

QUARTERLY REPORT OF
CONNEXUS CORPORATION

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

A NEVADA CORPORATION

211 Greenwood Avenue, Bethel, CT 06801

(203) 702-1821

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ITEM 1. EXACT NAME OF THE ISSUER AND ITS PREDECESSORS

The exact name of the company is Connexus Corporation

The company was originally incorporated as Dynamic Alert Limited (“the Company”) in the State of Nevada, on June 17, 2004. On December 22, 2009, as amended February 25, 2010, pursuant to the provisions of Articles of Merger, Dynamic Alert Limited, and its wholly-owned subsidiary, Brazil Gold Corp., a Nevada Corporation which was incorporated on November 3, 2009, were merged, with Dynamic Alert Limited being the surviving entity. In connection with such merger, on March 15, 2010, the Company’s name was changed from Dynamic Alert Limited to Brazil Gold Corp.

We changed our corporate name to Conexus Cattle Corp. on June 10, 2014. On May 13, 2015, Conexus Cattle Corp., a Nevada corporation (the “Company”), Bitcoin Direct LLC, a Nevada limited liability company (“Bitcoin”) and all of the members of Bitcoin, entered into a Securities Exchange Agreement, pursuant to which the Company acquired memberships interests representing 51% of Bitcoin in exchange for 500 shares of the Company’s Series H Preferred (as defined below), with an aggregate stated value equal to \$500,000 (the “Exchange Agreement”).

ITEM 2. ADDRESS OF THE ISSUER’S PRINCIPAL EXECUTIVE OFFICES

A. Company Headquarters

Our principal executive and administrative offices are located at 211 Greenwood Avenue, Bethel, CT 06801

ITEM 3. SECURITY INFORMATION

Trading symbol: CNXS

CUSIP: 105762207

Exact title and class of securities outstanding:

As of the quarter ended March 31, 2017, the capital stock of the company was as follows:

Class: Common stock, \$ 0.001 par value;

Number of shares authorized: 10,000,000,000 shares;

Number of shares outstanding: 66,358,774 issued and outstanding;

Transfer Agent: Empire Stock Transfer, Inc.
1859 Whitney Mesa Drive
Henderson, NV 89014

Telephone: (702) 818-5898

Is the transfer agent registered under the Exchange Act?

Yes.

List any restrictions on the transfer of security:

None.

Describe any trading suspension orders issued by the SEC in the past 12 months:

None.

ITEM 4. ISSUANCE HISTORY

During the nine months ended March 31, 2017, the following securities were issued by the Company.

- a) On July 3, 2016 the Company issued a convertible promissory note in the principal amount of \$750 for proceeds to be used for general corporate purposes; the convertible note matures on March 31, 2017 with the stated interest rate at 10%. The note is convertible into the Company's common stock at a 50% discount of the lowest closing bid price during the 30 trading days prior to conversion. The conversion price is subject to anti-dilution protection and down round provisions in the event that the Company issues additional equity securities at a price less than the conversion price. For interest that accrues pursuant to the terms of the note, the conversion price shall be at \$0.001, regardless of the trading price. The Company may prepay the note at 150% of the entire outstanding principal amount of the note plus any accrued but unpaid interest.
- b) On July 3, 2016 the Company issued a convertible promissory note in the principal amount of \$5,000 for proceeds to be used for general corporate purposes; the convertible note matures on January 31, 2017 with the stated interest rate at 10%. The note is convertible into the Company's common stock at a 50% discount of the lowest closing bid price during the 30 trading days prior to conversion. The conversion price is subject to anti-dilution protection and down round provisions in the event that the Company issues additional equity securities at a price less than the conversion price. For interest that accrues pursuant to the terms of the note, the conversion price shall be at \$0.001, regardless of the trading price. The Company may prepay the note at 150% of the entire outstanding principal amount of the note plus any accrued but unpaid interest.
- c) On September 19, 2016 the Company issued a convertible promissory note in the principal amount of \$1,000 to be used for general corporate purposes. The convertible note matures on March 31, 2017 with the stated interest rate at 10%. The note is convertible into the Company's common stock at a 50% discount of the lowest closing bid price during the 30 trading days prior to conversion. The conversion price is subject to anti-dilution protection and down round provisions in the event that the Company issues additional equity securities at a price less than the conversion price. For interest that accrues pursuant to the terms of the note, the conversion price shall be at \$0.001, regardless of the trading price. The Company may prepay the note at 150% of the entire outstanding principal amount of the note plus any accrued but unpaid interest.

- d) On March 1, 2017, the Company issued a convertible promissory note in the principal amount of \$1,000 to be used for general corporate purposes. The convertible note matures on September 30, 2017 with the stated interest rate at 10%. The note is convertible into the Company's common stock at a 50% discount of the lowest closing bid price during the 30 trading days prior to conversion. The conversion price is subject to anti-dilution protection and down round provisions in the event that the Company issues additional equity securities at a price less than the conversion price. For interest that accrues pursuant to the terms of the note, the conversion price shall be at \$0.001, regardless of the trading price. The Company may prepay the note at 150% of the entire outstanding principal amount of the note plus any accrued but unpaid interest.
- e) On March 3, 2017, the Company issued a convertible promissory note in the principal amount of \$1,000 to be used for general corporate purposes. The convertible note matures on September 30, 2017 with the stated interest rate at 10%. The note is convertible into the Company's common stock at a 50% discount of the lowest closing bid price during the 30 trading days prior to conversion. The conversion price is subject to anti-dilution protection and down round provisions in the event that the Company issues additional equity securities at a price less than the conversion price. For interest that accrues pursuant to the terms of the note, the conversion price shall be at \$0.001, regardless of the trading price. The Company may prepay the note at 150% of the entire outstanding principal amount of the note plus any accrued but unpaid interest.

Conversion of Convertible Notes into Shares of Common Stock

From July 1, 2016 through March 31, 2017, the Company has issued 25,594,217 shares for the retirement, \$14,026 of convertible debt and \$500 of accrued interest.

ITEM 5. FINANCIAL STATEMENTS:

Connexus Corporation
Consolidated Balance Sheets
(Unaudited)

	March 31, 2017	June 30, 2016
ASSETS		
CURRENT ASSETS:		
Cash	\$ -	\$ 16,680
Digital currencies	-	-
Total Current Assets	0	16,680
NON-CURRENT ASSETS		
Property and Equipment, net	31,451	35,959
License agreement	10,000	10,000
Total Non-current assets	41,451	45,959
Total Assets	\$ 41,451	\$ 62,639
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable	\$ 92,537	\$ 92,422
Accrued expenses	322,443	311,943
Accrued Interest	77,978	59,034
Derivative liability - current	838,521	967,882
Demand loans	9,094	
Dividends payable	36,492	
Convertible debentures, net	309,917	312,815
Total Current Liabilities	1,686,983	1,744,096
LONG-TERM LIABILITIES:		
Convertible debentures, net -non-current	271,121	249,163
Derivative liability- non-current	146,445	246,481
Note due to Officer	238,226	148,226
Total Long-Term Liabilities	655,792	643,870
Total Liabilities	2,342,775	2,387,966

STOCKHOLDERS' DEFICIT:

Preferred stock Series B, \$0.001 par value, 8% dividend: 13,000 shares authorized; -0- shares outstanding at March 31, 2017 and June 30, 2016	-	-
Preferred stock Series C, \$0.001 par value, 8% dividend: 7,000 shares authorized; -0- and -0- shares outstanding at March 31, 2017 and June 30, 2016	-	-
Preferred stock Series D, \$0.001 par value, 8% dividend: 13,000 shares authorized; -0- and -0- shares issued and outstanding at March 31, 2017 and June 30, 2016	-	-
Preferred stock Series E, \$0.001 par value: 440 shares authorized; 440 and 440 shares issued and authorized at March 31, 2017 and June 30, 2016, respectively	-	-
Preferred stock Series F, \$0.001 par value: 51 shares authorized; 51 shares issued and outstanding at March 31, 2017 and June 30, 2016, respectively	-	-
Preferred stock Series G, \$0.001 par value, 8% dividend: 1,500 shares authorized; 302 and 302 shares issued and authorized at March 31, 2017 and June 30, 2016	-	-
Preferred stock Series H, \$0.001 par value, 8% dividend: 500 shares authorized and outstanding at March 31, 2017 and June 30, 2016	-	-
Common stock at \$0.001 par value: 10,000,000,000 shares authorized; 66,358,774 and 40,764,557 outstanding at March 31, 2017 and June 30, 2016, respectively	66,359	40,764
Dividends due on Series G Preferred Stock	(36,492)	-
Additional paid-in capital	19,800,561	19,727,759
Treasury stock, at cost, 7.5 shares of Series E preferred stock	(7,500)	(7,500)
Accumulated deficit	(22,073,191)	(22,046,649)
Total Stockholders' Deficit	(2,250,264)	(2,285,626)
Non-controlling interests	(51,062)	(39,701)
Total Deficit	(2,301,326)	(2,325,327)
Total Liabilities and Stockholders' Deficit	\$ 41,452	\$ 62,639

Connexus Corporation
Consolidated Statements of Operations
(Unaudited)

	<u>For the Three Months Ended March 31, 2017</u>	<u>For the Three Months Ended March 31, 2016</u>
Digital Currency revenues		
Surcharge revenue	\$ 630	\$ (25,252)
Net revenue	630	(25,252)
 COST OF REVENUE	 <u>-</u>	 <u>-</u>
 GROSS PROFIT (LOSS)	 630	 (25,252)
OPERATING EXPENSES:		
Rent Expense	3,000	3,000
Professional fees	2,575	-
Compensation	30,000	30,000
General and administrative expenses	<u>11,705</u>	<u>7,624</u>
Total operating expenses	<u>47,280</u>	<u>40,624</u>
 LOSS FROM OPERATIONS	 (46,650)	 (65,877)
OTHER INCOME (EXPENSE):		
Derivative expense	(2,000)	-
Interest expense	(11,468)	(50,655)
Gain/(Loss) on settlement of debt	(81,295)	-
Change in fair value of derivative liability	<u>207,580</u>	<u>(74)</u>
Other income (expense), net	<u>112,817</u>	<u>(50,729)</u>
 INCOME (LOSS) FROM OPERATIONS BEFORE INCOME TAX PROVISION	 66,167	 (116,606)
 INCOME TAX PROVISION	 <u>-</u>	 <u>-</u>
 NET INCOME (LOSS)	 66,167	 (116,606)

NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTEREST	<u>690</u>	<u>15,852</u>
NET INCOME AFTER NON- CONTROLLING INTEREST	66,857	(100,754)
DIVIDEND ON PREFERRED STOCK	<u>(36,492)</u>	<u>(416,040)</u>
NET INCOME (LOSS) APPLICABLE TO COMMON STOCKHOLDERS	\$ <u>30,365</u>	\$ <u>(516,794)</u>

Connexus Corporation
Consolidated Statements of Operations
(Unaudited)

	For the Nine Months Ended March 31, 2017	For the Nine Months Ended March 31, 2016
Digital Currency revenues		
Surcharge revenue	\$ (9,523)	\$ 14,218
Net digital currency gains (losses)		(33,037)
Net revenue	(9,523)	(18,819)
 COST OF REVENUE	-	-
 GROSS PROFIT (LOSS)	(9,523)	(18,819)
 OPERATING EXPENSES:		
Consulting fees		2,000
Rent Expense	9,000	7,000
Professional fees	18,075	115,051
Compensation	90,000	134,360
General and administrative expenses	25,127	36,719
Total operating expenses	142,202	295,130
 LOSS FROM OPERATIONS	(151,724)	(313,949)
 OTHER INCOME (EXPENSE):		
Derivative expense	(11,748)	(244,123)
Interest expense	(43,030)	(147,437)
Gain/(Loss) on settlement of debt	(81,295)	(4,172)
Change in fair value of derivative liability	249,894	(316,718)
Other income (expense), net	113,822	(712,449)
 INCOME (LOSS) FROM OPERATIONS BEFORE INCOME TAX PROVISION	(37,902)	(1,026,397)
 INCOME TAX PROVISION	-	-
 NET INCOME (LOSS)	(37,902)	(1,026,397)
 NET LOSS (INCOME) ATTRIBUTABLE TO NON- CONTROLLING INTEREST	11,361	43,812
 NET INCOME AFTER NON- CONTROLLING INTEREST	(26,542)	(982,585)
 DIVIDEND ON PREFERRED STOCK		(1,248,120)

NET INCOME (LOSS) APPLICABLE
TO COMMON STOCKHOLDERS

\$

(26,542)

\$

(2,230,705)

Connexus Corporation
Consolidated Statements of Cash Flows
(Unaudited)

	For the Nine Months Ended March 31, 2017	For the Nine Months Ended March 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
NET (LOSS) BEFORE ALLOCATION TO NON-CONTROLLING INTEREST	\$ (26,542)	\$ (982,585)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	4,508	4,508
Stock-based compensation	-	800
Convertible notes issued for services	-	2,000
Change in non-controlling interest of consolidated subsidiary	(11,361)	(43,812)
Amortization of discount on convertible debt	16,396	116,684
Accretion of original issue discount		2,826
(Gain)/Loss on settlement of debt	81,295	4,172
Derivative expense	11,748	244,123
Change in fair value of derivative liabilities	(249,894)	316,718
Change in fair value of digital currencies	-	61
Common stock issued for interest and expenses associated with interest	3,075	580
Changes in operating assets and liabilities:		-
Digital currencies	-	3,834
Accounts payable	116	(4,538)
Accrued interest	26,636	-
Accrued expenses	10,500	112,559
 NET CASH USED IN OPERATING ACTIVITIES	 (133,524)	 (222,071)
 CASH FLOWS FROM INVESTING ACTIVITIES:	 -	 -

**CASH FLOWS FROM FINANCING
ACTIVITIES:**

Proceeds from demand loans	9,094	10,000
Notes issued to Officer for Services	90,000	-
Note issued for rent	9,000	-
Repurchase of Series E Preferred Stock		(7,500)
Interest expense to related party		228
Proceeds from Preferred stock	-	25,000
Proceeds from convertible debentures	8,750	116,180
NET CASH PROVIDED BY FINANCING ACTIVITIES	116,844	144,908
NET CHANGE IN CASH	(16,680)	(77,163)
Cash at beginning of period	16,680	85,687
Cash at end of period	\$ 0	\$ 8,524

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the period for interest	\$ -	\$ -
Cash paid during the period for income taxes	\$ -	\$ -
Common stock issued for settlement of convertible debentures	\$ 25,294	\$ 3,935
Debt discount recorded on convertible debentures accounted for as a derivative liability	\$ 8,750	\$ 116,180

See accompanying notes to the condensed consolidated financial statements.

CONNEXUS CORPORATION
MARCH 31, 2017
NOTES TO FINANCIAL STATEMENTS

NOTE 1- NATURE OF OPERATIONS

Nature of Operations

The company was originally incorporated as Dynamic Alert Limited ("the Company") in the State of Nevada, on June 17, 2004. The Company was incorporated in the state of Nevada February, 1999.

The Company focuses on providing bitcoin solutions to consumers in the United States through Bitcoin Automated Teller Machines ("Bitcoin ATMs"). We currently own seven Bitcoin ATMs. During the period, there were four operating Bitcoin ATMs located in Las Vegas, Nevada at the LINQ Hotel and Casino, Sin City Vape, One Kicks Gym, and McFadden's Restaurant and Saloon. We also had three operating machines in New Jersey. Through our Bitcoin ATMs we intend to generate revenue from transaction fees charged to consumers who purchase or sell bitcoin using our machine. We may also generate revenue from the margin between our cost of bitcoins and the selling price of bitcoins.

In February 2017, the machines were taken out of circulation and the Company is looking for other locations to redeploy the machines.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements are presented in United States dollars and have been prepared in accordance with generally accepted accounting principles in the United States of America.

NOTE 3- ACQUISITION OF BITCOIN DIRECT

On May 13, 2015, Connexus Cattle Corp., a Nevada corporation (the "Company"), Bitcoin Direct LLC, a Nevada limited liability company ("Bitcoin") and all of the members of Bitcoin, entered into a Securities Exchange Agreement, pursuant to which the Company acquired memberships interests representing 51% of Bitcoin in exchange for 500 shares of the Company's Series H Preferred (as described herein), with an aggregate stated value equal to \$500,000 (the "Exchange Agreement"). In accordance with the terms of the Exchange Agreement, the Company has agreed to provide a working capital facility to Bitcoin in an amount up to \$300,000 to be utilized by Bitcoin as needed and to be repaid by Bitcoin from working capital generated from Bitcoin's operations. In addition, the Exchange Agreement provides an option to the members of Bitcoin for a period of five years to repurchase from the Company 10% of the Bitcoin membership interests held by the Company for \$250,000.

NOTE 4 – ACCRUED EXPENSES

Accrued Expenses at March 31, 2017 and June 30, 2016 represent the following:

	<u>March 31, 2017</u>	<u>June 30, 2016</u>
Professional and legal Expenses	\$242,314	\$231,814
Legacy payables from predecessor entities	<u>80,129</u>	<u>80,129</u>
Total	<u>\$322,443</u>	<u>\$311,943</u>

NOTE 5-DERIVATIVE LIABILITIES

The Company uses the Binomial lattice model for determining derivative liability values. Derivative liabilities were calculated on all convertible securities not at fixed prices.

NOTE 6 – CONVERTIBLE DEBENTURES, NET

See Item 4. above for all issuances for the nine months ended March 31, 2017. Balances of convertible debt are as follows:

	<u>March 31, 2017</u>	<u>June 30, 2016</u>
Total debt outstanding	\$ 588,786	\$ 577,368
Less: Unamortized discount	<u>7,748</u>	<u>15,390</u>
Total convertible debt	581,038	561,978
Less: Long-term debentures	<u>271,121</u>	<u>249,163</u>
Short term debentures, net	<u>\$ 309,917</u>	<u>\$ 312,815</u>

NOTE 7: SUBSEQUENT EVENTS

Issuance of Convertible Debt

On April 5, 2017, the Company issued a convertible promissory note in the principal amount of \$2,500 to be used for general corporate purposes. The convertible note matures on April 30, 2018 with the stated interest rate at 10%. The note is convertible into the Company's common stock at a 50% discount of the lowest closing bid price during the 30 trading days prior to conversion. The conversion price is subject to anti-dilution protection and down round provisions in the event that the Company issues additional equity securities at a price less than the conversion price. For interest that accrues pursuant to the terms of the note, the conversion price shall be at \$0.001, regardless of the trading price. The Company may prepay the note at 150% of the entire outstanding principal amount of the note plus any accrued but unpaid interest.

Issuance of Common Stock and Conversion of debt

Subsequent to March 31, 2017, the Company has issued 350,275,549 shares for the retirement of \$242,000 of Series G Preferred Stock, \$76,927 of convertible debt, \$16,482 in accrued dividends and \$18,752 of accrued interest.

ITEM 6. DESCRIBE THE ISSUER'S BUSINESS, PRODUCTS AND SERVICES.

A. DESCRIPTION OF ISSUER'S BUSINESS OPERATIONS.

State of Operations

The Company focuses on providing bitcoin solutions to consumers in the United States through Bitcoin Automated Teller Machines ("Bitcoin ATMs"). We currently own seven Bitcoin ATMs. Four are located in the Las Vegas area and three are in New Jersey. Through our Bitcoin ATMs we intend to generate revenue from transaction fees charged to consumers who purchase or sell bitcoin using our machine. We may also generate revenue from the margin between our cost of bitcoins and the selling price of bitcoins. We are currently evaluating options to redeploy our machines into areas whereby we can get greater leverage for our assets.

Endorsement Agreement with Mike Tyson

In March 2015, Bitcoin Brands Inc. ("Bitcoin Brands") and Tyrannic, LLC, owned and operated by Michael G. Tyson ("Tyson") entered into a License Agreement (the "License Agreement") for the exclusive license to use Tyson's name, image, likeness and endorsement solely in connection with the proposed advertisement, promotion and sale of branded Bitcoin ATM kiosks and machines throughout the world (the "License"). As consideration for the License, Bitcoin Brands shall pay to Tyson 50% of the aggregate of all sales of (i) bitcoin kiosks, automated machines and Bitcoin ATM's that bear Tyson's name, image, or likeness and/or endorsement of Tyson (the "Licensed Products") and (ii) the aggregate of all bitcoin kiosk, automated machine and Bitcoin ATM fees that Bitcoin Brands realizes by the use of the Licensed Products. The term of the License Agreement shall be five (5) years from March 15, 2015, and concluding on March 15, 2020. According to the terms and conditions of the License Agreement, in the event that Tyson has not received at least \$1,000,000 during the first two years of the term, Tyson shall have the right to terminate the License Agreement by notice to Bitcoin Brands, which termination shall take effect thirty days following the date of such notice.

On May 15, 2015, Bitcoin Brands Inc. and Bitcoin Direct LLC entered into an Assignment Agreement to assign the License Agreement with Tyson to our subsidiary Bitcoin Direct LLC.

Introduction to Bitcoins and the Bitcoin Network

A bitcoin is a form of digital currency that is issued and transmitted through an open source math-based protocol platform using security that is cryptographic and known as the "Bitcoin

Network." The Bitcoin Network is an online, peer-to-peer user network that hosts the "Blockchain" or public transaction ledger and the source code that comprises the basis for the cryptography and math-based protocols governing the Bitcoin Network. There is no single entity which owns or operates the Bitcoin Network. The Bitcoin Network is collectively maintained by a decentralized user base. Bitcoins may be used to pay for goods and services or can be converted to fiat currencies, such as the US Dollar, at rates determined on Bitcoin Exchanges or in individual end-user-to-end-user transactions under a barter system.

The Bitcoin Network is decentralized and does not rely on either governmental authorities or financial institutions to create, transmit or determine the value of bitcoins. Rather, bitcoins are created and allocated by the Bitcoin Network protocol through a "mining" process subject to a strict, well-known issuance schedule. The value of bitcoins is determined by the supply of and demand for bitcoins in the Bitcoin Exchange Market (and in private end-user-to-end-user transactions), as well as the number of merchants that accept them. As bitcoin transactions can be broadcast to the Bitcoin Network by any user's bitcoin software and bitcoins can be transferred without the involvement of intermediaries or third parties, there are little or no transaction costs in direct peer-to-peer transactions on the Bitcoin Network. Third party service providers such as Bitcoin Exchanges and bitcoin third party payment processing services may charge significant fees for processing transactions and for converting, or facilitating the conversion of, bitcoins to or from fiat currency.

In order to own, transfer or use bitcoins, a person generally must have Internet access to connect to the Bitcoin Network. Bitcoin transactions between parties occur very rapidly (within several seconds) and may be made directly between end-users without the need for a third-party intermediary, although there are entities that provide third-party intermediary services. To prevent the possibility of double-spending a single bitcoin, a user must notify the Bitcoin Network of the transaction by broadcasting the transaction data to its network peers.

The history of Bitcoin

In November 2008, a paper was posted to a cryptography mailing list^[10] under the name Satoshi Nakamoto titled *Bitcoin: A Peer-to-Peer Electronic Cash System*. This paper detailed methods of using a peer-to-peer network to generate what was described as "a system for electronic transactions without relying on trust". In January 2009, the bitcoin network came into existence with the release of the first open source bitcoin client and the issuance of the first bitcoins,

While there have been ebbs and flows in the history of Bitcoin pricing, at the date of this report, Bitcoin trades near its all-time of approximately \$2,925. The total value of Bitcoin in circulation is now almost \$50 billion. At its inception, each Bitcoin was pegged a price of \$1 so the increase in the currency has been substantial. While the change in pricing is due to supply and demand, some factors have clearly been instrumental in the movement of the currency:

- a. Fixed amount of currency- Worldwide budget deficits have grown at greater levels than GDP since the inception of Bitcoin, the amount of bitcoin has remained constant;
- b. Acceptance by countries and general population-Recently, large countries such as Russia, South Korea and China have accepted cryptocurrencies as legitimate tender for settling transactions which have increased the demand for Bitcoin;

Currency controls- Recent moves, such as India's elimination of the 500 rupee and 1,000 rupee notes have resulted in increased demand for a digital currency

B. DATE AND STATE OF INCORPORATION

The Company was incorporated in the State of Nevada on June 17, 2004

C. PRIMARY AND SECONDARY SIC CODES

The Company's primary (and only) SIC code is 5063 (Holding Companies).

D. THE COMPANY'S FISCAL YEAR END DATE

The Company's fiscal year ends on June 30.

E. PRINCIPAL PRODUCTS OR SERVICES AND THEIR MARKETS

The Company primarily places their machines in areas whereby the demand for bitcoin would be greatest. The Company's Las Vegas locations target the gaming sector where people can get ready access to cash to engage in a wide variety of gaming activities. The same holds true for its New Jersey locations due to the proximity to Atlantic City as well as greater acceptance of Bitcoin in the New York Metro Area where it is often used by the Financial sector.

F. RESULTS OF OPERATIONS FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2017 COMPARED TO THE NINE MONTH PERIOD ENDED MARCH 31, 2016:

Material Changes in Financial Condition

At March 31, 2017, we had a working capital deficit of (\$1,686,983), compared to a working capital deficit of (\$1,727,416), at June 30, 2016. At March 31, 2017, our assets consisted of Property and equipment net of \$31,451 and License agreement of \$10,000. Our assets as of June 30, 2016 consisted of cash of \$16,680, Property and equipment net of \$35,989 and License agreement of \$10,000.

At March 31, 2017, our total current liabilities decreased to \$1,686,983 (from \$1,744,096 at June 30, 2016). The decrease of approximately \$57,000 was due to the following:

		<u>In \$K</u>
Amortization of discount on current debt payable	\$	16
Accrued dividend on Series G Preferred Stock		36
Increased demand loans at our Bitcoin subsidiary		9
Interest accrued on current debt		18
Accrued legal fees payable		11
Decreased derivative liability on current debt		<u>(129)</u>
Total	\$	<u>(40)</u>

Since we have no cash, we currently do not have sufficient funds to carry out normal operations over the next six (6) months. Our short and long-term survival is dependent on funding from sales of securities as necessary or from shareholder loans, and thus, to the extent that we require additional funds to support our operations or the expansion of our business, we may attempt to sell additional equity shares or issue debt. Any sale of additional equity securities will result in dilution to our stockholders. Recent events in worldwide capital markets may make it more difficult for us to raise additional equity or capital. There can be no assurance that additional financing, if required, will be available to us or on acceptable terms.

Material Changes in Results of Operations

For The Three Months Ended March 31, 2017, Compared To the Three Months Ended March 31, 2016

Revenue represents bitcoin sold net its cost. We recognized \$630 in revenue for the three month period ended March 31, 2017 versus (\$25,252) for the three month period ended March 31, 2016. This was due to positive margins in the current period.

For the three months ended March 31, 2017, operating expenses were \$47,280 compared to \$40,624 during the three months ended March 31, 2016. The increase of \$6,916 was principally due to the following:

Rent expense was \$3,000 in each period due to three monthly rental accruals of \$1,000 in both periods.;

Professional fees were \$2,575 in the current period due to legal fees associated with debt conversions.;

Compensation expense was \$30,000 in each period due to three monthly rental accruals of \$10,000 in both periods;

General and administrative expenses were \$4,081 lower due principally to incorporation expenses for the State of Nevada.

For the three months ended March 31, 2017, other income (expenses) was \$112,817, approximately \$163,000 lower versus (\$50,729) in the three months ended March 31, 2016.

Derivative expense was (\$2,000) more due to the issuance of debt during the current period as compared to no debt in the prior period.

Interest expense was (\$39,097) less due to reduced amortization of debt discounts into interest expense.

The change in the fair value of the derivative liability was \$207,580 in the current period due to debt conversions reduced volatility in the stock price

For The Nine Months Ended March 31, 2017, Compared To the Nine Months Ended March 31, 2016

We recognized (\$9,523) in revenue for the nine month period ended March 31, 2017 versus \$6,495 for the six month period ended March 31, 2016. This was due to both greater margins and greater activity in the prior period. In the prior period, there was an adjustment of (\$33,037) due to the reversal of a prior accrual.

For the nine months ended March 31, 2017, operating expenses were \$142,202 compared to \$295,130 during the nine months ended March 31, 2016. The decrease of \$152,828 was principally due to the following:

Consulting expense was \$2,000 higher due to a small consulting contract incurred in the prior period;

Rent expense was \$2,000 higher in the current period due to nine monthly rental accruals in the current period versus only seven in the prior period. The accruals began in August 2015;

Professional fees were \$96,976 lower principally due to legal and accounting expenses associated with the Bitcoin direct merger incurred in the prior period but not in the current period;

Compensation expense was \$44,360 higher due to accrued salaries for Conexus Cattle personnel incurred in the prior period, partially offset by six additional monthly accruals totaling \$60,000 in the current period;

General and administrative expenses were \$11,592 lower due principally to greater expenses at our Bitcoin Direct operating subsidiary and payment of back incorporation fees to the State of Nevada in the prior period.

For the nine months ended March 31, 2017, other income (expenses) was \$113,822, an approximate \$663,000 improvement versus (\$712,449) in the nine months ended March 31, 2016.

Derivative expense was \$232,375 less due to the issuance of substantially reduced debt during the current period as compared to the prior period;

Interest expense was \$104,407 less principally due to reduced amortization of debt discounts into interest expense.

The change in the fair value of the derivative liability was \$566,812 more positive less due to reduced volatility in the stock price plus the conversion of \$242,000 of interest bearing debt to Series G Preferred stock in May 2015.

G. OFF-BALANCE SHEET ARRANGEMENTS

The Company did not engage in any off-balance sheet arrangements during the quarter ended March 31, 2017.

ITEM 7. DESCRIBE THE ISSUER'S FACILITIES

At this time the Company does not have any significant tangible assets and is in the process of identifying suitable targets for acquisition. The Company does not own any real estate and leases office space on a month-to-month basis.

ITEM 8. OFFICERS, DIRECTORS AND CONTROL PERSONS

A. NAMES OF OFFICERS, DIRECTORS AND CONTROL PERSONS

The following table and biographical summaries set forth information, including principal occupation and business experience, about our directors and executive officers as of March 31, 2017. There is no familial relationship between or among the nominees, directors or executive officers of the Company.

<u>NAME(1)</u>	<u>AGE</u>	<u>POSITION</u>	<u>OFFICER AND/OR DIRECTOR SINCE</u>
Conrad Huss	66	President, Director	May 2013

(1) On May 11, 2015, Stephen Price and Gerard Daignault resigned from all positions as officers and directors of the Company.

The Company's directors serve in such capacity until the first annual meeting of the Company's shareholders and until their successors have been elected and qualified. The Company's officers serve at the discretion of the Company's board of directors, until their death, or until they resign or have been removed from office.

There are no agreements or understandings for any director or officer to resign at the request of another person and none of the directors or officers is acting on behalf of or will act at the direction of any other person. The activities of each director and officer are material to the operation of the Company. No other person's activities are material to the operation of the Company.

Mr. Conrad Huss, President, Director

Mr. Huss, 67, serves as the sole officer and director of the Company. Mr. Huss is a financial professional with over 25 years of investment banking and operating experience. Most recently, he was with Ocean Cross Capital Markets, as Senior Managing Director from 2011 to 2013. Previously, Mr. Huss served as the Senior Managing Director at Southridge Investment Group from 2006 to 2011. Mr. Huss is currently a member on the board of directors of Harrison Vickers and Waterman Inc. We believe Mr. Huss is qualified to serve as a director of the Company due to his financial and operational experience.

B. LEGAL/DISCIPLINARY HISTORY

Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses):

NO.

2. 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 or banking activities:

NO.

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended or vacated:

NO.

4. The entry 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:

On December 8, 2014, our sole officer and director Mr. Conrad Huss was named a respondent in a FINRA complaint alleging that in 2006 he made certain misrepresentations in connection with the solicitation and sale of promissory notes ("Notes") issued by a real estate development company in a private offering. Mr. Huss vehemently denied the allegations and vigorously defended himself against the claims. On October 14, 2015, without admitting or denying the allegations in the complaint, Mr. Huss consented to an Offer of Settlement with FINRA and was suspended from associating with any FINRA member for a period of two years, and a fine in the amount of \$20,000.

Except as set forth above, no director or executive officer has been a director or executive officer of any business which has filed a bankruptcy petition or had a bankruptcy petition filed against it during the past five years. No director or executive officer has been convicted of a criminal offense or is the subject of a pending criminal proceeding during the past five years. No director or executive officer has been the subject of any order, judgment or decree of any court permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities during the past five years. No director or officer has been found by a court to have violated a federal or state securities or commodities law during the past five years.

ITEM 9. THIRD PARTY PROVIDERS

A. Legal Counsel

Joseph M. Lucosky
Lucosky Brookman
101 Wood Ave. South
Woodbridge, NJ 08830

732-395-4400

B. Accountant or Auditor

None

C. Investor Relations Consultant

None

D. Other Advisor(s)

None

ITEM 10. OTHER INFORMATION

N/A

ITEM 11. EXHIBITS

N/A

ITEM 12. CERTIFICATIONS

I, Conrad Huss, certify that:

1. I have reviewed this amended quarterly disclosure statement of Connexus 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.

/s/Conrad Huss

Conrad Huss, President

Dated: June 5, 2017