning on page 4 of these Guidelines.
- **Financial Statements:** Qualifying Financial Statements in accordance with the Financial Statement Requirements specified in Item 9 of these Guidelines.

Qualifying Financial Statements include:

- Audit Letter, if audited
- Balance Sheet
- Statement of Income
- Statement of Cash Flows
- Statement of Retained Earnings (Statement of Changes in Stockholders’ Equity)
- Notes to Financial Statements

¹ These Guidelines have been designed to encompass the “current information” requirements under state and federal securities laws, such as Rules 10b-5 and 15c2-11 of the Securities Exchange Act of 1934 (“Exchange Act”) as well as Rule 144 of the Securities Act of 1933 (“Securities Act”), and state Blue Sky laws. However, these Guidelines have not been reviewed by the U.S. Securities and Exchange Commission or any state securities regulator. These Guidelines do not constitute legal advice, and OTC Markets Group makes no assurance that compliance with our disclosure requirements will satisfy any legal requirements. These Guidelines may be amended from time to time, in the sole and absolute discretion of OTC Markets Group, with or without notice.

² OTC Markets Group may require companies with securities designated as “Caveat Emptor” or other compliance flags to make additional disclosures to qualify for the Pink Current Information tier.

3. **Publish Attorney Letter:** If financial statements are not audited by a PCAOB registered firm, companies must retain U.S. counsel to review their disclosure and provide a letter to OTC Markets Group with respect to adequate current information by providing the following:
 - ***Attorney Letter Agreement:*** The attorney for the company must submit a signed Attorney Letter Agreement according to the [Attorney Letter Agreement Instructions](#).
 - ***Attorney Letter:*** After the attorney reviews the company's disclosure, publish the "Attorney Letter With Respect to Current Information" through OTCIQ. Attorney Letters must be in accordance with the [Attorney Letter Guidelines](#).
4. **Verify Profile:** Verify the Company Profile through OTCIQ. This includes the complete list of current officers, directors, and service providers; outstanding shares; a business description; contact information; and the names of all company insiders and beneficial owners of 10% or more of the outstanding units or shares of any class of any equity security of the issuer.
5. **OTC Markets Group Processing of Reports:** Allow OTC Markets Group to process the posted documents (typically three to five business days) and provide any comments. Companies will only be evaluated for Current Information once all required documentation has been submitted. A new Attorney Letter is required upon amendment of any referenced report.
6. **Ongoing Requirements:** To qualify for Current Information on an ongoing basis, companies must:
 - Publish reports through OTCIQ on the following schedule:
 - Quarterly Report within **45 days** of the quarter end
 - Annual Report within **90 days** of the fiscal year end
 - Attorney Letter within **120 days** of the fiscal year end if financial statements are unaudited.
 - Maintain a Verified Profile. At least once every six months, review and verify the Company Profile through OTCIQ.
 - Maintain Transfer Agent Verified share data. If your transfer agent participates in the [Transfer Agent Verified Shares Program](#), then your securities must have current share data verified by the transfer agent.
 - Maintain an Active standing in the Company's State of Incorporation.

Pink Limited Information Tier

Companies that do not meet the requirements of the Pink Current Information tier set forth above may still qualify for the Pink Limited Information Tier by meeting the following minimum disclosure requirements.

1. **Annual Financial Statements:** Publish one set of Qualifying Annual Financial Statements which cover the past 2 completed fiscal years, provided the most recently completed fiscal year is within the past 16 months.
2. **Verified Profile:** The Company must verify the Company Profile through OTCIQ, including, but not limited to, a complete list of officers, directors, and service providers; outstanding shares; a business description; contact information; and the name of all company insiders. "Company Insiders" shall include the beneficial owner of 10% or more of the outstanding units or shares of any class of any equity security of the issuer.
3. **Ongoing Requirements:** To qualify for Limited Information on an ongoing basis, companies must:
 - Publish reports on the following schedule:
 - Annual Financial Statements as outlined in Item 9 within 120 days of the fiscal year end. Should a change in FYE occur, no more than 16 months may elapse from the fiscal year end of the prior Annual Financial Statement.

- Review and Verify the Company's profile information through OTCIQ at least once every 12 months.
- Maintain Transfer Agent Verified share data. If your transfer agent participates in the [Transfer Agent Verified Shares Program](#), then your securities must have current share data verified by the transfer agent.

Current Reporting of Material Corporate Events

In addition to the disclosure requirements above, all companies on the Pink market are expected to promptly release to the public any news or information regarding corporate events that may be material to the issuer and its securities (including adverse information). Persons with knowledge of such events are considered to be in possession of material nonpublic information and may not buy or sell the issuer's securities until or unless such information is made public. If not included in the issuer's previous public disclosure documents, or if the material events occurs after the publication of such disclosure documents, the issuer shall publicly disclose such events by disseminating a news release **within four (4) business days** following their occurrence and posting such news release through an Integrated Newswire or the OTC Disclosure & News Service.³

Material corporate events may include:

- Changes to the company's shell status. Please refer to our [FAQ on Shell Companies](#)
- Changes in control of issuer
- Departure of directors or principal officers; election of directors; appointment of principal officers
- Entry into or termination of a material definitive agreement or material agreement not made in the ordinary course of business
- Completion of an acquisition or disposition of assets, including but not limited to merger transactions
- Creation of a direct financial obligation or an obligation under an off-balance sheet arrangement of an issuer
- Triggering events that accelerate or increase a direct or contingent financial obligation including any default or acceleration of an obligation or an obligation under an off-balance sheet arrangement
- Costs associated with exit or disposal activities including material write-offs and restructuring; Material impairments
- Unregistered sales of equity securities
- Material modification to rights of security holders
- Changes in issuer's certifying accountant
- Non-reliance on previously issued financial statements or a related audit report or completed interim review
- Change in a company's fiscal year; Amendments to articles of incorporation or bylaws that were not previously disclosed in a proxy statement or other such disclosure statement.
- Amendments to the issuer's code of ethics, or waiver of a provision of the code of ethics
- Any changes to litigation the issuer may be involved in, or any new litigation surrounding the issuer
- Officer, director, or insider transactions in the issuer's securities
- Disclosure of investor relations, marketing, brand awareness, and stock promotion activities which might reasonably be expected to materially affect the market for its securities or otherwise deemed material by the issuer
- A company's bankruptcy or receivership
- Termination or reduction of a business relationship with a customer that constitutes a specified amount of the company's revenues
- Any material limitation, restriction, or prohibition, including the beginning and end of lock-out periods, regarding the company's employee benefits, retirement and stock ownership plan
- Earnings releases
- Other materially different information regarding key financial or operation trends from that set forth in periodic reports
- Other events the issuer determines to be material

³ "Integrated Newswire" shall mean a newswire service that is integrated with the OTC Disclosure & News Service and is included on OTC Markets Group's list of Integrated Newswires, as published on <https://www.otcmartets.com/corporate-services/ir-tools-services>

Amerityre Corporation

1501 Industrial Rd., Boulder City, NV 89005

(702) 293-1930

www.amerityre.com

info@amerityre.com

Annual Report

For the period ending June 30, 2024 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

79,734,118 as of June 30, 2024 (Current Reporting Period Date or More Recent Date)

77,927,868 as of June 30, 2023 (Most Recent Completed Fiscal Year End)

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: No:

Change in Control

Indicate by check mark whether a Change in Control⁴ of the company has occurred during this reporting period:

Yes: No:

⁴ "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Amerityre Corporation (since 12/6/2000)
American Tire Company (until 12/6/2000)

Current State and Date of Incorporation or Registration: Nevada, January 30, 1995
Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

None.

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

Not applicable.

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None.

Address of the issuer's principal executive office:

1501 Industrial Rd., Boulder City, NV 89005

Address of the issuer's principal place of business:

Check if principal executive office and principal place of business are the same address:

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: Yes: If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Issuer Direct
Phone: (801) 272-9294
Email: Julie.Felix@issuereirect.com
Address: One Glenwood Ave., Ste 1001, Raleigh NC 27603

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	<u>AMTY</u>
Exact title and class of securities outstanding:	<u>Common stock</u>
CUSIP:	<u>03073V107</u>
Par or stated value:	<u>0.001</u>
Total shares authorized:	<u>100,000,000</u> as of date: <u>June 30, 2024</u>
Total shares outstanding:	<u>79,734,118</u> as of date: <u>June 30, 2024</u>
Total number of shareholders of record:	<u>459</u> as of date: <u>June 30, 2024</u>

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	_____
Par or stated value:	_____
Total shares authorized:	_____ as of date: _____
Total shares outstanding:	_____ as of date: _____
Total number of shareholders of record:	_____ as of date: _____

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

For common equity dividends only occur if declared. Each shareholder is allowed 1 vote per share of common equity held, and there are no preemption rights.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

We have a total of 5,000,000 shares of preferred stock under our Articles of Incorporation which may be designated in one or more series with such relative rights, preferences and limitations as the Board of Directors may determine. The Company may file one or more new designations authorizing the issuance of preferred shares if needed in the future as may be determined by the Board of Directors.

3. Describe any other material rights of common or preferred stockholders.

Not applicable.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None.

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities in the past two completed fiscal years and any subsequent interim period.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: Yes: (If yes, you must complete the table below)

Shares Outstanding <u>Opening Balance:</u> Date <u>6/30/2022</u> Common: <u>75,787,868</u> Preferred: <u>0</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>12/7/2022</u>	<u>New</u>	<u>840,000</u>	<u>Common stock</u>	<u>\$0.049</u>	<u>No</u>	<u>Michael Sullivan</u>	<u>Employment agreement</u>	<u>Restricted</u>	<u>No</u>
<u>12/7/2022</u>	<u>New</u>	<u>30,000</u>	<u>Common stock</u>	<u>\$0.049</u>	<u>No</u>	<u>Lynda R. Keeton-Cardno</u>	<u>Employment agreement</u>	<u>Restricted</u>	<u>No</u>
<u>12/7/2022</u>	<u>New</u>	<u>75,000</u>	<u>Common stock</u>	<u>\$0.049</u>	<u>No</u>	<u>Terry Gilland</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>12/7/2022</u>	<u>New</u>	<u>50,000</u>	<u>Common stock</u>	<u>\$0.049</u>	<u>No</u>	<u>George Stoddard</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>

<u>12/7/2022</u>	<u>New</u>	<u>75,000</u>	<u>Common stock</u>	<u>\$0.049</u>	<u>No</u>	<u>David Clark</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>12/7/2022</u>	<u>New</u>	<u>50,000</u>	<u>Common stock</u>	<u>\$0.049</u>	<u>No</u>	<u>David Hollister</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>6/7/2023</u>	<u>New</u>	<u>840,000</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>Michael Sullivan</u>	<u>Employee agreement</u>	<u>Restricted</u>	<u>No</u>
<u>6/7/2023</u>	<u>New</u>	<u>30,000</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>Lynda R. Keeton-Cardno</u>	<u>Employee agreement</u>	<u>Restricted</u>	<u>No</u>
<u>6/7/2023</u>	<u>New</u>	<u>50,000</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>George Stoddard</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>6/7/2023</u>	<u>New</u>	<u>75,000</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>David Clark</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>6/7/2023</u>	<u>New</u>	<u>25,000</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>David Hollister</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>12/1/2023</u>	<u>New</u>	<u>840,000</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>Michael Sullivan</u>	<u>Employee agreement</u>	<u>Restricted</u>	<u>No</u>
<u>12/1/2023</u>	<u>New</u>	<u>30,000</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>Lynda R. Keeton-Cardno</u>	<u>Employee agreement</u>	<u>Restricted</u>	<u>No</u>
<u>12/1/2023</u>	<u>New</u>	<u>37,500</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>George Stoddard</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>12/1/2023</u>	<u>New</u>	<u>56,250</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>David Clark</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>12/1/2023</u>	<u>New</u>	<u>25,000</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>David Hollister</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>12/5/2023</u>	<u>New</u>	<u>12,500</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>George Stoddard</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>12/1/2023</u>	<u>New</u>	<u>12,500</u>	<u>Common stock</u>	<u>\$0.050</u>	<u>No</u>	<u>David Hollister</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>6/24/24</u>	<u>New</u>	<u>600,000</u>	<u>Common stock</u>	<u>\$0.047</u>	<u>No</u>	<u>Michael Sullivan</u>	<u>Employee agreement</u>	<u>Restricted</u>	<u>No</u>
<u>6/24/24</u>	<u>New</u>	<u>30,000</u>	<u>Common stock</u>	<u>\$0.047</u>	<u>No</u>	<u>Lynda R. Keeton-Cardno</u>	<u>Employee agreement</u>	<u>Restricted</u>	<u>No</u>
<u>6/24/24</u>	<u>New</u>	<u>52,000</u>	<u>Common stock</u>	<u>\$0.047</u>	<u>No</u>	<u>George Stoddard</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>6/24/24</u>	<u>New</u>	<u>58,500</u>	<u>Common stock</u>	<u>\$0.047</u>	<u>No</u>	<u>David Clark</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
<u>6/24/24</u>	<u>New</u>	<u>52,000</u>	<u>Common stock</u>	<u>\$0.047</u>	<u>No</u>	<u>David Hollister</u>	<u>Director compensation</u>	<u>Restricted</u>	<u>No</u>
Shares Outstanding on Date of This Report:									
Ending Balance:									
Date <u>06/30/2024</u> Common: <u>79,734,118</u>									

Preferred: <u>0</u>	
---------------------	--

Example: A company with a fiscal year end of December 31st 2023, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2022 through December 31, 2023 pursuant to the tabular format above.

*****Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

Use the space below to provide any additional details, including footnotes to the table above:

For the year-to-date period ending June 30, 2024 (which for Amerityre is the year-end period July 1, 2023 – June 30, 2024):

On October 26, 2021, the Board of Directors adopted the 2022 Equity Incentive Plan (the “2022 Plan”) which contains provisions for up to 10,000,000 stock-based instruments to be granted to employees, consultants, and directors.

Effective September 24, 2020, the Company filed a Certificate of Withdrawal of the Certificate of Designation related to the Company’s 2013 Series Convertible Preferred Stock. In doing so, the 2,000,000 shares of preferred stock previously designated as 2013 Series Convertible Preferred Stock returned to the status of authorized and unissued shares of “blank check” preferred stock, and as a result we now have a total of 5,000,000 shares of preferred stock under our Articles of Incorporation which may be designated in one or more series with such relative rights, preferences and limitations as the Board of Directors may determine. The Company may file one or more new designations authorizing the issuance of preferred shares should this be needed in the future as may be determined by the Board of Directors.

All previously granted stock options expired as of December 31, 2021; no stock options have been granted since this time through the date of these financial statements.

Effective January 1, 2023, the Company renewed the Chief Executive Officer’s Employment Agreement. The new Agreement extends his term of employment to December 31, 2023. Inclusive in this new Agreement is a stock award of 1.68 million shares of the Company’s common stock vesting ratably over 12 months (January 2023 – December 2023), valued at a fixed rate of \$0.050 per share, the average price per share of the Company’s common stock for the period December 27, 2022 to December 30, 2022. As of December 31, 2023, all shares related to this employment agreement were issued.

Effective January 1, 2023, 60,000 shares of common stock were granted to the Company’s Chief Financial Officer as part of her employment renewal. These shares of the Company’s common stock vest ratably over 12 months (January 2023 – December 2023), valued at a fixed rate of \$0.050 per share, the average price per share of the Company’s common stock for the period December 27, 2022 to December 30, 2022. As of December 31, 2023, shares related to this employment agreement were issued.

In the January 2023 Board Meeting, the Chairman of the Board proposed compensation to the independent members of the Board such that each such director’s compensation would be in shares of the Company’s common stock that are granted as of January 2023 but vest as of each Board meeting that each independent Director attends in the calendar year of 2023, at the following share amounts: Board Secretary 18,750 per meeting, all other independent Directors 12,500 per meeting. These shares of the Company’s common stock are valued at a fixed rate of \$0.050 per share, the average price per share of the Company’s common stock for the period December 27, 2022 to December 30, 2022. The Board approved this plan. As of June 30, 2023, shares related to this plan were issued as follows for the first six months of the calendar year of 2023: 150,000 shares issued June 7, 2023. As of December 31, 2023, shares related to this plan were issued as follows for the second six months of the calendar year 2023 year: 143,750 shares issued on December 1 and December 5, 2023.

Effective January 1, 2024, the Company renewed the Chief Executive Officer’s Employment Agreement. The new Agreement extends his term of employment to December 31, 2024. Inclusive in this new Agreement is a stock award of 1.2 million shares of the Company’s common stock vesting ratably over 12 months (January 2024 – December 2024), valued at a fixed rate of \$0.047 per share, the average price per share of the Company’s common stock for the period December 26, 2023 to December 29, 2023. As of June 30, 2024, 600,000 shares related to this employment agreement were issued.

Effective January 1, 2024, 60,000 shares of common stock were granted to the Company’s Chief Financial Officer as part of her employment renewal. These shares of the Company’s common stock vest ratably over 12 months (January 2024 – December 2024), valued at a fixed rate of \$0.047 per share, the average price per share of the Company’s common stock for the period December 26, 2023 to December 29, 2023. As of June 30, 2024, 30,000 shares related to this employment agreement were issued.

In the January 2024 Board Meeting, the Chairman of the Board proposed compensation to the independent members of the Board such that each such director’s compensation would be in shares of the Company’s common stock that are granted as of January 2024 but vest as of each Board meeting that each independent Director attends in the calendar year of 2024, at the following share amounts: Board Secretary 19,500 per meeting, all other independent Directors 13,000 per meeting. These shares of the Company’s common stock are valued at a fixed rate of \$0.047 per share, the average price per share of the Company’s common stock for the period December 26, 2023 to December 30, 2023. The Board approved this plan. As of June 30, 2024, 162,500 shares were issued on June 24, 2024.

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer’s equity securities :

No: Yes: (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *** You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

*****Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

Use the space below to provide any additional details, including footnotes to the table above:

4) Issuer’s Business, Products and Services

The purpose of this section is to provide a clear description of the issuer’s current operations. Ensure that these descriptions are updated on the Company’s Profile on www.OTCMarkets.com.

A. Summarize the issuer’s business operations (If the issuer does not have current operations, state “no operations”)

Amerityre engages in the development, manufacture, and sale of solid polyurethane tires.

B. List any subsidiaries, parent company, or affiliated companies.

None.

C. Describe the issuers' principal products or services.

Our polyurethane material technology is based on two main proprietary formulations: closed-cell polyurethane foam, a lightweight material with high load-bearing capabilities for low duty cycle applications, and Elastothane®, a high-performance polyurethane elastomer with high load-bearing capabilities for high duty applications.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

In March 2019, we negotiated a five-year extension of the lease on our executive office and manufacturing facility located at 1501 Industrial Road, Boulder City, Nevada. The property consists of a 49,200 square foot building. We currently occupy all 49,200 square feet, inclusive of approximately 5,500 square feet of office space, situated on approximately 4.15 acres. The lease ended June 30, 2024. We are in active communication with our landlord regarding a new lease agreement for our current facility, and are now leasing the building under terms specified per the holdover clause in the expired lease. Renewal has not occurred nor is renewal assured for the period subsequent to June 30, 2024.

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities. If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Names of All Officers, Directors, and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of 5% or more)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
<u>Michael Sullivan</u>	<u>CEO and Chairman of the Board</u>	<u>Pleasant Hill, CA</u>	<u>14,742,581</u>	<u>common stock</u>	<u>18.49%</u>	_____
<u>George Stoddard</u>	<u>Director</u>	<u>Victorville, CA</u>	<u>620,750</u>	<u>common stock</u>	<u>0.78%</u>	_____

<u>David Clark</u>	<u>Director</u>	<u>Las Vegas, NV</u>	<u>791,000</u>	<u>common stock</u>	<u>0.99%</u>	<u> </u>
<u>David Hollister</u>	<u>Director</u>	<u>San Francisco, CA</u>	<u>603,250</u>	<u>common stock</u>	<u>0.76%</u>	<u> </u>
<u>Lynda Keeton-Cardno</u>	<u>CFO</u>	<u>Henderson, NV</u>	<u>682,500</u>	<u>common stock</u>	<u>0.86%</u>	<u> </u>
<u>Shelton Core Value Fund (1)</u>	<u>Owner than more than 5%</u>	<u>Denver, CO</u>	<u>20,000,000</u>	<u>common stock</u>	<u>25.08%</u>	<u> </u>

- (1) Shelton Equity Income Fund is the beneficial owner of 20,000,000 shares of Amerityre Corporation. Shelton Equity Income Fund is a mutual fund and a series of Shelton Funds trust, and is controlled by Shelton Capital Management, the investment adviser to the Fund.
- (2) Steve Rogers is the Chairman and President of Shelton Funds trust and is the CEO of Shelton Capital Management. The offices of all of the foregoing are located at 1875 Lawrence Street, Suite 300, Denver, CO 80202.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None.

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None.

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None.

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None.

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None.

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None.

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None.

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Michael D. Harris, Esq.
Address 1: 3001 PGA Boulevard, Ste.305
Address 2: Palm Beach Gardens, FL 33410
Phone: (561) 644-222
Email: MHarris@nasonyeager.com

Accountant or Auditor

Name: Rob Abercrombie
Firm: Haynie & Company
Address 1: 1785 W. 2300 S.
Address 2: Salt Lake City, UT 84119
Phone: 801-703-3967
Email: roba@hayniecpas.com

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

X (Twitter): _____
Discord: _____
LinkedIn: _____
Facebook: _____
[Other]: _____

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Lynda R. Keeton-Cardno, CPA
Title: Chief Financial Officer
Relationship to Issuer: Officer

B. The following financial statements were prepared in accordance with:

- IFRS
 U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Lynda R. Keeton-Cardno, CPA
Title: Chief Financial Officer
Relationship to Issuer: Officer

Describe the qualifications of the person or persons who prepared the financial statements:⁵

Lynda R. Keeton-Cardno was appointed as the Company's Principal Financial and Accounting Officer, and Secretary/Treasurer on January 21, 2015. Since, 2004 Ms. Keeton-Cardno has been the CEO/Managing Member of Lynda R. Keeton CPA, LLC, dba Keeton CPA, an accounting firm based in Henderson, Nevada which provides accounting, audit and consulting services to public and private companies. Between January 1996 and April 2002 Ms. Keeton-Cardno worked for Arthur Andersen, LLP in Phoenix, Arizona and Las Vegas, Nevada in the audit and advisory and technology risk consulting divisions. Ms. Keeton-Cardno is a Nevada licensed certified public accountant and received her accounting degree from Arizona State University's School of Business and Honor's College. In her various roles she has extensive background and experience in managing high performing accounting departments, filings with the

⁵ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

SEC and work needed for review and audit by standards promulgated by the Public Companies Accounting Oversight Board.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be “machine readable”. Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Michael Sullivan certify that:

1. I have reviewed this Disclosure Statement for Amerityre Corporation;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

September 20, 2024 [Date]

/s/ Michael F. Sullivan [CEO's Signature]

(Digital Signatures should appear as “/s/ [OFFICER NAME]”)

Principal Financial Officer:

I, Lynda R. Keeton-Cardno certify that:

1. I have reviewed this Disclosure Statement for Amerityre Corporation;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

September 20, 2024 [Date]

/s/ Lynda R. Keeton-Cardno [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")



Financial Statements and
Report of Independent Registered Public Accounting
June 30, 2024

Amerityre Corporation
1501 Industrial Road
Boulder City, NV 89005
Phone: 800-808-1268
Fax: 702-294-3873
www.amerityre.com

AMERITYRE CORPORATION
INDEX TO FINANCIAL STATEMENTS

Audited Financial Statements

[Independent Auditor's Report](#)

F-2

[Balance Sheets as of June 30, 2024 and 2023](#)

F-4

[Income Statements for the years ended June 30, 2024 and 2023](#)

F-5

[Statements of Stockholders' Equity for the years ended June 30, 2024 and 2023](#)

F-6

[Statements of Cash Flows for the years ended June 30, 2024 and 2023](#)

F-7

[Notes to the Financial Statements](#)

F-8

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholders
of Amerityre Corporation

Opinion

We have audited the accompanying financial statements of Amerityre Corporation (a Nevada corporation), which comprise the balance sheets as of June 30, 2024 and 2023, and the related statements of income, stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Amerityre Corporation as of June 30, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Amerityre Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

[Table of Contents](#)

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

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

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

Haynie & Company
Salt Lake City, Utah
September 18, 2024

AMERITYRE CORPORATION
Balance Sheets

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 2,252,321	\$ 1,559,787
Marketable securities	-	100,000
Accounts receivable	392,192	489,202
Other receivables	80,000	-
Current inventory – net	814,436	902,508
Prepaid and other current assets	105,578	170,295
Total Current Assets	<u>3,644,527</u>	<u>3,221,792</u>
RIGHT TO USE LEASE ASSETS, OPERATING, NET	74,973	243,307
PROPERTY AND EQUIPMENT		
Molds and models	588,642	592,198
Equipment	2,891,875	3,099,502
Furniture and fixtures	71,422	74,643
Software	233,528	233,528
Construction in progress	-	29,130
Less – accumulated depreciation	<u>(3,088,026)</u>	<u>(3,735,695)</u>
Total Property and Equipment - net	<u>697,441</u>	<u>293,306</u>
OTHER ASSETS		
Patents and trademarks – net	34,294	44,318
Non-current inventory	142,479	105,899
Deposits	-	11,000
Total Other Assets	<u>176,773</u>	<u>161,217</u>
TOTAL ASSETS	<u>\$ 4,593,714</u>	<u>\$ 3,919,622</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 987,667	\$ 879,044
Current portion of lease liability	-	151,200
Deferred revenue	93	52,169
Total Current Liabilities	<u>987,760</u>	<u>1,082,413</u>
TOTAL LIABILITIES	<u>987,760</u>	<u>1,082,413</u>
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Preferred stock: -0- shares authorized, none outstanding, respectively	-	-
Common stock: 100,000,000 shares authorized of \$0.001 par value, 79,734,118 and 77,927,868 shares issued and outstanding, respectively	79,734	77,928
Additional paid-in capital	63,109,815	63,023,687
Stock payable	16,000	-
Accumulated deficit	<u>(59,599,595)</u>	<u>(60,264,406)</u>
Total Stockholders' Equity	<u>3,605,954</u>	<u>2,837,209</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 4,593,714</u>	<u>\$ 3,919,622</u>

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

AMERITYRE CORPORATION
Income Statements

	For the Years Ended	
	June 30,	
	2024	2023
NET SALES	\$ 5,003,758	\$ 5,687,211
COST OF REVENUES	<u>3,142,083</u>	<u>3,863,973</u>
GROSS PROFIT	<u>1,861,675</u>	<u>1,823,238</u>
EXPENSES		
Research and development	113,820	106,370
Sales and marketing	240,567	249,672
General and administrative	<u>966,966</u>	<u>969,625</u>
Total Expenses	<u>1,321,353</u>	<u>1,325,667</u>
INCOME FROM OPERATIONS	<u>540,322</u>	<u>497,571</u>
OTHER INCOME (EXPENSE)		
Interest income	33,786	10,259
Gain on debt extinguishment	-	62,713
Gain (loss) on asset disposal/impairment	78,556	(6,338)
Other income	<u>12,146</u>	<u>19,842</u>
Total Other Income	<u>124,488</u>	<u>86,476</u>
NET INCOME BEFORE INCOME TAXES	664,810	584,047
Income tax benefit, net of allowance	<u>-</u>	<u>-</u>
NET INCOME	<u>\$ 664,810</u>	<u>\$ 584,047</u>
BASIC AND DILUTED EARNINGS PER SHARE	<u>\$ 0.01</u>	<u>\$ 0.01</u>
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	<u>79,734,118</u>	<u>76,481,183</u>

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

AMERITYRE CORPORATION
Statements of Stockholders' Equity

	Common Stock		Additional	Stock	Accumulated	Total
	Shares	Amount	Paid in	Payable	Deficit	
Balance, June 30, 2022	75,787,868	75,788	62,918,787	-	(60,848,452)	2,146,123
Stock based compensation expense for employee and Board of Director service	2,140,000	2,140	104,899	-	-	107,039
Net income for the year	-	-	-	-	584,047	584,047
Balance, June 30, 2023	77,927,868	77,928	63,023,687	-	(60,264,405)	2,837,209
Stock based compensation expense for employee and Board of Director service	1,806,250	1,806	86,128	16,000	-	103,934
Net income for the year	-	-	-	-	664,810	664,810
Balance, June 30, 2024	<u>79,734,118</u>	<u>\$79,734</u>	<u>\$63,109,815</u>	<u>\$ 16,000</u>	<u>\$(59,599,595)</u>	<u>\$3,605,954</u>

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

AMERITYRE CORPORATION
Statements of Cash Flows

	For the Years Ended June 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 664,810	\$ 584,047
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation and amortization expense	229,402	226,620
Stock based compensation, options and stock awards	103,934	107,039
(Gain) on debt extinguishment	-	(62,713)
(Gain)/loss on assets due to impairment, disposal, or sale	(78,556)	6,338
Changes in operating assets and liabilities:		
Accounts receivable	97,010	196,443
Other receivables	(80,000)	-
Prepaid and other current assets	75,717	(87,078)
Inventory and inventory reserve	45,405	(29,075)
Accounts payable and accrued expenses	108,624	178,039
Deferred revenue	(52,076)	(56,144)
Lease liability, operating lease	(151,200)	(149,400)
Net Cash Provided by Operating Activities	<u>963,071</u>	<u>914,114</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(360,892)	(36,444)
Cash paid for leasehold improvements of an operating lease asset	(2,645)	(24,040)
Redemption (purchase) of marketable securities	100,000	(100,000)
Cash (paid for) from patents and trademarks	(6,999)	-
Proceeds from the sale/disposal of assets	-	1,000
Net Cash Used by Investing Activities	<u>(270,536)</u>	<u>(159,484)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
	-	-
NET INCREASE (DECREASE) IN CASH		
	692,534	754,630
CASH AT BEGINNING OF YEAR	1,559,787	805,157
CASH AT END OF YEAR	<u>\$ 2,252,321</u>	<u>\$ 1,559,787</u>
NON-CASH FINANCING ACTIVITIES		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -
SUPPLEMENTAL SCHEDULE OF CASH FLOW ACTIVITIES		
Use or (return) of store inventory, capitalized as fixed asset	\$ (6,087)	\$ 61,156
Write off of fully depreciated assets no longer in use	\$ 477,653	-
Reclassification of long-term deposits to other assets	\$ (11,000)	-

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

AMERITYRE CORPORATION
Notes to the Financial Statements
June 30, 2024, and 2023

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Amerityre Corporation (the “Company” or “Amerityre”) incorporated as a Nevada corporation on January 30, 1995. The Company was organized to take advantage of existing proprietary and non-proprietary technology available for the manufacturing of specialty tires. The Company engages in the manufacturing, marketing, distribution and sales of “flat free” specialty tires and tire-wheel assemblies and currently is manufacturing these tires at its facility located in Boulder City, Nevada.

The Company’s financial statements are prepared using the accrual method of accounting. The Company has elected a June 30 year-end.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management routinely makes judgments on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

Concentrations of Risk

The Company places its cash accounts with high credit quality financial institutions and generally limits the amount of credit exposure to the amount more than the FDIC insurance coverage limit of \$250,000 for interest bearing accounts. As of June 30, 2024, and 2023, the Company has a series of accounts at two banks that collectively exceed this amount at each year end. The Company has not experienced losses in such accounts and believes it is not exposed to any significant credit risk to cash.

Credit losses, if any, have been provided for in the financial statements and are based on management’s expectations. The Company’s accounts receivable is subject to potential concentrations of credit risk. The Company does not believe that it is subject to any unusual risks or significant risks in the normal course of its business.

The Company has one customer who accounted for 24% of our sales for the year ended June 30, 2024. This same customer accounted for 29% of our sales for the year ended June 30, 2023.

While the Company conducts most of its business in the United States, revenue related to foreign sales was \$1,436,605 and \$1,796,374 as of June 30, 2024, and 2023, respectively. Foreign sales for the year ended June 30, 2024 were 29% of total sales; for the year ended June 30, 2023 this was 32% of total net revenues.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. As of June 30, 2024, and 2023, respectively, we had no cash equivalents.

Marketable Investment Securities

The Company’s marketable investment securities are comprised of investments in certificates of deposit. The Company determines the appropriate classification of its marketable investment securities at the time of purchase and reevaluates such designation at each balance sheet date. The Company has classified and accounted for its marketable investment securities as available-for-sale securities as the Company may sell these securities at any time for use in its current operations or for other purposes, even prior to maturity. As a result, the Company classifies its marketable investment securities, including securities with stated maturities beyond twelve months, within current assets in the balance sheets. No unrealized gains or losses have been incurred.

Accounts Receivables

The Company generally charges off accounts receivables that are more than 120 days outstanding as bad-debt expense unless management believes the amount to be collectable. The charge-off amounts are included in general and administrative expenses. As of June 30, 2024, and 2023, the provision for credit losses was \$0 for each period, respectively.

AMERITYRE CORPORATION
Notes to the Financial Statements
June 30, 2024, and 2023

Inventory

Inventory is stated at the lower of cost (computed on a first-in, first-out basis) or net realizable value. The inventory consists primarily of chemicals, finished goods produced in our plant and products purchased for resale.

	June 30,	
	2024	2023
Raw materials	\$ 776,409	\$ 881,258
Finished goods	324,068	270,839
Inventory reserve	(143,563)	(143,690)
Inventory – net (current and long term)	<u>\$ 956,914</u>	<u>\$ 1,008,407</u>

Our inventory reserve reflects items that were deemed to be defective or obsolete based on an analysis of all inventories on hand.

The Company critically reviews all slow-moving inventory to determine if it is defective or obsolete. If not defective or obsolete we present these items as non-current inventory, although all inventory is ready and available for immediate sale. We continue to maintain higher than normal raw material inventories to mitigate the effect of supply chain issues. Our strategy includes making purchases of key raw materials as they become available in the market.

Right to Use Assets – Leases

We account for all Company leases following a multi-step analysis process which includes:

- Analysis of all agreements to determine if a lease exists, inclusive of this analysis is the length of the agreement and amount of the resulting liability. Based on this we have determined the following:
 - Assets with a length less than 1 year are not considered lease arrangements as allowed by ASC 842 and,
 - Assets with a value of less than our capitalization policy of \$2,500 are not considered a lease.

Items that do not qualify as lease arrangements are treated similar to service agreements and expensed as incurred.

Once an item qualifies for lease accounting, we analyze the item for operating or finance lease treatment with the major difference that finance leases include interest as a term note would. In the case that a finance lease does not have a stated interest rate, we will impute the interest.

Both operating and finance leases result in a right to use asset and related lease liability on our balance sheet.

Items that enhance a lease asset, such as leasehold improvements, are capitalized with the related right to use asset. The amortization of that improvement is based on all known facts inclusive of the lease term.

AMERITYRE CORPORATION
Notes to the Financial Statements
June 30, 2024, and 2023

Property and Equipment

Property and equipment are stated at cost, generally with a cost of \$2,500 or greater. Expenditures for small tools, ordinary maintenance and repairs are charged to operations as incurred. Major additions and improvements are capitalized. When we retire or dispose of assets, the costs and accumulated depreciation or amortization are removed from the respective accounts, and we recognize any related gain or loss. Major replacements that substantially extend the useful life of an asset are capitalized and depreciated. Assets which qualify for capital lease treatment and follow our property and equipment capitalization policy are also capitalized. Depreciation and amortization, collectively depreciation expense, is computed using the straight-line method over estimated useful lives as follows:

Leasehold improvements	5 years, or over lease term
Equipment	5 to 10 years
Furniture and fixtures	7 years
Software	2 years

Depreciation expense for the years ended June 30, 2024, and 2023 was \$61,179 and \$63,323, respectively.

Patents and Trademarks

Patent and trademark costs have been capitalized on June 30, 2024, totaling \$474,248 with accumulated amortization of \$439,954 for a net book value of \$34,294. Patent and trademark costs capitalized on June 30, 2023, totaled \$487,633 with accumulated amortization of \$443,315 for a net book value of \$44,318.

The patents which have been granted are being amortized over a period of 20 years. Patents which are pending or are being developed are not amortized. Amortization begins once the patents have been issued. As of June 30, 2024, and 2023, respectively, there were no pending patents. Annually, pending or expired patents are inventoried and analyzed, which resulted in the recognition of a loss on abandonment, expiration or retirement of patents and trademarks of \$-0- for the years ended June 30, 2024, and 2023, respectively.

Amortization expense for the years ended June 30, 2024, and 2023 was \$17,023 and \$13,896 respectively. The Company evaluates the recoverability of intangibles and reviews the amortization period on a continual basis utilizing the guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 350, *Intangibles – Goodwill and Other*. We consider the following indicators, among others, when determining whether or not our patents are impaired:

- any changes in the market relating to the patents that would decrease the life of the asset;
- any adverse change in the extent or manner in which the patents are being used;
- any significant adverse change in legal factors relating to the use of the patents;
- current period operating or cash flow loss combined with our history of operating or cash flow losses;
- future cash flow values based on the expectation of commercialization through licensing; and
- current expectations that, more likely than not, the patents will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

The estimated amortization expense, based on current intangible balances, for the next five fiscal years beginning July 1, 2024, is as follows:

2025	\$	8,477
2026	\$	6,283
2027	\$	5,988
2028	\$	5,332
Thereafter	\$	8,214

AMERITYRE CORPORATION
Notes to the Financial Statements
June 30, 2024, and 2023

Stock-Based Compensation

We account for stock-based compensation under the provisions of FASB ASC 718, *Compensation – Stock Compensation*. Our financial statements as of and for the fiscal years ended June 30, 2024, and 2023 reflect the impact of FASB ASC 718. Stock-based compensation expense recognized under FASB ASC 718 for the fiscal years ended June 30, 2024, and 2023 was \$103,934 and \$107,039, respectively, related to employee stock options and employee stock grants.

FASB ASC 718 requires companies to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in our Statement of Operations. Stock-based compensation expense recognized in our Income Statements for fiscal years ended June 30, 2024, and 2023 assume all awards will vest; therefore, no reduction has been made for estimated forfeitures.

Basic and Fully Diluted Earnings per Share

Basic and fully diluted net income per share is computed using the weighted-average number of common shares outstanding during the period.

As of June 30, 2024 and 2023 the company had no options or warrants outstanding.

AMERITYRE CORPORATION
Notes to the Financial Statements
June 30, 2024, and 2023

Income Taxes

FASB ASC 740 requires a company to determine whether it is more likely than not that a tax position will be sustained upon examination based on the technical merits of the position. If the more-likely-than-not threshold is met, a company must measure the tax position to determine the amount to recognize in the financial statements. As a result of the implementation of FASB ASC 740, the Company performed a review of its material tax positions in accordance with recognition and measurement standards established by FASB ASC 740.

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry-forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment. Net deferred tax assets consist of the following components as of June 30, 2024, and 2023:

	2024	2023
Deferred tax assets:		
Net operating loss (“NOL”) carryover	\$ 6,231,200	\$ 7,264,800
Section 1231 loss carryover	5,500	3,900
Inventory reserve	30,100	30,200
R & D carryover	230,600	222,600
Related party accruals	10,800	9,000
Deferred revenue	-	11,000
Deferred tax liabilities:		
Depreciation	(130,100)	(68,600)
Valuation allowance	(6,378,100)	(7,472,900)
Net deferred tax asset	\$ -	\$ -

The income tax provision differs from the amount of income tax determined by applying the U.S. federal income tax rate to pretax income from continuing operations for the years ended June 30, 2024, and 2023 due to the following:

	2024	2023
Book income (loss) tax effected	\$ 139,000	\$ 122,700
Depreciation	(56,100)	(9,000)
Nondeductible expenses	21,800	22,500
Inventory reserve	-	(2,400)
Deferred revenue	(10,900)	(11,800)
R&D Section 6765 Addback	1,700	1,300
Related party accruals	1,800	(700)
Loss on asset impairment	(2,100)	1,500
Valuation allowance	(95,800)	(128,900)
	\$ -	\$ -

On June 30, 2024, the Company had net operating loss carry-forwards of approximately \$29,672,000 that may be offset against future taxable income, subject to annual limitations. No tax benefit has been reported in the June 30, 2024 financial statements since the potential tax benefit is offset by a valuation allowance of the same amount.

AMERITYRE CORPORATION
Notes to the Financial Statements
June 30, 2024, and 2023

NOL's arising in tax years beginning in 2017 or earlier are subject to a 20-year limit but are not subject to income limitations. Because Amerityre's available NOL's were generated from fiscal year end June 30, 2002 and year end June 30, 2016, there will be some NOL's expiring each year through fiscal year 2036. The following table shows the amounts that would expire per year if not utilized:

2025	\$ 9,912,014
2026	\$ 4,478,509
2027	\$ 3,954,682
2028	\$ 3,434,035
2029	\$ 2,893,639
2030	\$ 1,161,192
2031	\$ 1,027,013
2032	\$ 780,467
2033	\$ 1,035,050
2034	\$ 651,035
2035	\$ 237,572
2036	\$ 107,053

NOL's arising in tax years beginning in 2024 or later will be subject to 80% of taxable income limitations. NOL carryforwards arising in years beginning in 2023 or earlier are not subject to these limitations.

Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carry-forwards for Federal income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, net operating loss carry-forwards may be limited as to use in future years.

Fair Value Accounting

As required by the Fair Value Measurements and Disclosures Topic of the FASB ASC, fair value is measured based on a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows: (Level 1) observable inputs such as quoted prices in active markets; (Level 2) inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and (Level 3) unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The three levels of the fair value hierarchy are described below:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;
- Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

AMERITYRE CORPORATION
Notes to the Financial Statements
June 30, 2024, and 2023

The Company's financial instruments that are measured at fair value on a recurring basis consist of certificates of deposit. The following table summarizes the assets measured at fair value on a recurring basis as of June 30, 2023, by level within the fair value hierarchy:

	June 30, 2023			Total
	Level 1	Level 2	Level 3	
Marketable investment securities				
Certificates of deposit	\$	-	\$ 100,000	\$ 100,000

As of June 30, 2024, there are no marketable securities.

Revenue Recognition

Most of our revenue is derived from short-term sales contracts. We account for revenue in accordance with Accounting Standards Codification ("ASC") Topic 606, "Revenue from Contracts with Customers," using the modified retrospective method.

Revenue for our products is recognized at the time in which our performance obligation is satisfied which we have defined as "control" of the product by the customer. "Control" is defined as a customer having "rights/obligations of physical control over the product or has the rights and intention to control the product." Based on the terms of our contracts, a customer's "control" is based on analysis of the following; (i) when a customer arranges their own shipping, and once the product has left our dock, Amerityre recognizes revenue for the product. In effect by arranging their own shipping the customer is "taking control" of the product when it leaves our warehouse; or (ii) when a customer does not arrange their own shipping, we cannot recognize revenue until it is delivered, and the customer takes "control" of the product. Due to a very robust process to determine when control, as described above, occurs, there is limited judgement applied in the above process. In cases where we enter sales arrangements with customers for non-standard products, such as custom formulation materials, revenue items are recognized as separate and distinct contracts with revenue recognition occurring upon acceptance by the customer.

This establishes a "deferred revenue" event until such time as delivery of the product has been completed and we have proof from the shipper of the delivery (and change in control).

We invoice the customer at shipping, starting the accounts receivable process. Our Company collection policies on products does not change (this includes any prepayment and credit establishment processes). Nor do our refund and return policies change where credit is provided on account for the next purchase as no refunds are given. Customers who do not remit payment under our credit terms are then charged finance charges in accordance with our credit terms. Finance charges are included in interest income.

Deferred revenue was \$93, inclusive of \$15 of shipping and handling revenue (see below), as of June 30, 2024. Deferred revenue was \$52,169, inclusive of \$4,107 of shipping and handling revenue, as of June 30, 2023.

Shipping and Handling

Shipping and Handling Fees require that freight costs charged to customers be classified as revenues. Freight expenses are included in the costs of sales and are recognized as incurred. However, due to our adoption of ASC 606 as discussed above, we defer the revenues of shipping and handling until the related product revenue is also recognized.

The result of this accounting is a deferral of \$15 as of June 30, 2024, and \$4,107 as of June 30, 2023.

Product Warranties

The Company's standard sales terms include a limited warranty on workmanship and materials to the original purchaser if items sold are used in the service for which they are intended. Specifically, the Company provides warranties on wheels, bearings, and bushings for one year from the date of purchase. Due to historical warranty results, we recognize warranty expense based on actual warranty recognition as historical rates for accrual are inconsistent and infrequent. As of June 30, 2024 and 2023 accrued warranty expense was \$0 and \$0, respectively.

Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred. Advertising expenses for the years ended June 30, 2024, and 2023 were \$2,189 and \$4,706, respectively.

AMERITYRE CORPORATION
Notes to the Financial Statements
June 30, 2024, and 2023

Sales Tax

In accordance with FASB ASC 605-45, formerly EITF Issue No. 06-3, *How Taxes Collected from Customers and Remitted to Government Authorities Should Be Presented in the Income Statement*, the Company accounts for sales taxes and value added taxes imposed on its good and services on a net basis in the Income Statements.

Recent Accounting Pronouncements

Financial Accounting Standards Board, Accounting Standards Updates which are not effective until after June 30, 2020, are not expected to have a significant effect on the Company's consolidated financial position or results of operations.

NOTE 2 – DEBT

A former director, Silas O. Kines, was the principal owner of Forklift Tire of Florida and K-2 Industrial Tire, Inc (“K-2”). In accordance with the Commission Agreement with Forklift Tire of Florida, dated February 2, 2011, between Amerityre and K-2, K-2 was due a five percent (5%) commission on all forklift tire sales. In exchange for the forklift models transferred to Amerityre under that agreement, the first \$96,000 in commission payments would be used to extinguish the long-term liability recorded on the transaction. The agreement included a ten (10) year term and expired on February 2, 2021. Management learned of this expiration date and provided notice to K-2 that our obligations related to this agreement expired. As of June 30, 2024 the remaining value was extinguished, resulting in a gain of \$62,713 in June 30, 2023.

NOTE 3 – RIGHT TO USE LEASE ASSETS

Based on our lease accounting policy, we have identified the following operating leases. As of June 30, 2024, we have no financing leases:

	For the Years Ended	
	June 30,	
	2024	2023
Facility lease	\$ -	\$ 151,200
Leasehold improvements related to our facility	316,289	313,644
Accumulated amortization – leasehold improvements	(241,316)	(221,537)
Right to use leased assets, operating, net	<u>\$ 74,973</u>	<u>\$ 243,307</u>

In March 2019, we negotiated a five-year extension of the lease on our executive office and manufacturing facility located at 1501 Industrial Road, Boulder City, Nevada. The property consists of a 49,200 square foot building. We currently occupy all 49,200 square feet, inclusive of approximately 5,500 square feet of office space, situated on approximately 4.15 acres. The lease ended June 30, 2024. We are in active communication with our landlord regarding a new lease agreement for our current facility, and are now leasing the building under terms specified per the holdover clause in the expired lease. Renewal has not occurred nor is renewal assured for the period subsequent to June 30, 2024.

NOTE 4 – STOCK TRANSACTIONS, OPTIONS, AND WARRANTS

On October 26, 2021, the Board of Directors adopted the 2022 Equity Incentive Plan (the “2022 Plan”) which contains provisions for up to 10,000,000 stock-based instruments to be granted to employees, consultants, and directors.

Effective September 24, 2020, the Company filed a Certificate of Withdrawal of the Certificate of Designation related to the Company's 2013 Series Convertible Preferred Stock. In doing so, the 2,000,000 shares of preferred stock previously designated as 2013 Series Convertible Preferred Stock returned to the status of authorized and unissued shares of “blank check” preferred stock, and as a result we now have a total of 5,000,000 shares of preferred stock under our Articles of Incorporation which may be designated in one or more series with such relative rights, preferences and limitations as the Board of Directors may determine. The Company may file one or more new designations authorizing the issuance of preferred shares should this be needed in the future as may be determined by the Board of Directors.

All previously granted stock options expired as of December 31, 2021; no stock options have been granted since this time through the date of these financial statements.

AMERITYRE CORPORATION
Notes to the Financial Statements
June 30, 2024, and 2023

Effective January 1, 2023, the Company renewed the Chief Executive Officer's Employment Agreement. The new Agreement extends his term of employment to December 31, 2023. Inclusive in this new Agreement is a stock award of 1.68 million shares of the Company's common stock vesting ratably over 12 months (January 2023 – December 2023), valued at a fixed rate of \$0.050 per share, the average price per share of the Company's common stock for the period December 27, 2022 to December 30, 2022. As of December 31, 2023, all shares related to this employment agreement were issued.

Effective January 1, 2023, 60,000 shares of common stock were granted to the Company's Chief Financial Officer as part of her employment renewal. These shares of the Company's common stock vest ratably over 12 months (January 2023 – December 2023), valued at a fixed rate of \$0.050 per share, the average price per share of the Company's common stock for the period December 27, 2022 to December 30, 2022. As of December 31, 2023, shares related to this employment agreement were issued.

In the January 2023 Board Meeting, the Chairman of the Board proposed compensation to the independent members of the Board such that each such director's compensation would be in shares of the Company's common stock that are granted as of January 2023 but vest as of each Board meeting that each independent Director attends in the calendar year of 2023, at the following share amounts: Board Secretary 18,750 per meeting, all other independent Directors 12,500 per meeting. These shares of the Company's common stock are valued at a fixed rate of \$0.050 per share, the average price per share of the Company's common stock for the period December 27, 2022 to December 30, 2022. The Board approved this plan. As of June 30, 2023, shares related to this plan were issued as follows for the first six months of the calendar year of 2023: 150,000 shares issued June 7, 2023. As of December 31, 2023, shares related to this plan were issued as follows for the second six months of the calendar year 2023 year: 143,750 shares issued on December 1 and December 5, 2023.

Effective January 1, 2024, the Company renewed the Chief Executive Officer's Employment Agreement. The new Agreement extends his term of employment to December 31, 2024. Inclusive in this new Agreement is a stock award of 1.2 million shares of the Company's common stock vesting ratably over 12 months (January 2024 – December 2024), valued at a fixed rate of \$0.047 per share, the average price per share of the Company's common stock for the period December 26, 2023 to December 29, 2023. As of June 30, 2024, 600,000 shares related to this employment agreement were issued.

Effective January 1, 2024, 60,000 shares of common stock were granted to the Company's Chief Financial Officer as part of her employment renewal. These shares of the Company's common stock vest ratably over 12 months (January 2024 – December 2024), valued at a fixed rate of \$0.047 per share, the average price per share of the Company's common stock for the period December 26, 2023 to December 29, 2023. As of June 30, 2024, 30,000 shares related to this employment agreement were issued.

In the January 2024 Board Meeting, the Chairman of the Board proposed compensation to the independent members of the Board such that each such director's compensation would be in shares of the Company's common stock that are granted as of January 2024 but vest as of each Board meeting that each independent Director attends in the calendar year of 2024, at the following share amounts: Board Secretary 19,500 per meeting, all other independent Directors 13,000 per meeting. These shares of the Company's common stock are valued at a fixed rate of \$0.047 per share, the average price per share of the Company's common stock for the period December 26, 2023 to December 30, 2023. The Board approved this plan. As of June 30, 2024, 162,500 shares were issued on June 24, 2024.

NOTE 6 – SUBSEQUENT EVENTS

We are in active communication with our landlord regarding a new lease agreement for our current facility and are now leasing the building under terms specified per the holdover clause in the expired lease. Renewal has not occurred nor is renewal assured for the period subsequent to June 30, 2024. We are also assessing alternative space for our manufacturing plant within a 30 mile radius of our current location.