

# SECURITIES AND EXCHANGE COMMISSION

## FORM S-1

General form of registration statement for all companies including face-amount certificate companies

Filing Date: **2013-01-10**  
SEC Accession No. [0001477932-13-000090](#)

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### FILER

#### **Halex Energy Corp.**

CIK: [1565487](#) | IRS No.: **274720497** | State of Incorporation: **NV** | Fiscal Year End: **1231**  
Type: **S-1** | Act: **33** | File No.: [333-185956](#) | Film No.: **13522650**

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

**FORM S-1**

**REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933**

(Exact Name of Registrant as Specified in Its Charter)

**Halex Energy Corp**

**Nevada**

(State or other jurisdiction of  
incorporation or organization)

**4911**

(Primary Standard Industrial  
Classification Code Number)

**27-4720497**

(I.R.S. Employer  
Identification Number)

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**APPROXIMATE DATE OF PROPOSED SALE TO THE PUBLIC:** From time to time after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

<b>Large accelerated filer</b>	<input type="checkbox"/>	<b>Accelerated filer</b>	<input type="checkbox"/>
<b>Non-accelerated filer</b>	<input type="checkbox"/>	<b>Smaller reporting company</b>	<input checked="" type="checkbox"/>

(Do not check if a smaller reporting company)

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## CALCULATION OF REGISTRATION FEE

<b>Title of each class of securities to be registered</b>	<b>Amount to be registered</b>	<b>Proposed maximum offering price per unit</b>	<b>Proposed maximum aggregate offering price</b>	<b>Amount of registration fee</b>
Common	6,000,000	\$ .50 [1]	\$ 3,000,000	\$ 409.20

*[1] No exchange or over-the-counter market exists for Halex Energy Corp's common stock. The offering price has been arbitrarily determined and bears no relationship to assets, earnings, or any other valuation criteria. No assurance can be given that the shares offered hereby will have a market value or that they may be sold at this, or at any price.*

*[2] Fee calculated in accordance with Rule 457(o) of the Securities Act of 1933, as amended "Securities Act" (Estimated for the sole purpose of calculating the registration fee).*

**THE COMPANY HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE COMPANY SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.**

**THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND WE ARE NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.**

**PROSPECTUS**  
**SUBJECT TO COMPLETION, DATED \_\_\_\_\_, 2013**

## **6,000,000 Shares of Common Stock**

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*Halex Energy Corp is offering up to 6,000,000 common shares with a par value of \$0.0001 at an offering price of \$.50 per share. There is currently no public market for the common stock, moreover,*

1. This is a "self-underwritten" public offering, with no minimum purchase requirement
2. Halex Energy Corp. is not using an underwriter for this offering; and
3. There is no arrangement to place the proceeds from this offering in an escrow, trust or similar account.

**Our current Officer and Director Mr. Jeffery M. Lamberson will attempt to sell the shares on a best efforts basis for a period of up to twelve months from the effective date of this registration statement. The offering is not contingent upon any event or the sale of a minimum or maximum number of shares.**

**This offering involves a high degree of risk; see "Risk Factors" beginning on page 7 to read about factors you should consider before buying shares of the common stock.**

Halex Energy Corp, Inc. is a development stage company and currently has no operations. There is a high degree of risk involved with any investment in the shares offered herein. You should only purchase shares if you can afford a loss of your entire investment. Our independent auditor has issued an audit opinion for Halex Energy Corp. which includes a statement expressing substantial doubt as to our ability to continue as a going concern. As of the date of this prospectus, our stock is presently not traded on any market or securities exchange. Further, there is no assurance that a trading market for our securities will ever develop.

**NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

**The date of this prospectus is \_\_\_\_\_, 2013**

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You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with additional or different information. The information contained in this prospectus is accurate only as of the date on the front cover of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our common stock.

No dealer, salesperson or any other person is authorized in connection with this offering to give any information or make any representations about us, the securities offered hereby or any matter discussed in this prospectus, other than those contained in this prospectus and, if given or made, the information or representations must not be relied upon as having been authorized by us. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any security other than the securities offered by this prospectus, or an offer to sell or a solicitation of an offer to buy any securities by anyone in any circumstance in which the offer or solicitation is not authorized or is unlawful.

## FORWARD-LOOKING INFORMATION

This prospectus and the exhibits attached hereto contain “forward-looking statements”. Such forward-looking statements concern the Company’s anticipated results and developments in the Company’s operations in future periods, including plans related to its business and other matters that may occur in the future. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “estimates” or “intends”, or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements.

Some of the important risks and uncertainties that could affect forward-looking statements are described further under the section headings “Risk Factors and Uncertainties”, “Description of the Business” and “Management’s Discussion and Analysis” of this prospectus. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated or expected. We caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. We disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

We qualify all the forward-looking statements contained in this prospectus by the foregoing cautionary statements.

*This summary does not contain all of the information you should consider before buying shares of our common stock. You should read the entire prospectus carefully, especially the “Risk Factors and Uncertainties” section and our consolidated financial statements and the related notes before deciding to invest in shares of our common stock.*

*Unless otherwise indicated, any reference to “the Company”, “Halex” or “we”, “us”, or “our” refers to Halex Energy Corp.*

## PROSPECTUS SUMMARY

### Company Overview

Halex Energy Corp. ("Halex") is a development stage company incorporated on January 20, 2011 under the laws of the State of Nevada. Our fiscal year end is December 31. Our principal office is located at 9190 Double Diamond Parkway, Reno, NV 89521. Our telephone number is 916.293.6337 and our e-mail is [info@halexenergy.com](mailto:info@halexenergy.com).

Since becoming incorporated, Halex has not made any significant purchases or sale of assets, nor have we been involved in any mergers, acquisitions or consolidations. Halex has never declared bankruptcy, never been in receivership, and never been involved in any legal actions or proceedings.

Halex is a development stage enterprise owning exclusive licenses for distribution, installation and operation of a radically innovative renewable energy system in the state of California. Halex currently is developing a prototype of this radically innovative renewable energy system known as a Hybrid Renewable Energy System ("HRES"). We do not own any interest in any property. Currently, we have no further business planned if we are unable to develop our proposed HRES and commercialize its use.

As of September 30, 2012, the date of company's last financial statements, Halex has raised \$2,457 through the sale of common stock. This sale was a purchase of 24,570,000 shares by the Company's officer and director Jeff Lamberson and by the other founding shareholders. Halex also has raised \$65,875 through the issuance of promissory notes to some of the founding shareholders.

As of September 30, 2012, we had \$1,997 of cash on hand and had expenses from inception to September 30, 2012 of \$163,441, which was related to corporate start-up fees. As of the date of this prospectus, we have not yet generated or realized any revenues from our business operations. For our audited financial information please see "Financial Statement" within this document below.

### Management

As of the date of this prospectus, Halex has one Director, Jeffery Lamberson and two Officers, Jeffery Lamberson (President, Treasurer, CAO, CEO, and Secretary) and Alfred Foley, Vice President. Our Officers have assumed responsibility for all planning, development and operational duties, and will continue to do so throughout the beginning stages of the business plan. Other than the Officers/Director, there are no employees.

### The Offering

Halex Energy Corp. is offering up to 6,000,000 shares of common stock at an offering price of \$.50 per share. There is currently no public market for our common stock. Moreover, there is no trading symbol assigned to the common stock. Halex Energy Corp.'s Officers and Director currently own 5,000,000 shares of restricted common stock.

Potential investors must be aware that if we are unable to raise proceeds through this offering we would be unable to complete our business plan, resulting in businesses failure and a complete loss of any investment made into the Company.

**The purchase of the securities offered through this prospectus involves a high degree of risk. See section entitled "Risk Factors and Uncertainties" beginning on page 7.**



## **RISK FACTORS AND UNCERTAINTIES**

A purchase of shares is an investment in the Company's common stock. Any investment in the Company's common stock involves a high degree of risk. Investors should consider carefully the following information about these risks, together with other information contained in this prospectus, before the purchase of any common stock. If any of the following risks actually occur, the business, financial condition or results of operations of the Company would likely suffer. In this case, the market price of the common stock could decline, and investors may lose all or part of the money they paid to buy the common stock. The Company has listed the following risk factors which we believe material to an investment decision in this offering.

### **BECAUSE WE ARE A START-UP COMPANY WITH NO OPERATING HISTORY, INVESTORS WILL HAVE DIFFICULTY IN EVALUATION OF BUSINESS OR FUTURE PERFORMANCE.**

The Company was recently formed and has no operations or operating results and therefore it is impossible for an investor to assess the performance of the Company or to determine whether the Company will meet its projected business plan. An investor will be required to make an investment decision based solely on the Company's management's history and its projected operations.

### **IF WE ARE UNABLE TO FURTHER DEVELOP THE HRES PROTOTYPE, OPERATIONS MAY CEASE AND ANY INVESTMENT MADE INTO THE COMPANY WOULD BE LOST IN ITS ENTIRETY.**

We have had limited advancements on our HRES prototype. If we are unable to raise sufficient proceeds for the development our business we would likely be forced to cease operations. If we cease or suspend our business operations any investment made into the company would likely be lost in its entirety.

### **HRES TECHNOLOGY IS CURRENTLY IN THE DEVELOPMENT PHASE, AND ULTIMATELY MAY NOT BE MARKETABLE.**

HRES technology is still under development and ultimately may not prove efficient or marketable.

As part of the licensing agreement with the HRES manufacturer, the Company relies on fully functioning HRES technology for marketing, sales and licensing of the HRES technology. There is no assurance this technology will be completely developed, or can be used effectively or efficiently. If this technology is not developed within acceptable parameters of cost, effectiveness, and time, the Company will probably not be able to implement its anticipated business plan. This could have a major negative impact on the Company.

### **WE MAY HAVE COMPETITORS WITH SIMILAR TECHNOLOGY.**

We may have competitors developing similar technology or even more effective technology which could undermine the Company's ability to market its technology. It is possible that when the Company tries to market its technology, it will find similar competitive technologies already in the market or close to marketability. If such competing technologies are being developed or marketed, the Company will have a more difficult time marketing its technology.

### **WE NEED TO OBTAIN ADDITIONAL FINANCING OR OUR BUSINESS WILL FAIL.**

Our business plan calls for ongoing expenses in connection with the development, manufacture, construction and marketing of the HRES energy systems. Although working prototypes of the HRES system currently exist, a fully functional commercial HRES prototype remains under development, and we are currently dependent upon raising proceeds to complete the development of our proposed commercial version. There are no assurances a commercially viable product can be achieved, even with significant future investment. We have not generated any revenue from operations to date.

At September 30, 2012, we had cash on hand of \$1,997. In order to complete development of a commercial HRES and to expand our business operations, we will need additional funding. If we are unable to raise necessary capital, our business will fail and any investment made into the Company would be lost in its entirety.

We do not currently have any arrangements for financing. Obtaining additional funding will be subject to a number of factors, including general market conditions, and investor acceptance of our business plan. These factors may impact the timing, amount, terms or conditions of additional financing available to us. The most likely source of future funds available to us is through the sale of shares of common stock or advances from our directors, founders and officers.

**WE WILL NEED SIGNIFICANT CAPITAL REQUIREMENTS TO CARRY OUT OUR BUSINESS PLAN, AND WE WILL NOT BE ABLE TO FURTHER IMPLEMENT OUR BUSINESS STRATEGY UNLESS SUFFICIENT FUNDS ARE RAISED.**

We will require significant expenditures of capital in order to acquire and develop our planned operations. We estimate that we will require a minimum of \$300,000 to carry out our operations for the next 12 months. As of September 30, 2012 we had approximately \$1,997 in cash. We plan to obtain the necessary funds through an equity offering. We may not be able to raise sufficient amounts from our planned source. In addition, if we underestimate the total amount needed to fully implement our business plan, our ability to continue the development of our business could be adversely impacted.

Our ability to obtain additional financing is subject to a number of factors, including but not limited to:

- Market conditions;
- Investor acceptance of our business model; and
- Investor response to our offering.

These factors may make the timing, amount, terms and conditions of additional financing unattractive or unavailable to us. If we are unable to raise additional financing, we will have to significantly reduce our spending, delay or cancel planned activities or substantially change our current corporate structure. In such an event, we intend to implement expense reduction plans in a timely manner. However, these actions would have material adverse effects on our business, revenues, operating results, and prospects, resulting in a possible failure of our business.

**WE CURRENTLY HAVE LIMITED FINANCIAL RESOURCES AND AS A RESULT OF BECOMING A REPORTING COMPANY, OUR CASH NEEDS WILL INCREASE AND OUR ABILITY TO IMPLEMENT OUR BUSINESS PLAN WILL BE IMPACTED.**

We have limited financial resources at present; as of September 30, 2012, we had \$1,997 of cash on hand. Upon the effectiveness of our Registration Statement, we will become a publicly reporting company and will be required to stay current in our filings with the SEC, including, but not limited to, quarterly and annual reports, current reports on materials events, and other filings that may be required from time to time. We believe that, as a public company, our ongoing filings with the SEC will benefit shareholders in the form of greater transparency regarding our business activities and results of operations. In becoming a public company, however, we will incur additional costs in the form of audit and accounting fees and legal fees for the professional services necessary to assist us in remaining current in our reporting obligations. We expect that, during our first year of operations, we will incur costs for professional fees in the approximate amount of up to \$20,000. These costs will increase our cash needs and may hinder or delay our ability to develop our proposed business plan.

**OUR AUDITOR HAS INDICATED IN ITS REPORT THAT THERE IS SUBSTANTIAL DOUBT ABOUT OUR ABILITY TO CONTINUE AS A GOING CONCERN AS A RESULT OF OUR LACK OF REVENUES AND IF WE ARE UNABLE TO GENERATE SIGNIFICANT REVENUE OR SECURE FINANCING WE MAY BE REQUIRED TO CEASE OR CURTAIL OUR OPERATIONS.**

Our auditor has indicated in its report that our lack of revenue raises substantial doubt about our ability to continue as a going concern. The financial statements do not include adjustments that might result from the outcome of this uncertainty. If we are unable to generate revenue or secure financing we may be required to cease operations, which in return may result in a complete loss of any investment made into the Company.

**IF JEFFERY LAMBERSON, OUR PRINCIPAL OFFICER SHOULD RESIGN OR DIE, WE WILL NOT HAVE A CHIEF EXECUTIVE OFFICER.WHICH COULD RESULT IN SUSPENSION OF OPERATIONS.**

We depend heavily on the services of our principal officer and director, Jeffery Lamberson, for the future success of our business. Loss of services of Mr. Lamberson, for any reason, would have a material adverse impact on our business, financial condition and results of operations. We carry no key personnel life insurance policies on Mr. Lamberson and we have no contract for his services.

**BECAUSE OUR OFFICERS HAVE NO FORMAL TRAINING IN FINANCIAL ACCOUNTING AND MANAGEMENT FOR PUBLIC COMPANIES, IN THE FUTURE, THERE MAY NOT BE EFFECTIVE DISCLOSURE AND ACCOUNTING CONTROLS TO COMPLY WITH APPLICABLE LAWS AND REGULATIONS WHICH COULD RESULT IN FINES, PENALTIES AND ASSESSMENTS AGAINST US.**

We have only two officers. Neither possesses formal training in financial accounting or management; however, they are responsible for our managerial and organizational structure, which will include preparation of disclosure and accounting controls. Mr. Lamberson has no formal training in financial accounting matters of public companies, however, he has been reviewing the financial statements that have been audited and reviewed by our auditors and included in this prospectus. When the disclosure and accounting controls referred to above are implemented, he will be responsible for the administration of them. Without sufficient experience, he may be incapable of creating and implementing the controls which may cause us to be subject to sanctions and fines by the SEC which ultimately could cause you to lose your investment.

**WE MAY BE UNABLE TO HIRE AND RETAIN KEY PERSONNEL.**

Our future success depends on our ability to attract qualified personnel. We may be unable to attract these necessary personnel. If we fail to attract or retain skilled employees, we may be unable to generate sufficient revenue to offset our operating costs.

**WE MAY BE SUSCEPTIBLE TO AN ADVERSE EFFECT ON OUR BUSINESS DUE TO THE CURRENT ECONOMIC CRISIS AND FUTURE LEGISLATION.**

The success of our business development could be greatly impacted by the current worldwide economic crisis, specifically if economic factors cause a lowered demand for green energy, or if future legislation lessens or removes the requirements for green energy production or utilization. Without an active market for green energy, our proposed business could likely fail, resulting in a complete loss of any investment made into the Company.

**WE HAVE NO EXPERIENCE OPERATING AS A PUBLIC COMPANY. AS SUCH, OUR LACK OF EXPERIENCE COULD RESULT IN OUR BUSINESS TO FAIL.**

We have never operated as a public company. We have no experience complying with the various rules and regulations required of a public company. As a result, we may not be able to operate successfully as a public company, even if our operations are successful. We plan to comply with all of the various rules and regulations required of a public company. However, if we cannot operate successfully as a public company, your investment may be materially adversely affected. Our inability to operate as a public company could be the basis of your losing your entire investment.

**AS A REPORTING COMPANY WE WILL BE SUBJECT TO MAINTAINING AN EFFECTIVE SYSTEM OF INTERNAL CONTROLS; HOWEVER, BECAUSE WE WILL BE A SMALLER REPORTING COMPANY WE WILL NOT BE SUBJECT TO THE MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING OR THE AUDITORS ATTESTATION REPORT UNTIL AN ANNUAL REPORT IS REQUIRED OR HAS BEEN FILED FOR THE PRIOR FISCAL YEAR.**

The United States Securities and Exchange Commission, as required by Section 404 of the Sarbanes-Oxley Act of 2002, adopted rules requiring every public company to include a management report on such company's internal controls over financial reporting in its annual report, which contains management's assessment of the effectiveness of our internal controls over financial reporting. Upon effectiveness of this Registration Statement we will be a reporting company and subject to have these internal controls in place and effective. However, as a result of our limited management depth, we may have difficulty in implementing our internal controls over its financial reporting. Furthermore, during the course of the evaluation, documentation, we may identify deficiencies that management may not be able to remedy in time to meet the deadline imposed by the Sarbanes-Oxley Act for compliance with the requirements of Section 404.

Investors must be aware we will not be required to comply with the management's annual report on internal control over financial reporting or subject to the auditor's attestation report until we are required to file our annual report or our annual report has been filed for the prior fiscal year.

Moreover, effective internal controls are necessary for our Company to produce reliable financial reports and are important to help prevent fraud. Our failure to achieve and maintain effective internal controls over financial reporting could result in the loss of investor confidence in the reliability of our financial statements, which in turn could harm our business.

**THIS OFFERING IS ON A BEST EFFORTS BASIS WITH NO MINIMUM AMOUNT REQUIRED TO BE RAISED AND WE CAN ACCEPT INVESTOR FUNDS AT ANY TIME WITHOUT ANY OTHER INVESTMENT FUNDS BEING RAISED.**

No minimum amount of investment funds are required to be raised before we can accept your investment funds. This is a best efforts offering with no stated minimum. No investment funds will be placed in an escrow account pending the attainment of a minimum amount of investment proceeds. Once we accept your investment funds we will be under no obligation to return such funds to you even if no other investment funds are raised in this offering. Investors must be aware that we may not even raise sufficient funds to cover the anticipated costs of this offering, estimated at \$9,500. If less than the full amount of this offering is achieved through this offering, investors would likely lose their investment made into the Company in its entirety.

**IF WE COMPLETE A FINANCING THROUGH THE SALE OF ADDITIONAL SHARES OF OUR COMMON STOCK IN THE FUTURE, THEN SHAREHOLDERS WILL EXPERIENCE DILUTION.**

The most likely source of future financing presently available to us is through the sale of shares of our common stock. Any sale of common stock will result in dilution of equity ownership to existing shareholders.

This means that if we sell shares of our common stock, more shares will be outstanding and each existing shareholder will own a smaller percentage of the shares then outstanding. To raise additional capital we may have to issue additional shares, which may substantially dilute the interests of existing shareholders. Alternatively, we may have to borrow large sums, and assume debt obligations that require us to make substantial interest and capital payments.

**OUR COMMON STOCK CURRENTLY HAS NO TRADING MARKET AND THERE IS NO GUARANTEE A TRADING MARKET WILL EVER DEVELOP FOR OUR SECURITIES.**

There is presently no demand for our common stock. There is presently no public market for the shares being offered in this prospectus. While we do intend to apply for quotation in the Over-the-Counter Bulletin Board, we cannot guarantee that our application will be approved and our stock listed and quoted for sale. If no market is ever developed for our common stock, it will be difficult for you to sell any shares you purchase in this offering. In such a case, you may find that you are unable to achieve any benefit from your investment or liquidate your shares without considerable delay, if at all. In addition, if we fail to have our common stock quoted on a public trading market, your common stock will not have a quantifiable value and it may be difficult, if not impossible, to ever resell your shares, resulting in an inability to realize any value from your investment.

**WE WILL NOT BE SUBJECT TO ALL OF THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934 ("34 ACT") THUS LIMITING INFORMATION AVAILABLE ABOUT THE COMPANY.**

Upon the effectiveness of the registration statement (which includes this prospectus) we will become subject to the information and reporting requirements of the Securities Exchange Act of 1934 and will file current reports, periodic reports, annual reports, and other information with the Securities and Exchange Commission, as required. Currently, we do not expect to file a 1934 Act registration statement. Accordingly, and because at this time we are not going to have a class of securities registered under the 34 Act, we will not be subject to proxy rules or Section 16 or 14 of the 1934 Act, until such time as we do file a 34 Act registration statement. This means that information regarding securities holdings of our officers, directors and 10% stockholders will not be made available on a current basis and we will be able to take shareholder actions without complying with the SEC's proxy rules. In addition, Section 15(d) of the 34 Act provides an automatic suspension of the periodic reporting obligation as to any fiscal year (except the fiscal year in which the registration statement became effective) if an issuer has fewer than 300 security holders of record at the beginning of such fiscal year. If our reporting obligation is suspended, investors in our stock may be adversely impacted by the lack of such information, including current reports, periodic reports and annual reports.

**WE ARE SELLING THIS OFFERING WITHOUT AN UNDERWRITER AND MAY BE UNABLE TO SELL ANY SHARES.**

This offering is self-underwritten, that is, we are not going to engage the services of an underwriter to sell the shares; we intend to sell them through our officers and directors, who will receive no commissions. We will hold investment meetings and invite our friends, acquaintances and relatives in an effort to sell the shares to them; however, there is no guarantee that we will be able to sell any of the shares. In the event we are unable to sell most of the shares in this offering, we will be forced to reduce our proposed business operations until such time as additional monies can be obtained, either through loans or financings

**BECAUSE OUR SECURITIES ARE SUBJECT TO PENNY STOCK RULES, YOU MAY HAVE DIFFICULTY SELLING YOUR SHARES.**

Our shares are penny stocks are covered by section 15(g) of the Securities Exchange Act of 1934 which imposes additional sales practice requirements on broker/dealers who sell the Company's securities including the delivery of a standardized disclosure document; disclosure and confirmation of quotation prices; disclosure of compensation the broker/dealer receives; and, furnishing monthly account statements. For sales of our securities, the broker/dealer must make a special suitability determination and receive from its customer a written agreement prior to making a sale. The imposition of the foregoing additional sales practices could adversely affect a shareholder's ability to dispose of his stock.

## YOU WILL INCUR IMMEDIATE AND SUBSTANTIAL DILUTION OF THE PRICE YOU PAY FOR YOUR SHARES.

Our existing stockholders acquired their shares at a cost substantially less than that which you will pay for the shares you purchase in this offering. Accordingly, any investment you make in these shares will result in the immediate and substantial dilution of the net tangible book value of those shares from the \$0.50 you pay for them. As of September 30, 2012, our net tangible book value (assuming that a total of 24,750,000 Common Shares were issued and outstanding) was (\$173,559) or approximately (\$0.007) per share. Assuming that \$3,000,000 of maximum net proceeds are realized from this Offering, the dilution to new investors from the Offering price of \$.050 per share will be approximately \$0.41 per share, and the gain by existing investors will be approximately \$0.099 per share. Assuming that \$300,000 of minimum net proceeds are realized from this Offering, the dilution to new investors from the Offering price of \$0.50 per share will be approximately \$0.50 per share, and the gain by existing investors will be approximately \$0.012 per share.

## BECAUSE WE DO NOT HAVE AN ESCROW OR TRUST ACCOUNT FOR INVESTOR'S SUBSCRIPTIONS, IF WE FILED FOR BANKRUPTCY PROTECTION OR ARE FORCED INTO BANKRUPTCY, INVESTORS WILL LOSE THEIR ENTIRE INVESTMENT.

Invested funds for this offering will not be placed in an escrow or trust account. Accordingly, if we file for bankruptcy protection or a petition for involuntary bankruptcy is filed by creditors against us, your funds will become part of the bankruptcy estate and administered according to the bankruptcy laws. As such, you will lose your investment and your funds will be used to pay creditors and will not be used for the sourcing and sale of promotional products.

These risk factors, individually or occurring together, would have a substantially negative effect on our business and would likely cause it to fail.

## USE OF PROCEEDS

Our offering is being made on a self-underwritten basis - no minimum of shares must be sold in order for the offering to proceed. The offering price per share is \$0.50. There is no assurance that we will raise the full \$3,000,000.

The following table below sets forth the uses of proceeds assuming the sale of 10%, 25%, 50% and 100% of the securities offered for sale in this offering by the company. For further discussion see Plan of Operation.

	If 10% of Shares are Sold	If 25% of Shares are Sold	If 50% of Shares are Sold	If 100% of Shares are Sold
<b>GROSS PROCEEDS FROM THIS OFFERING</b>	\$ 300,000	\$ 750,000	\$ 1,500,000	\$ 3,000,000
<b>Less: OFFERING EXPENSES</b>				
SEC and Filing Expenses	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500
Transfer agent	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
<b>SUB-TOTAL</b>	<b>9,500</b>	<b>9,500</b>	<b>9,500</b>	<b>9,500</b>

<b>Less: Phase 1</b>				
Licensing Payment	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Accounts Payable	\$ 1000	\$ 1000	\$ 1000	\$ 1000
Notes Payable	\$ 70,500	\$ 70,500	\$ 70,500	\$ 70,500
Co-Development of 20kw HRES System	\$ 94,000	\$ 94,000	\$ 94,000	\$ 94,000
Pilot Plant Metering and Interconnection Expense	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Administrative Expenses (including salary, legal office, accounting and consulting)	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
<b>SUB-TOTAL</b>	<b>\$ 290,500</b>	<b>\$ 290,500</b>	<b>\$ 290,500</b>	<b>\$ 290,500</b>

<b>Less: Phase 2</b>				
Co-Development of 100kw HRES System	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
Commercial Pilot Metering, and Interconnection	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Administrative Expenses (including salary, legal office, accounting and consulting)	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
<b>SUB-TOTAL</b>	<b>\$ 450,000</b>	<b>\$ 450,000</b>	<b>\$ 450,000</b>	<b>\$ 450,000</b>

<b>Less: Phase 3</b>				
Installation and Operation of Distributed Power Plants, 50kw to 250kw		\$ 600,000	\$ 600,000	
Administrative Expenses (including salary, legal office, accounting and consulting)		\$ 150,000	\$ 150,000	
<b>SUB-TOTAL</b>		<b>\$ 750,000</b>	<b>\$ 750,000</b>	

<b>Less: Phase 4</b>				
Installation and Operation of Distributed Power Plants, 250kw to 600kw			\$ 1,270,000	
Administrative Expenses (including salary, legal office, accounting and consulting)			\$ 230,000	
<b>SUB-TOTAL</b>			<b>\$ 1,500,000</b>	

<b>TOTALS</b>	<b>\$ 300,000</b>	<b>\$ 750,000</b>	<b>\$ 1,500,000</b>	<b>\$ 3,000,000</b>
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A total \$2,457 has been raised from the sale of stock to our founders at par value - this stock is restricted and is not being registered in this offering. As of September 30, 2012 Halex had a balance (less outstanding checks) of \$1,997..

The above figures within the table represent estimated costs. Potential investors must be aware that this offering is a best efforts offering with no minimum requirement of proceeds to be raised for the Company to utilize funds from the sale of the shares. As such, the Company may not be successful in selling even 10% of the shares. We plan to allocate the initial funds received to first to cover the Offering Expenses, estimated at \$9,500 and then fund Phase I, Phase II, Phase 3, and Phase 4 as detailed within the above table.



## DETERMINATION OF OFFERING PRICE

As there is no established public market for our shares, the offering price and other terms and conditions relative to our shares have been arbitrarily determined by Hallex and do not bear any relationship to assets, earnings, book value, or any other objective criteria of value. In addition, no investment banker, appraiser, or other independent third party has been consulted concerning the offering price for the shares or the fairness of the offering price used for the shares.

The price of the current offering is fixed at \$0.50 per share. This price is significantly greater than the price paid by the company's founders. The founders paid par value of \$0.0001 per share a difference of \$0.4999 per share lower than the per share price in this offering.

## DILUTION

Dilution represents the difference between the offering price of the shares of common stock and the net book value per share of common stock immediately after completion of the offering. "Net book value" is the amount that results from subtracting total liabilities from total assets. In this offering, the level of dilution is increased as a result of the relatively low book value of our issued and outstanding stock. While this offering has no minimum, the table below includes an analysis of the dilution that will occur if only 25%, 50%, 75%, and 100% of the shares are sold:

	<u>10% of Offering</u>	<u>25% of Offering</u>	<u>50% of Offering</u>	<u>100% of Offering</u>
Offering Price Per Share	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50
Book Value Per Share Before the Offering	\$ (0.007)	\$ (0.007)	\$ (0.007)	\$ (0.007)
Book Value Per Share After the Offering	\$ 0.005	\$ 0.022	\$ 0.048	\$ 0.092
Net Increase to Original Shareholder	\$ 0.012	\$ 0.029	\$ 0.055	\$ 0.099
Decrease in Investment to New Shareholders	\$ (0.50)	\$ (0.48)	\$ (0.45)	\$ (0.41)
Dilution to New Shareholders (%)	99%	96%	90%	82%



## **PLAN OF DISTRIBUTION**

### **Company Offering**

The offering consists of a maximum number of 6,000,000 common shares being offered at \$0.50 per share with no minimum offering requirement.

If we unable to sell our stock and raise money, we will not be able to complete our business plan and the company will fail.

There will be no underwriters used, no dealer's commissions, no finder's fees, and no passive market making for the shares being offered by Halex. All of these shares will be issued to business associates, friends, and family of the management of the Company. The Officers, Jeff Lamberson and Al Foley will not register as broker-dealers in connection with this offering. Neither will be deemed to be a broker pursuant to the safe harbor provisions of Rule 3a4-1 of the Securities and Exchange Act of 1934, since they are not subject to statutory disqualification, will not be compensated directly or indirectly from the sale of securities, is not an associated person of a broker or dealer, nor have they been so associated within the previous twelve months, and primarily performs substantial duties as Officers and Director that are not in connection with the sale of securities, and has not nor will not participate in the sale of securities more than once every twelve months.

Our Common Stock is currently considered a "penny stock" under federal securities laws (Penny Stock Reform Act, Securities Exchange Act Section 3a (51(A)) since its market price is below \$5.00 per share. Penny stock rules generally impose additional sales practice and disclosure requirements on broker-dealers who sell or recommend such shares to certain investors.

Broker-dealers who sell penny stock to certain types of investors are required to comply with the SEC's regulations concerning the transfer of penny stock. If an exemption is not available, these regulations require broker-dealers to: make a suitability determination prior to selling penny stock to the purchaser; receive the purchaser's written consent to the transaction; and, provide certain written disclosures to the purchaser. These rules may affect the ability of broker-dealers to make a market in, or trade our shares. In turn, this may make it very difficult for investors to resell those shares in the public market.

## **DESCRIPTION OF SECURITIES TO BE REGISTERED**

### **General**

The authorized capital stock consists of 75,000,000 shares of common stock at a par value of \$0.0001 per share. We plan to offer 6,000,000 common shares at a price of \$0.50 per share. We will not sell any of the 6,000,000 common shares until the Registration Statement has been deemed effective by the Commission.

### **Common Stock**

As of September 30, 2012, there are 24,570,000 shares of common stock issued and outstanding; these shares are held by 38 separate shareholders. The shares are restricted under Rule 144 of the Securities Act. These restricted securities and may be sold without restriction only if they are registered or if they qualify for an exemption from registration under Rule 144.

Holders of common stock are entitled to one vote for each share on all matters submitted to a stockholder vote. Holders of common stock do not have cumulative voting rights. Therefore, holders of a majority of the shares of common stock voting for the election of directors can elect all of the directors. Holders of common stock representing a majority of the voting power of Halex's capital stock issued and outstanding and entitled to vote represented in person or by proxy, are necessary to constitute a quorum at any meeting of company stockholders. A vote by the holders of a majority of the outstanding shares is required to effectuate certain fundamental corporate changes such as liquidation, merger or an amendment to the articles of incorporation.

Holders of common stock are entitled to share in all dividends that the board of directors, in its discretion, declares from legally available funds. In the event of liquidation, dissolution or winding up, each outstanding share entitles its holder to participate pro rata in all assets that remain after payment of liabilities and after providing for each class of stock, if any, having preference over the common stock. Holders of the common stock have no preemptive rights, no conversion rights and there are no redemption provisions applicable to the common stock.

## **Shareholders**

Each shareholder has sole investment power and sole voting power over the shares owned by such shareholder.

## **INTERESTS OF NAMED EXPERTS AND COUNSEL**

No expert or counsel named in this prospectus as having prepared or certified any part of this prospectus or having given an opinion upon the validity of the securities being registered or upon other legal matters in connection with the registration or offering of the common stock was employed on a contingency basis, or had, or is to receive, in connection with the offering, a substantial interest, direct or indirect, in the registrant or any of its parents or subsidiaries. Nor was any such person connected with the registrant or any of its parents or subsidiaries as a promoter, managing or principal underwriter, voting trustee, director, officer, or employee.

Andrew Grundman, Attorney at law, an independent legal counsel, has provided an opinion on the validity of Halex's issuance of common stock and it is presented as an exhibit to this filing. On June 29, 2011, Andrew Grundman was issued 500,000 shares of common founder's stock at par value of \$.0001 for \$50.

The financial statements included in this Prospectus and in the Registration Statement have been audited by DKM, Certified Public Accountant, 2451 N. McMullen Booth Road, Suite 308, Clearwater, FL 33759 to the extent and for the period set forth in their report (which contains an explanatory paragraph regarding Halex's ability to continue as a going concern) appearing elsewhere herein and in the Registration Statement, and are included in reliance upon such report given upon the authority of said firm as experts in auditing and accounting.

## **DESCRIPTION OF THE BUSINESS**

### **History**

Halex Energy Corp. was incorporated on January 20, 2011, in the state of Nevada. Halex has never declared bankruptcy nor been in receivership. Halex has never been involved in any legal action or proceedings. Since incorporation, Halex has not made any significant purchase or sale of assets, nor has it been involved in any mergers, acquisitions or consolidations. Halex is not a blank check registrant as that term is defined in Rule 419(a) (2) of Regulation C of the Securities Act of 1933, since it has a specific business plan or purpose.

### **General**

Halex Energy ("Halex") is a development stage energy company engaged in developing radically innovative renewable energy systems. Currently, Halex is reviewing several options, and in conjunction with K'Air Energy Inc. (a U.S. green energy technology company), is manufacturing a prototype of a Hybrid Renewable Energy System ("HRES"). Upon successful completion, economic viability of the prototype unit will be determined. Early testing of some components of the prototype has shown promising results but commercial viability cannot be determined until a series of tests of the assembled prototype have been completed.

The HRES consists of two or more renewable energy sources used in conjunction to provide increased system efficiency. HRES functions from temperature variances ranging between 0 to 50 degrees Celsius to provide a constant source of electricity. This has distinct advantages, including higher rates of capacity utilization over other green energy technology such as photovoltaic, which requires direct sunlight, or wind turbines, which rely on unpredictable and intermittent air flows. Halex currently holds exclusive licenses for distribution, installation and operation of HRES covering the entire State of California. HRES could serve to increase the supply of “green energy” worldwide.

HRES offers flexibility because this technology can utilize a broad range of green energy heat sources such as thermal solar, geothermal, biomass and biogas. HRES offers greater advantages because this technology is less susceptible to time of day or meteorological factors because HRES can function on stored heat sources.

Halex's mission is to supply the growing demand for green energy produced electricity with a patent pending hybrid renewable green energy system capable of producing on-demand electricity with over 90% capacity utilization on a low cost, zero pollution basis.

### **Business Opportunity**

With the high and increasing costs of oil, natural gas, fuel derivatives and coal, and with increasing concern about the environment and greenhouse effects and their consequences on global warming, there is an increasing demand for production of electricity from environmentally-friendly energy sources. However, most alternative green energy systems face a number of problems, including: low capacity utilization ranging from 15% to 35% for wind & solar; location dependency for wind, hydro & geothermal; high amortization periods ranging from 15 to 30 years; and in all cases a requirement for supplemental electricity sources that rely and consume large amounts of fossil fuels.

Halex believes a substantial market exists for HRES-produced electricity. HRES is capable of generating electricity from multiple green energy sources on demand, and with significantly higher capacity utilization than conventional wind power and solar power systems. Widespread application of HRES could significantly reduce consumption and reliance of fossil fuels.

The next wave of green energy will be a paradigm shift to HRES-type technology, with the primary objective being achievement of significantly higher capacity utilization rates than existing wind and solar power technology. Unlike current application of wind and solar technology, it is possible for HRES to attain over 90% capacity utilization. The result of this higher efficiency could yield greater economic and environmental returns than conventional green energy technology utilizing wind-power, hydro-power, solar, geothermal, biomass or tri-generation on a stand-alone basis.

Although we are currently in the development stage, we are in the process of developing a commercial prototype. The initial tests have been favorable, and encouraging to continue our development of the technology.

### **Market**

California is the second largest consumer of electricity in the United States and each year end users spend in excess of \$30 Billion for electricity. California is also the most advanced state in the country for utilizing green energy. Legislation enacted in 2008 mandated that by 2020 California energy producers must obtain 33% of its total energy from renewable sources. As of the first quarter of 2012, California was only utilizing 15% renewable energy.

As the percent of electricity generated by solar fields and wind farms increases, so will its unreliability. Conventional green energy sources are vulnerable to meteorological factors, such as clouds over a solar field or lack of sufficient winds on a wind farm. As a result, for periods of time these operations are unable to produce adequate power, requiring supplemental electricity produced by secondary fossil fuel-powered generating sources. These secondary sources sometimes require substantial time to be brought online to compensate for these conditions.

Halex intends to build, own and operate scalable, HRES power plants to supply electricity directly to utilities or end users via existing power grids. HRES technology should enable our power plants to use several types of heat sources which will permit operating at a constant power production level, reducing the pressure put on the operators. Because recent legislation mandates use of green energy, companies and others subject to these new green energy requirements are generally paying a premium for renewable sources of power. In addition to legislative requirements, there are also existing federal and state programs designed to promote renewable energy. Upon completion of our commercial prototype, we intend to begin the testing and certification process to take advantage of available programs.

#### **Phase 1**

Upon raising the necessary capital, Halex will continue development of portable and scalable 20kw to 50kw HRES power units including using technology licensed from K'Air Energy, Inc. Once development and testing are completed, we will take delivery of the units and begin independent studies for certification in California. We plan to mount units on flatbed trailers for simplified transportation to different site locations. As part of the certification process, we plan to demonstrate the efficiency to potential industry partners and utility companies. Our first unit will be utilized for demonstration purposes only.

#### **Phase 2**

Upon completion of Phase 1, the company plans to assist in developing larger commercial-grade units with capacity between 100kw to 250kw. We intend to identify and partner with either a company with a large demand for electricity or a local utility to demonstrate the commercial viability of HRES. We intend to use this pilot plant to demonstrate the viability of HRES to other potential partners as well as to gain more recognition of the efficiency of our product. We also intend to use this pilot plant to start the process for certification with state and federal agencies to capture and utilize any tax credits that may be available to us.

#### **Phase 3**

In Phase 3, we intend to roll out a revenue model by identifying a property on which to install and operate a number of HRES power units in a series capable of producing up to 3 Megawatts per hour (Mwh) of electricity. We intend to begin with a 100 kilowatts per hour (kwh) unit and scale up to 3 Mwh over time. We will look for properties that will provide a lower start-up cost by identifying properties already having access to high voltage power infrastructure.

#### **Phase 4**

During Phase 4, we will continue with scale up on the 3 Mwh power plant. We will identify new partners and properties for continued growth. Additionally, we will identify potential partners for expansion of manufacturing capacity.

## Competition

Currently, more than 80% of the world's production of electricity is by steam turbine generator systems. These burn fossil fuels or use nuclear fusion to heat water at very high temperatures ranging from 300°C to 650°C, to generate the very high pressures, ranging from 180 bars to 250 bars, required to produce the flow of high pressure steam needed to actuate the steam turbines, which turn the generators to produce electricity. However, with the high and increasing costs of oil, natural gas, fuel derivatives and coal, and with concerns about the safety of nuclear fusion and about the environment and greenhouse effects and their consequences on global warming, there is an increasing demand for production of electricity from environmentally friendly energy sources. These include thermal, solar, commercial or industrial heat recovery, geothermal, hydro, wind and/or biomass.

However, alternative green energy systems face a number of problems. These include intermittent low capacity utilization ranging from 15% to 35% for wind & solar; location dependency for wind, hydro & geothermal; long pay back periods of 15 to 30 years; and high maintenance costs. For the 65% to 85% of the time an alternative green energy system is not operating or is providing insufficient electricity, the supplemental sources of electricity continue to consume large amounts of fossil fuels.

## Employees

Other than our officer and director, Jeffery Lamberson and our officer, Alfred Foley, we have no employees. Assuming financing can be obtained, management expects to hire additional staff and employees as necessary as implement of our business plan requires.

## DESCRIPTION OF PROPERTY

Our principal office is located at 9190 Double Diamond Parkway, Reno, NV 89521. Our telephone number is 916.293.3762. Our e-mail address is [info@halexenergy.com](mailto:info@halexenergy.com). The Company does not own or lease any property. Currently, Mr. Lamberson, our president is providing our office space at no charge.

## LEGAL PROCEEDINGS

Halex Energy Corp. is not currently a party to any legal proceedings. Halex's agent for service of process in Nevada is: Laughlin Associates, Inc. 2533 N Carson Street Carson City, NV 89706

From time to time, we may become involved in various lawsuits and legal proceedings, which arise, in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. Pursuant to Item 401 (f) of Regulation S-K there are no events that occurred during the past ten (10) years that are material to an evaluation of the ability or integrity of any director, person nominated to become a director or executive officer of the registrant:

- Within the past ten years, no petition under the Federal bankruptcy laws or any state insolvency law was filed by or against, or a receiver, fiscal agent or similar officer was appointed by a court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing;
- Within the past ten years, no such person has been convicted in a criminal proceeding concerning fraud, embezzlement, securities violations or any other matters involving moral turpitude and is not currently a named subject of any pending criminal proceeding
- Within the past ten years, such person was not the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from, or otherwise limiting, the following activities:

- o Acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission, or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;
  - o Engaging in any type of business practice; or
  - o Engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of Federal or State securities laws or Federal commodities laws;
- Within the past ten years, such person was not the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described in Regulation S-K, Item 401 paragraph (f)(3)(i) entitled *Involvement in Certain Legal Proceedings*, or to be associated with persons engaged in any such activity;
- Such person was not found by a court of competent jurisdiction in a civil action or by the Commission to have violated any Federal or State securities law, and the judgment in such civil action or finding by the Commission has not been subsequently reversed, suspended, or vacated;
- Such person was not found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any Federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated;
- Such person was not the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:
  - o Any Federal or State securities or commodities law or regulation; or
  - o Any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or
  - o Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- Such person was not the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

## MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

### No Public Market for Common Stock

There is presently no public market for the common stock. Halex can provide no assurance that the shares will ever have a market in the future. In the future if a market does not materialize for the common stock investors would not be able to sell the stock they purchased.

### Purchases of Equity Securities by the Small Business Issuer and Affiliates

Between February 2, 2012 and June 30, 2012, the company issued 24,570,000 shares of founder's stock. It was determined at the time for all founders to pay par value for the shares sometime before September 30, 2012 which was later extended to November 14, 2012. As of the time of this filing, all founders shares that have been allotted, have been paid for. No other shares have been sold by the company.

### Holders of the Common Stock

As of the date of this registration statement, Halex had 38 registered shareholders owning 24,570,000 common shares, which represent 100% of the issued and outstanding common stock. The 24,570,000 existing shares are currently restricted and are NOT being included as part of this registration statement. The list of shareholders is as follows:

Al Dukes 9617 Tessara Ct. Elk Grove, CA 95624	40,000
Al Foley 3941 Park Dr, Ste 20-196 El Dorado Hills, CA 95762	500,000
Alaina Lamberson 3941 Park Dr, Ste 20-196 El Dorado Hills, CA 95762	100,000
Andrew Neitlich 1088 Mallard Marsh Drive Osprey, FL 34229	250,000
Andrew Watling 3567 Maidens Rd. Powhatan, VA 23139	1,200,000
Andy Grundman 1415 L Street, Suite 1000 Sacramento, CA 95814	500,000
Benchmark Trading, LLC PO Box 770246 Memphis TN 38177	2,400,000

Carol lyn Martens 6476 Fox Street West Vancouver, BC, Canada V7W 3G4	100,000
Christine Castiluccio 108 Gold Strike Way San Andreas, CA 95249	60,000
Curtis Cleavland PO Box 246 Fair Oaks, CA 95762	20,000
David Olson 7405 Sagebrush Dr. Parker, CO 80138	20,000
Diane Hoang 6825 Rancho Pico Way Sacramento, CA 95828	20,000
Ernest Corr 1415 Knollcrest Dr. Roseville, CA 95661	50,000
G. Wesley Sodorff 4928 N Vista View Cir Spokane, Wa 99212	500,000
Gina Jackson 536 Meybees Ct. El Dorado Hills, CA	500,000
Hanna Lamberson 3941 Park Dr, Ste 20-196 El Dorado Hills, CA 95762	100,000
Insight Asset Management, Inc. 8673 Brackenbury CV Cordova, TN 38016	2,400,000
Jameson Capital, LLC 4328 West Hiawatha, Ste 101 Spokane WA, 99208	250,000



Jeff Lamberson 3941 Park Dr, Ste 20-196 El Dorado Hills, California, 95762	4,500,000
John Coghlan West 3773 fifth Ave, Suite 311 Post falls Idaho 83854	250,000
John Winkley 1925 Vista Creek Dr Roseville, Ca 95661	300,000
Judy Nordstrud 15837 Trackside Drive Odessa, Fl 33556	100,000
Keenan Family Trust C/O William Keenan 3755 Brighton Way Reno, NV. 89509	20,000
Keihl Hutchings 2149 Masters Rd Marcellus, NY 13108	150,000
Keith White 7721 East Trent Ave. Spokane Valley, WA 99212	500,000
Keneth Cayler 1013 Vessona circle Folsom, Ca 95630	400,000
Larry Rowe 6313 Rolling hills Dr. Roseville, CA 95661	20,000
LeeShore Solutions, LLC PO Box 770246 Memphis TN 38177	2,400,000
Mark Quinn 7 Greenfield Dr. Weston, CT 06883	100,000

Michael Cooper 5718 La Field Dr. Fair Oaks, CA 95628	20,000
Michael Kipp 11 Diggins Dr. Folsom, CA 95630	1,000,000
Nelma Pireira 8563 Ansell Place, West Vancouver, BC Canada V7W 2W3	150,000
NewHaven Capital, LLC PO Box 770246 Memphis TN 38177	2,400,000
Robb Perkinson 8563 Ansell Place, West Vancouver, BC Canada V7W 2W3	250,000
Scott Christie 7626 Albert Tillinghast Dr. Sarasota, FL 34240	500,000
Steve Ashe 5201 80th St. Sacramento, Ca. 95820	20,000
Tidewater Management Services, Inc 292 E Erwin Drive Memphis, TN 38117	2,400,000
Tom Bautista 1255 Crescendo Dr. Roseville, CA 95678	80,000
<b>TOTAL</b>	<b>24,570,000</b>

### Dividend Policy

We anticipate that we will retain any earnings to support operations and to finance the growth and development of our business. Therefore, we do not expect to pay cash dividends in the foreseeable future. Any further determination to pay cash dividends will be at the discretion of our board of directors and will be dependent on the financial condition, operating results, capital requirements and other factors that our board deems relevant. We have never declared a dividend.

### Equity Compensation Plan

To date, Halex has no equity compensation plan, has not granted any stock options and has not granted registration rights to any person(s).



2451 N. McMullen Booth Road  
Suite.308  
Clearwater, FL 33759  
855.334.0934 Toll free

### **Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Shareholders:

Halex Energy Corporation

El Dorado Hills, CA

I have audited the balance sheet of Halex Energy Corporation, a development stage company, as of December 31, 2011 and the related statement of operation, changes in stockholders' equity, and cash flows for the period January 20, 2011 (date of inception) through December 31, 2011. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements were free of material misstatement. The Company was not required to have, nor was I engaged to perform, an audit of its internal control over financial reporting. My audit included consideration of internal control over financial reporting as a basis for designing audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, I express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provide a reasonable basis for my opinion.

In my opinion, the financial statements, referred to above, present fairly, in all material respects, the financial position of Halex Energy Corporation as of December 31, 2012 and the results of its operations and its cash flows for the period January 20, 2011 (date of inception) through Halex Energy Corporation, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has incurred a loss, has not generated revenue, has not emerged from the development stage, and may be unable to raise further funds through equity or other traditional financing. These factors raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Peter Messineo, CPA

DKM Certified Public Accountants

Clearwater, Florida

January 8, 2013

**HALEX ENERGY CORP.**  
**(A Development Stage Entity)**  
**BALANCE SHEET**

	<b>December 31, 2011</b>
<b>ASSETS</b>	
<b>CURRENT ASSETS:</b>	
Cash and cash equivalents	\$ 40
Interest receivable	974
Notes receivable	12,325
Total Current Assets	<u>13,339</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 13,339</u></u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	
<b>CURRENT LIABILITIES:</b>	
Accounts payable	\$ 133
Accrued compensation	69,240
Accrued interest	597
Current portion of notes payable	24,500
Total Current Liabilities	<u>94,470</u>
<b>STOCKHOLDERS' DEFICIT</b>	
Common stock, \$0.0001 par value; 75,000,000 shares authorized; 24,570,000 shares issued and outstanding	2,457
Capital in excess of par value	-
Stock subscription receivable	(2,037)
Accumulated deficit during development stage	(81,551)
Total Stockholders' Deficit	<u>(81,131)</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<u><u>\$ 13,339</u></u>

\* The Auditors' Report and Notes are an integral part of these Financial Statements

**HALEX ENERGY CORP.**  
**(A Development Stage Entity)**  
**STATEMENT OF OPERATIONS**

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	For the Period January 20, 2011 (Date of Inception) Through December 31, 2011
<b>REVENUE:</b>	
Sales	\$ -
	<u>-</u>
<b>OPERATING EXPENSES</b>	
Selling, general and administrative expenses	81,928
<b>TOTAL OPERATING EXPENSES</b>	<u>81,928</u>
<b>LOSS FROM OPERATIONS</b>	<u>(81,928)</u>
<b>OTHER EXPENSE (INCOME)</b>	
Interest expense	597
Interest income	(974)
<b>TOTAL OTHER EXPENSE (INCOME)</b>	<u>(377)</u>
<b>NET INCOME (LOSS)</b>	<u><u>\$ (81,551)</u></u>
<b>NET LOSS PER COMMON SHARE, BASIC AND DILUTED</b>	<u><u>\$ (0.00)</u></u>
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED</b>	<u><u>21,480,899</u></u>

\* The Auditors' Report and Notes are an integral part of these Financial Statements

**HALEX ENERGY CORP.**  
**(A Development Stage Entity)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2011**  
**STATEMENT OF STOCKHOLDERS' DEFICIT**

	<u>Common Stock</u>		<u>Capital in</u>	<u>Stock</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Excess of</u>	<u>Subscription</u>	<u>Deficit</u>	<u>Stockholders'</u>
			<u>Par Value</u>	<u>Receivable</u>		<u>Deficit</u>
Balance, January 20, 2011, Date of Inception	-	\$ -	\$ -	\$ -	\$ -	\$ -
Issuance of common stock for cash, \$0.0001	24,570,000	2,457	-	(2,037)	-	420
Net loss	-	-	-	-	(81,551)	(81,551)
Balance, December 31, 2012	<u>24,570,000</u>	<u>\$ 2,457</u>	<u>\$ -</u>	<u>\$ (2,037)</u>	<u>\$ (81,551)</u>	<u>\$ (81,131)</u>

\* The Auditors' Report and Notes are an integral part of these Financial Statements

**HALEX ENERGY CORP.**  
**(A Development Stage Entity)**  
**STATEMENT OF CASH FLOWS**

**For the  
Period  
January 20,  
2011 (Date  
of  
Inception)  
Through  
December  
31,  
2011**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net loss	\$ (81,551)
Adjustments to reconcile net loss to net cash and cash equivalents	
(Increase) in:	
Interest receivable	(974)
Increase in:	
Accounts payable and accrued expenses	730
Accrued compensation and related benefits	69,240
Net cash used by operating activities	<u>(12,555)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Increase in notes receivable	<u>(12,325)</u>
Net cash used by investing activities	<u>(12,325)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Proceeds from issuance of notes payable	24,500
Proceeds from issuance of common stock	420
Net cash provided by financing activities	<u>24,920</u>

Net increase in cash and cash equivalents	40
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Cash and cash equivalents, beginning of period	<u>-</u>
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Cash and cash equivalents, end of period	<u><u>\$ 40</u></u>
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**SUPPLEMENTAL CASH FLOW INFORMATION:**

Cash paid for interest	<u><u>\$ -</u></u>
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\* The Auditors' Report and Notes are an integral part of these Financial Statements

**Halex Energy Corp.**  
**Notes to Financial Statements**  
**Period From January 20, 2011 (Date of Inception) through December 31, 2011**

**1. Background Information**

Halex Energy Corp. (the "Company"), a Nevada corporation, is a development stage company incorporated on January 20, 2011. Our fiscal year end is December 31 with our principal office located at 3941 Park Dr. #20-196, El Dorado Hills, California 95762.

Since becoming incorporated, the Company has not made any significant purchases or sale of assets, nor have we been involved in any mergers, acquisitions or consolidations. The Company owns exclusive licenses for operation of a new type of renewable energy in the state of California. The Company is currently developing a prototype of this generator known as HRES - Hybrid Renewable Energy System.

**2. Going Concern**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. For the period from January 20, 2011 (Date of Inception) through December 31, 2011, the Company incurred a net loss of \$81,551. As of December 31, 2011, the Company has an accumulated deficit of \$81,551, negative working capital of \$81,131 and a stockholders' deficit of \$81,131. The Company used \$12,555 of cash from operations during 2011, which was funded by proceeds from debt and equity financings. There is no assurance that such financing will be available in the future. In view of these matters, there is substantial doubt that the Company will continue as a going concern. The Company is planning to file a registration statement on Form S-1 with the SEC to register 6 million shares of the Company's common stock at a price of \$0.50 per share.

The Company's ability to continue as a going concern is highly dependent on our ability to obtain additional sources of cash flow sufficient to fund our working capital requirements. However, there can be no assurance that the Company will be successful in its efforts to secure such cash flow. Any failure by us to timely procure additional financing or investment adequate to fund our ongoing operations, including planned product development initiatives and commercialization efforts, will have material adverse consequences on our financial condition, results of operations and cash flows.

The financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

**3. Significant Accounting Policies**

The significant accounting policies followed are:

**Use of estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Actual results could differ from those estimates.



**Cash and cash equivalents** - Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Company has never experienced any losses related to these balances. All non-interest bearing cash balances were fully insured at December 31, 2011 due to a temporary federal program in effect from December 31, 2010 through December 31, 2012. Under the program, there is no limit to the amount of insurance for eligible accounts. Beginning 2013, insurance coverage will revert to \$250,000 per depositor at each financial institution, and the Company's non-interest bearing cash balances may again exceed federally insured limits.

**Common stock** - The Company records common stock issuances when all of the legal requirements for the issuance of such common stock have been satisfied.

**Revenue recognition** - Generally, the Company recognizes revenue for its products upon shipment to customers, provided no significant obligations remain and collection is probable. Revenue derived from the sale of licenses is deferred and recognized as revenue on a straight-line basis over the life of the license, or until the license arrangement is terminated.

**Financial instruments** - The Company accounts for financial instruments in accordance with FASB Accounting Standards Codification (ASC) 820 "*Fair Value Measurements and Disclosures*" (ASC 820). ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). 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 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs that are both significant to the fair value measurement and unobservable.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2011. The Company uses the market approach to measure fair value for its Level 1 financial assets and liabilities. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities.

The respective carrying value of certain on-balance sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include cash, notes receivable, accounts payable, accrued compensation and accrued expenses. The fair value of the Company's notes payable is estimated based on current rates that would be available for debt of similar terms which is not significantly different from its stated value.

**Income taxes** - Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes resulting from temporary differences. Such temporary differences result from differences in the carrying value of assets and liabilities for tax and financial reporting purposes. The deferred tax assets and liabilities represent the future tax consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

The Company identifies and evaluates uncertain tax positions, if any, and recognizes the impact of uncertain tax positions for which there is a less than more-likely-than-not probability of the position being upheld when reviewed by the relevant taxing authority. Such positions are deemed to be unrecognized tax benefits and a corresponding liability is established on the balance sheet. The Company has not recognized a liability for uncertain tax positions. If there were an unrecognized tax benefit, the Company would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses.

**Loss per share** - Basic and diluted loss per share are computed based on the weighted-average common shares and common share equivalents outstanding during the period.

#### Recent Accounting Pronouncements

Recent accounting pronouncements issued by FASB (including EITF), the AICPA and the SEC did not or are not believed by management to have a material impact on the Company's present or future financial statements.

#### 4. Notes Receivable

During the period ended December 31, 2011, the Company loaned an independent third party money to assist with their development projects. The notes are due on demand, unsecured and bear interest of 12% annually. Interest is payable annually on the anniversary of the note date. The balance of the notes receivable at December 31, 2011 is \$12,325 with related accrued interest receivable of \$974.

#### 5. Notes Payable

Notes payable consist of the following:

	<b>2011</b>
Note payable; interest at 5% per annum; collateralized by the Company's assets; due September 1, 2012	\$ 5,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due November 16, 2012	2,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due November 19, 2012	2,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due December 1, 2012	1,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due December 7, 2012	1,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due December 20, 2012	1,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due January 25, 2013	6,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due April 6, 2013	1,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due April 28, 2013	1,500
Note payable; interest at 5% per annum; collateralized by the Company's assets; due May 16, 2013	3,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due May 21, 2013	1,000
	24,500
Less amounts currently due, net of unamortized discount	(24,500)
Long-term portion	\$ —

## 6. Related Party Transactions

The Company also has accrued compensation due to the Chief Executive Officer for deferred salaries earned and unpaid as of December 31, 2011 of \$69,240.

The above terms and amounts are not necessarily indicative of the terms and amounts that would have been incurred had comparable transactions been entered into with independent parties.

## 7. Income Taxes

There is no current or deferred income tax expense or benefit for the period ended December 31, 2011.

The provision for income taxes is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The items causing this difference are as follows:

	<b>2011</b>
Tax benefit at U.S. statutory rate	\$ (28,000)
State income tax benefit, net of federal benefit	(4,000)
Change in valuation allowance	32,000
	<u>\$ —</u>

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	<b>2011</b>
Deferred tax assets (liabilities), current:	
Accrued deferred compensation payable	23,500
Valuation allowance	(23,500)
	<u>\$ —</u>
Deferred tax assets (liabilities), noncurrent:	
Net operating loss carryforwards	28,000
Valuation allowance	(28,000)
	<u>\$ —</u>

As of December 31, 2011, the Company had federal and state net operating loss carry-forwards totaling approximately \$28,000, which begin expiring in 2031. The Company has established a valuation allowance to fully reserve all deferred tax assets at December 31, 2011 because it is more likely than not that the Company will not be able to utilize these assets. The change in the valuation allowance for the year ended December 31, 2011 was an increase of \$28,000.

As of December 31, 2011, the Company has not performed an IRC Section 382 study to determine the amount, if any, of its net operating losses that may be limited as a result of the ownership change percentages during 2011. However, the Company will complete the study prior to the utilization of any of its recorded net operating losses.

## 8. Subsequent Events

No material events have occurred subsequent to December 31, 2011, through January 8, 2013, that require recognition or disclosure in these financial statements except for those discussed below.

On November 30, 2012 the Company entered into a license agreement with K'Air Energy, Inc. as a distributor of Pressure Power Units, limited to territory defined. License agreement defines license payments due as follows:

Initial payment due January 31, 2013	\$ 75,000
December 31, 2013	500,000
December 31, 2014	1,000,000
December 31, 2015	2,000,000
December 31, 2016	3,000,000
December 31, 2017	4,000,000
December 31, 2018 and thereafter	5,000,000

Royalty payments are due at a rate equal to the greater of: (a) one cent per kilowatt hour of electricity; or (b) 10% of the gross revenue received for the provision of electricity produced directly or indirectly from K'Air Pressure Power Systems.

**HALEX ENERGY CORP.**  
**(A Development Stage Entity)**  
**BALANCE SHEETS**

	<b>September 30, 2012</b>	<b>December 31, 2011</b>
	<b>(unaudited)</b>	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 1,998	\$ 40
Interest receivable	2,222	974
Notes receivable	20,325	12,325
Total Current Assets	<u>24,545</u>	<u>13,339</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 24,545</u></u>	<u><u>\$ 13,339</u></u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 1,000	\$ 133
Accrued compensation	118,410	69,240
Accrued interest	1,613	597
Current portion of notes payable	65,875	24,500
Total Current Liabilities	<u>186,898</u>	<u>94,470</u>
<b>STOCKHOLDERS' DEFICIT</b>		
Common stock, \$0.0001 par value; 75,000,000 shares authorized; 24,570,000 and 24,570,000 shares issued and outstanding, respectively	2,457	2,457
Stock subscription receivable	(1,369)	(2,037)
Capital in excess of par value	-	-
Accumulated deficit during development stage	(163,441)	(81,551)
Total Stockholders' Deficit	<u>(162,353)</u>	<u>(81,131)</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<u><u>\$ 24,545</u></u>	<u><u>\$ 13,339</u></u>

\* The accompanying notes are an integral part of these Financial Statements.

**HALEX ENERGY CORP.**  
**(A Development Stage Entity)**  
**STATEMENTS OF OPERATIONS**  
**(Unaudited)**

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	For the Period January 20, 2011 (Date of Inception) Through September 30,	For the Period January 20, 2011 (Date of Inception) Through September 30,
	2012	2011	2012	2011	2012
<b>REVENUE:</b>					
Sales	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-
<b>OPERATING EXPENSES</b>					
Selling, general and administrative expenses	31,215	24,767	81,747	57,545	163,675
<b>TOTAL OPERATING EXPENSES</b>	<b>31,215</b>	<b>24,767</b>	<b>81,747</b>	<b>57,545</b>	<b>163,675</b>
<b>LOSS FROM OPERATIONS</b>	<b>(31,215)</b>	<b>(24,767)</b>	<b>(81,747)</b>	<b>(57,545)</b>	<b>(163,675)</b>
<b>OTHER EXPENSE (INCOME)</b>					
Interest expense	686	215	1,390	322	1,988
Interest income	(504)	(347)	(1,247)	(602)	(2,222)
<b>TOTAL OTHER EXPENSE (INCOME)</b>	<b>182</b>	<b>(132)</b>	<b>143</b>	<b>(280)</b>	<b>(234)</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (31,397)</b>	<b>\$ (24,635)</b>	<b>\$ (81,890)</b>	<b>\$ (57,265)</b>	<b>\$ (163,441)</b>
<b>NET INCOME (LOSS) PER COMMON SHARE, BASIC AND DILUTED</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED</b>	<b>24,570,000</b>	<b>24,532,283</b>	<b>24,570,000</b>	<b>20,357,589</b>	

\* The accompanying notes are an integral part of these Financial Statements.

**HALEX ENERGY CORP.**  
**(A Development Stage Entity)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2012**  
**STATEMENTS OF STOCKHOLDERS' DEFICIT**

	<u>Common Stock</u>		<u>Stock</u>	<u>Capital in</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Subscription</u>	<u>Excess of</u>	<u>Deficit</u>	<u>Stockholders'</u>
			<u>Receivable</u>	<u>Par Value</u>		<u>Deficit</u>
Balance, January 20, 2011, Date of Inception	-	\$ -	\$ -	\$ -	\$ -	\$ -
			yup			
Issuance of common stock for cash and receivable, \$0.0001	24,570,000	2,457	(2,037)	-	-	420
Net loss	-	-	-	-	(81,551)	(81,551)
Balance, December 31, 2011 (Audited)	24,570,000	2,457	(2,037)	-	(81,551)	(81,131)
Cash received for stock subscription receivable	-	-	668	-	-	668
Net loss	-	-	-	-	(81,890)	(81,890)
Balance, September 30, 2012 (Unaudited)	<u>24,570,000</u>	<u>\$ 2,457</u>	<u>\$ (1,369)</u>	<u>\$ -</u>	<u>\$ (163,441)</u>	<u>\$ (162,353)</u>

\* The accompanying notes are an integral part of these Financial Statements.

**HALEX ENERGY CORP.**  
**(A Development Stage Entity)**  
**STATEMENTS OF CASH FLOWS**  
**(Unaudited)**

	For the Nine Months Ended September 30, 2012	For the Period January 20, 2011 (Date of Inception) Through September 30, 2011	For the Period January 20, 2011 (Date of Inception) Through September 30, 2012
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net loss	\$ (81,890)	\$ (57,265)	\$ (163,441)
Adjustments to reconcile net loss to net cash and cash equivalents			
(Increase) in:			
Increase in interest receivable	(1,248)	(602)	(2,222)
Increase in:			
Accounts payable and accrued expenses	1,883	322	2,613
Accrued compensation and related benefits	49,170	51,433	118,410
Net cash used by operating activities	<u>(32,085)</u>	<u>(6,112)</u>	<u>(44,640)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Increase in notes receivable	(8,000)	(12,325)	(20,325)
Net cash used by investing activities	<u>(8,000)</u>	<u>(12,325)</u>	<u>(20,325)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from issuance of notes payable	41,375	18,000	65,875
Proceeds from sale of common stock	668	410	1,088
Net cash provided by financing activities	<u>42,043</u>	<u>18,410</u>	<u>66,963</u>
Net increase (decrease) in cash and cash equivalents	1,958	(27)	1,998
Cash and cash equivalents, beginning of period	<u>40</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents, end of period	<u>\$ 1,998</u>	<u>\$ (27)</u>	<u>\$ 1,998</u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>			
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\* The accompanying notes are an integral part of these Financial Statements.



**Halex Energy Corp.**  
**Notes to Financial Statements**  
**For the Three and Nine Months Ended September 30, 2012, the Period from January 20, 2011**  
**(Date of Inception) through September 30, 2011, the Three Months Ended September 30, 2011 and the**  
**Period from January 20, 2011 (Date of Inception) through September 30, 2012**  
**(Unaudited)**

**1. Background Information**

Halex Energy Corp. (the “Company”), a Nevada corporation, is a development stage company incorporated on January 20, 2011. Our fiscal year end is December 31 with our principal office located at 3941 Park Dr. #20-196, El Dorado Hills, California 95762.

Since becoming incorporated, the Company has not made any significant purchases or sale of assets, nor have we been involved in any mergers, acquisitions or consolidations. The Company owns exclusive licenses for operation of a new type of renewable energy in the state of California. The Company is currently developing a prototype of this generator known as HRES - Hybrid Renewable Energy System.

**2. Going Concern**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. For the nine months ended September 30, 2012, and for the period from January 20, 2011 (Date of Inception) through September 30, 2012, the Company incurred net losses of \$81,890 and \$163,441. As of September 30, 2012, the Company has an accumulated deficit of \$163,441, negative working capital of \$162,353 and a stockholders’ deficit of \$162,353. The Company used \$32,085 of cash from operations during the nine months ended September 30, 2012, which was funded by proceeds from debt and equity financings. There is no assurance that such financing will be available in the future. In view of these matters, there is substantial doubt that the Company will continue as a going concern. The Company is planning to file a registration statement on Form S-1 with the SEC to register 6 million shares of the Company’s common stock at a price of \$0.50 per share.

The Company’s ability to continue as a going concern is highly dependent on our ability to obtain additional sources of cash flow sufficient to fund our working capital requirements. However, there can be no assurance that the Company will be successful in its efforts to secure such cash flow. Any failure by us to timely procure additional financing or investment adequate to fund our ongoing operations, including planned product development initiatives and commercialization efforts, will have material adverse consequences on our financial condition, results of operations and cash flows.

The financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

**3. Significant Accounting Policies**

The significant accounting policies followed are:

**Use of estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Actual results could differ from those estimates.

**Cash and cash equivalents** - Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Company has never experienced any losses related to these balances. All non-interest bearing cash balances were fully insured at September 30, 2012 due to a temporary federal program in effect from December 31, 2010 through December 31, 2012. Under the program, there is no limit to the amount of insurance for eligible accounts. Beginning 2013, insurance coverage will revert to \$250,000 per depositor at each financial institution, and the Company's non-interest bearing cash balances may again exceed federally insured limits.

**Common stock** - The Company records common stock issuances when all of the legal requirements for the issuance of such common stock have been satisfied.

**Revenue recognition** - Generally, the Company recognizes revenue for its products upon shipment to customers, provided no significant obligations remain and collection is probable. Revenue derived from the sale of licenses is deferred and recognized as revenue on a straight-line basis over the life of the license, or until the license arrangement is terminated.

**Financial instruments** - The Company accounts for financial instruments in accordance with FASB Accounting Standards Codification (ASC) 820 "*Fair Value Measurements and Disclosures*" (ASC 820). ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). 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 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs that are both significant to the fair value measurement and unobservable.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of September 30, 2012. The Company uses the market approach to measure fair value for its Level 1 financial assets and liabilities. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities.

The respective carrying value of certain on-balance sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include cash, notes receivable, accounts payable, accrued compensation and accrued expenses. The fair value of the Company's notes payable is estimated based on current rates that would be available for debt of similar terms which is not significantly different from its stated value.

**Income taxes** - Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes resulting from temporary differences. Such temporary differences result from differences in the carrying value of assets and liabilities for tax and financial reporting purposes. The deferred tax assets and liabilities represent the future tax consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

The Company identifies and evaluates uncertain tax positions, if any, and recognizes the impact of uncertain tax positions for which there is a less than more-likely-than-not probability of the position being upheld when reviewed by the relevant taxing authority. Such positions are deemed to be unrecognized tax benefits and a corresponding liability is established on the balance sheet. The Company has not recognized a liability for uncertain tax positions. If there were an unrecognized tax benefit, the Company would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses.

**Loss per share** - Basic and diluted loss per share are computed based on the weighted-average common shares and common share equivalents outstanding during the period.

#### Recent Accounting Pronouncements

Recent accounting pronouncements issued by FASB (including EITF), the AICPA and the SEC did not or are not believed by management to have a material impact on the Company's present or future financial statements.

#### 4. Notes Receivable

During the nine month period ended September 30, 2012 and the period from January 20, 2011 (Date of Inception) through September 30, 2012, the Company loaned an independent third party money to assist with their development projects. The notes are due on demand, unsecured and bear interest of 12% annually. Interest is payable annually on the anniversary of the note date. The balance of the notes receivable at September 30, 2012 is \$20,325 with related accrued interest receivable of \$2,222.

#### 5. Notes Payable

Notes payable consist of the following:

	<b>Nine Months Ended September 30, 2012</b>		<b>2011</b>
Note payable; interest at 5% per annum; collateralized by the Company's assets; due September 1, 2012	\$	5,000	\$ 5,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due November 16, 2012		2,000	2,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due November 19, 2012		2,000	2,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due December 1, 2012		1,000	1,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due December 7, 2012		1,000	1,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due December 20, 2012		1,000	1,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due January 25, 2013		6,000	6,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due April 6, 2013		1,000	1,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due April 28, 2013		1,500	1,500
Note payable; interest at 5% per annum; collateralized by the Company's assets; due May 16, 2013		3,000	3,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due May 21, 2013		1,000	1,000
Note payable; interest at 5% per annum; collateralized by the Company's assets; due August 1, 2013		1,000	—
Note payable; interest at 5% per annum; collateralized by the Company's assets; due September 30, 2013		4,000	—
Note payable; interest at 5% per annum; collateralized by the Company's assets; due December 11, 2013		10,000	—
Note payable; interest at 5% per annum; collateralized by the Company's assets; due January 26, 2014		2,000	—
Note payable; interest at 5% per annum; collateralized by the Company's assets; due January 31, 2014		16,000	—

Note payable; interest at 5% per annum; collateralized by the Company's assets; due February 8, 2014	2,000	—
Note payable; interest at 5% per annum; collateralized by the Company's assets; due March 1, 2014	1,000	—
Note payable; interest at 5% per annum; collateralized by the Company's assets; due March 4, 2014	5,375	—
	65,875	24,500
Less amounts currently due	(65,875)	(24,500)
Long-term portion	<u>\$ —</u>	<u>\$ —</u>

## 6. Related Party Transactions

The Company also has accrued compensation due to the Chief Executive Officer for deferred salaries earned and unpaid as of September 30, 2012 of \$118,410.

The above terms and amounts are not necessarily indicative of the terms and amounts that would have been incurred had comparable transactions been entered into with independent parties.

## 7. Income Taxes

There is no current or deferred income tax expense or benefit for the period ended September 30, 2012.

The provision for income taxes is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The items causing this difference are as follows:

	<b>2011</b>
Tax benefit at U.S. statutory rate	\$ (28,000)
State income tax benefit, net of federal benefit	4,000
Change in valuation allowance	28,000
	<u>\$ —</u>

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	<b>2011</b>
Deferred tax assets (liabilities), current:	
Accrued deferred compensation payable	40,300
Valuation allowance	(40,300)
	<u>\$ —</u>
Deferred tax assets (liabilities), noncurrent:	
Net operating loss carryforwards	56,000
Valuation allowance	(56,000)
	<u>\$ —</u>

As of September 30, 2012, the Company had federal and state net operating loss carry-forwards totaling approximately \$56,000, which begin expiring in 2016. The Company has established a valuation allowance to fully reserve all deferred tax assets at September 30, 2012 because it is more likely than not that the Company will not be able to utilize these assets. The change in the valuation allowance for the nine months ended September 30, 2012 was an increase of \$28,000.

As of September 30, 2012, the Company has not performed an IRC Section 382 study to determine the amount, if any, of its net operating losses that may be limited as a result of the ownership change percentages during 2012. However, the Company will complete the study prior to the utilization of any of its recorded net operating losses.

## 8. Subsequent Events

No material events have occurred subsequent to September 30, 2012, through January 8, 2013, that require recognition or disclosure in these financial statements except for those discussed below.

On November 30, 2012 the Company entered into a license agreement with K'Air Energy, Inc. as a distributor of Pressure Power Units, limited to territory defined. License agreement defines license payments due as follows:

Initial payment due January 31, 2013	\$ 75,000
December 31, 2013	500,000
December 31, 2014	1,000,000
December 31, 2015	2,000,000
December 31, 2016	3,000,000
December 31, 2017	4,000,000
December 31, 2018 and thereafter	5,000,000

Royalty payments are due at a rate equal to the greater of: (a) one cent per kilowatt hour of electricity; or (b) 10% of the gross revenue received for the provision of electricity produced directly or indirectly from K'Air Pressure Power Systems.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

*You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and related notes appearing elsewhere in this prospectus. This discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including, but not limited to, those set forth under "Risk Factors and Uncertainties" and elsewhere in this prospectus.*

### Overview

We were recently incorporated on January 21, 2011 in the State of Nevada, we have no subsidiaries. We have not begun operations and we have not generated any revenue. We intend to commence operations as a licensor and seller of green electricity and green power generation units.

Our auditors have issued a going concern opinion. This means that our auditors believe there is substantial doubt that we can continue as an on-going business for the next twelve (12) months. Our auditors' opinion is based on the uncertainty of our ability to establish profitable operations. The opinion results from the fact that we have not generated any revenues. Accordingly, we must raise cash from sources other than operations. Our only other source for cash at this time is investments by others in our Company. We must raise cash to implement our project and begin our operations. The minimum amount required to cover our offering expenses and professional fees for the next 12 months has been estimated at approximately \$20,000 however we will require additional beyond the proceeds raised in this offering getting to a level of operations. Investors must be aware that this offering is a best efforts offer and we may not even raise enough funds to cover operational expenses for the next twelve months.

We have only two Officers and one Director. They are responsible for our managerial and organizational structure which will include preparation of disclosure and accounting controls under the Sarbanes Oxley Act of 2002. When these controls are implemented, they will be responsible for the administration of the controls. Should they not have sufficient experience, they may be incapable of creating and implementing the controls which may cause us to be subject to sanctions and fines by the Securities and Exchange Commission which ultimately could cause you to lose your investment.

The Company's ability to commence its proposed business is entirely dependent upon the proceeds to be raised in this offering. If we are unable to establish a base of operations we will be unable to generate any revenues in the future. Moreover, if we do not produce sufficient cash flow to support operations over the next 12 months, the Company will likely not be able to continue as a going concern. There are no formal or informal agreements to attain financing. We cannot assure any investor that, if needed, sufficient financing can be obtained or, if obtained, that it will be on reasonable terms. Without realization of additional capital, it would be unlikely for operations to continue and any investment made by an investor would be lost in its entirety.

We expect to incur research and development expenses within the next twelve months. We currently do not own any significant plant or equipment that we would seek to sell in the near future. Management does not anticipate the need to hire full time employees over the next 12 months. Currently, the company believes the services provided by its officers and director should be sufficient for the day to day operations. The company does intend to utilize consultants as they are needed.

### Plan of Operations

The success of our business is entirely dependent upon raising proceeds from this offering. If we are successful in the raise we plan to implement the following activities (based upon proceeds raised from this offering at various levels):

The first phase is estimated to cost up to \$290,500 as described below.

Less: Phase 1

Licensing Payment	\$ 65,000
Accounts Payable	\$ 5,000
Notes Payable	\$ 70,500
Co-Development of 20kw HRES System	\$ 100,000
Pilot Plant Metering and Interconnection Expense	\$ 10,000
Administrative Expenses (including salary, legal, office, accounting and consulting)	\$ 40,000
<b>SUB-TOTAL</b>	<b>\$ 290,500</b>

The second phase would cost up to \$450,000 as outlined below.

Less: Phase 2

Co-Development of 100kw HRES System	\$ 350,000
Commercial Pilot Metering, and Interconnection	\$ 40,000
Administrative Expenses (including salary, legal, office, accounting and consulting)	\$ 60,000
<b>SUB-TOTAL</b>	<b>\$ 450,000</b>

The third phase would cost up to \$750,000 as outlined below.

Less: Phase 3

Installation and Operation of Distributed Power Plants, 50kw to 250kw	\$ 600,000
Administrative Expenses (including salary, legal, office, accounting and consulting)	\$ 150,000
<b>SUB-TOTAL</b>	<b>\$ 750,000</b>



The fourth phase would cost up to \$1,500,000 as outlined below.

Less: Phase 4

Installation and Operation of Distributed Power Plants, 250kw to 600kw	\$ 1,270,000
Administrative Expenses (including salary, legal, office, accounting and consulting)	\$ 230,000
<b>SUB-TOTAL</b>	<b>\$ 1,500,000</b>

Please note that the above are estimates and the costs may be significantly different than the above figures. Moreover the above estimates do not include expenses associated with this offering, estimated at \$9,500.

We plan to commence the Phase 1 one after raising the required funds from this offering. There can be no guarantee or assurance that the Company will be able to raise the required proceeds through this offering to fund either Phase 1 or Phase 2 described above. If the Company is unable to raise the required proceeds from this offering its business plan would fail and any investment made into the Company would be lost.

Contingent upon this offering and once the proceeds are raised we anticipate beginning Phase I work to begin and take approximately 60-120 days to complete. We currently do not have any verbal or written agreement regarding initiation of any of the above described activities.

### **Results of Operations for the Period from Inception through September 30, 2012**

We have not earned any revenues from our incorporation on January 21, 2011 to June 30, 2012. We do not anticipate earning revenues until we completely develop and prepare a commercially-viable HRES unit. We have not completed development of a commercially-viable HRES unit, and can provide no assurance that we will be successful in developing it in the future.

We incurred operating expenses in the amount of \$163,441 for the period from our inception on January 21, 2011 to September 30, 2012. These operating expenses were comprised of start-up, administrative and legal costs.

We are dependent upon obtaining financing to begin the development of our proposed business. For these reasons our auditors believe that there is substantial doubt that we will be able to continue as a going concern in the very near future.

### **Limited Operating History; Need for Additional Capital**

There is no historical financial information about us upon which to base an evaluation of our performance. Hallex was incorporated in the State of Nevada on January 21, 2012; we are development stage enterprise and have not generated any revenues from operations. We cannot guarantee we will be successful in our business operations. Our business is subject to risks inherent in the establishment of a new business enterprise, including limited capital resources, and implementation of our business strategies. (See "Risk Factors" beginning on page 7).

We are seeking equity financing through this offering to provide for the capital required to complete the development of a fully operational HRES commercial prototype. Equity financing could result in additional dilution to existing shareholders. There is no assurance that we will receive the required financing to complete the prototype.

Even if we are successful in raising proceeds from this offering we have no assurance that future financing will be available to us on acceptable terms. If financing is not available on satisfactory terms, we may be unable to continue, develop or expand our operations.

At the present time, Halex has sufficient funds to address the administrative costs of this offering only. This assumption is based on the fact that, as of September 30, 2012 we had cash on hand (less outstanding checks) of \$1,957 with \$186,898 liabilities. We anticipate an additional \$9,500 of expenses relating to this offering. If we are unable to raise additional capital through this offering we would likely have to cease operations.

Management estimates that if the Company is successful in selling 10% or more of the common stock it will be able to conduct operations for up to 12 months and continue the development of the HRES prototype, however the likelihood of beginning revenue generating operations if less than 50% of the shares are sold would be very minimal. Management believes if 50% or more of the common stock is sold through this offering, we will be able to develop the commercial HRES system and begin to deploy distributed power generation stations and start revenue flow. Investors must be aware that this is a best efforts offering and we may not be successful in selling even 10% of the common stock.

Our liquidity may be negatively impacted by the significant costs associated with our public company reporting requirements, costs associated with newly applicable corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002 and other rules implemented by the Securities and Exchange Commission.

We expect all of these applicable rules and regulations to significantly increase our legal and financial compliance costs and to make some activities more time consuming and costly.

#### **Off-Balance Sheet Arrangements**

We do not have any off balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, revenues, results of operations, liquidity or capital expenditures.

#### **Critical Accounting Policies and Estimates**

See “Footnotes” section to the financial statements contained elsewhere in this registration statement for a complete summary of the significant accounting policies used in the presentation of our financial statements. The summary is presented to assist the reader in understanding the financial statements. The accounting policies used conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

#### **Our critical accounting policies are as follows:**

##### **Concentrations, Risks, and Uncertainties**

The Company did not have a concentration of business with suppliers or customers constituting greater than 10% of the Company’s gross sales during the reporting period.

##### **Stock Based Compensation**

For purposes of determining the variables used in the calculation of stock compensation expense under the provisions of FASB ASC Topic 505, “*Equity*” and FASB ASC Topic 718, “*Compensation — Stock Compensation*,” management would perform an analysis of current market data and historical company data to calculate an estimate of implied volatility, the expected term of the option and the expected forfeiture rate. With the exception of the expected forfeiture rate, which is not an input, management uses these estimates as variables in the Black-Scholes option pricing model. Depending upon the number of stock options granted, any fluctuations in these calculations could have a material effect on the results presented in the Company’s statement of operations and other comprehensive income. In addition, any differences between estimated forfeitures and actual forfeitures could also have a material impact on the Company’s financial statements. However, the Company has not issued any stock based compensation and accordingly as of September 30, 2012, no such compensations were being recorded.

## Recently Issued Accounting Standards:

### Accounting Standards Codification

In January 2010, the FASB issued ASU 2010-06, "Fair Value Measurements and Disclosures (ASC 820): Improving Disclosures about Fair Value Measurements." This update will require (1) an entity to disclose separately the amounts of significant transfers in and out of Levels 1 and 2 fair value measurements and to describe the reasons for the transfers; and (2) information about purchases, sales, issuances and settlements to be presented separately (i.e. present the activity on a gross basis rather than net) in the reconciliation for fair value measurements using significant unobservable inputs (Level 3 inputs). This guidance clarifies existing disclosure requirements for the level of disaggregation used for classes of assets and liabilities measured at fair value and require disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements using Level 2 and Level 3 inputs. The new disclosures and clarifications of existing disclosure are effective for fiscal years beginning after December 15, 2009, except for the disclosure requirements for related to the purchases, sales, issuances and settlements in the roll forward activity of Level 3 fair value measurements. Those disclosure requirements are effective for fiscal years ending after December 31, 2010. Management was still assessing the impact on this guidance and does not believe the adoption of this guidance will have a material impact to its financial statements. Management does not believe that other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the American Institute of Certified Public Accountants or the SEC have a material impact on the Company's present or future financial statements.

In April 2010, new accounting guidance was issued for the milestone method of revenue recognition. Under the new guidance, an entity can recognize revenue from consideration that is contingent upon achievement of a milestone in the period in which the milestone is achieved only if the milestone meets all criteria to be considered substantive. This guidance is effective prospectively for milestones achieved in fiscal years, and interim periods within those years, beginning on or after June 15, 2010. The Company adopted the provisions of this guidance effective July 1, 2010, which did not have a material impact on the Company's financial statements.

In May 2010, the FASB issued accounting guidance now codified as FASB ASC Topic 855, "*Subsequent Events*," which establishes general standards of accounting for, and disclosures of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. FASB ASC Topic 855 is effective for interim or fiscal periods ending after June 15, 2010. Accordingly, the Company adopted the provisions of FASB ASC Topic 855 on July 9, 2010. The Company has evaluated subsequent events for the period from December 31, 2010 to the date of these financial statements' filings with the Commission. Pursuant to the requirements of FASB ASC Topic 855, subsequent events are disclosed in Note 10 of the financial statement footnotes.

### CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

## DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

Halex's executive officer and director and his respective age as of September 30, 2012 are as follows:

### Directors:

<u>Name of Director</u>	<u>Age</u>
Jeffery M. Lamberson 3941 Park Dr, Ste 20-196 El Dorado Hills, California, 95762	42

### Executive Officers:

<u>Name of Officer</u>	<u>Age</u>	<u>Office</u>
Jeffery M. Lamberson 3941 Park Dr, Ste 20-196 El Dorado Hills, California, 95762	42	President, Treasurer, Chief Financial Officer, Chief Executive Officer, Corporate Secretary
Al Foley 3941 Park Dr, Ste 20-196 El Dorado Hills, California, 95762	72	Vice President

The term of office for each director is one year, or until the next annual meeting of the shareholders.

### Biographical Information

Set forth below is a brief description of the background and business experience of our executive officer and director for the past five years

**Jeffery M. Lamberson, age 42**, CEO, CFO, President Treasurer, and Member of the Board of Directors: From 2007 until July 2012, Mr. Lamberson was President and a director of MIPSolutions. Mr. Lamberson joined the company to help commercialize their proprietary technology, Molecular Imprinting of Polymers and the company was making significant headway in the technology when the economic crisis hit in the fall of 2008. At that point, three officers and 4 directors resigned. Mr. Lamberson and one other director continued to research the process utilizing external laboratories. After several tries, the laboratories were not able to duplicate the successes from the past. At that point he looked to spin off the technology and work to identify a merger candidate. After many considerations, AWG International was identified and the companies successfully completed the merger in July 2012. His responsibilities included day to day operations of the company, filing documents with the SEC, accounting and capital formation. Prior to this, Mr. Lamberson was the sole proprietor of JML Consulting, a financial consulting and capital formations consulting group. At JML Consulting, Mr. Lamberson assisted small, publicly traded companies in many different areas including capital raises, investor awareness, and management recruiting.

**Alfred Foley, age 72**, Vice President, is a B General contractor with C6 and certificated Type Universal Technician, since 1994. Building and remodeling, homes, hospitals, schools, churches etc. Forecasting the slowdown in 2006 joined Sacramento Regional Transit in their building department working on their projects. At the same time continued contracting doing small remodeling projects. Background includes solar sales and installation on large apartment complexes, GM for Technicolor corp. in the consumer products division for western US, sales of image transfer material for Fuji film and Hunt chem. Western US.



## EXECUTIVE COMPENSATION

### Summary Compensation Table

<u>Name and principal position</u>	<u>Fiscal Year</u>	<u>Salary</u>	<u>Bonus</u>	<u>Other annual compensation</u>	<u>Restricted stock award(s)</u>	<u>Securities underlying options/SARs</u>	<u>LTIP payouts</u>	<u>All other compensation</u>
Jeffery m. Lamberson Director, President Treasurer CEO/CFO	2011	\$ 8,160	0	0	0	0	0	0

<u>Name and principal position</u>	<u>Fiscal Year</u>	<u>Salary</u>	<u>Bonus</u>	<u>Other annual compensation</u>	<u>Restricted stock award(s)</u>	<u>Securities underlying options/SARs</u>	<u>LTIP payouts</u>	<u>All other compensation</u>
Alfred Foley Vice President	2011	0	0	0	0	0	0	0

Halex did not grant any stock options to the executive officer during the most recent fiscal period ended September 30, 2012. Halex has also not granted any stock options to the executive officer since incorporation, January 21, 2011.

### Employment Agreements

There are currently no employment agreements with the officers and director but the company anticipates to during this fiscal year.

### Significant Employees

Halex has no significant employees other than the officers and director described above.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table provides the names and addresses of each person known to Halex to own more than 5% of the outstanding common stock as of September 30, 2012 and by the officers and directors, individually and as a group. Except as otherwise indicated, all shares are owned directly.

<b>Title of class</b>	<b>Name and address of beneficial owner</b>	<b>Amount of beneficial ownership</b>	<b>Percent of class</b>
Common Stock	Jeffery M. Lamberson 3941 Park Dr #20-196 El Dorado Hills Ca, 95762	4,700,000 shares	18.31%
Common Stock	Benchmark Trading, LLC PO Box 770246 Memphis TN 38177	2,400,000 Shares	9.77%
Common Stock	Insight Asset Management, Inc. 8673 Brackenbury CV Cordova, TN 38016	2,400,000 Shares	9.77%
Common Stock	LeeShore Solutions, LLC PO Box 770246 Memphis TN 38177	2,400,000 Shares	9.77%
Common Stock	NewHaven Capital, LLC PO Box 770246 Memphis TN 38177	2,400,000 Shares	9.77%
Common Stock	Tidewater Management Services, Inc. 292 E Erwin Drive Memphis, TN 38117	2,400,000 Shares	9.77%
Common Stock	Alfred Foley 3941 Park Dr #20-196 El Dorado Hills Ca, 95762	500,000	2.04%
<b>Total</b>		17,000,000	69.2%

The percentage of ownership listed above represents 69.2% of the total outstanding shares. The remaining 30.08% is currently held by 31 separate shareholders.

The percent of class is based on 24,570,000 shares of common stock issued and outstanding as of September 30, 2012. Mr. Lamberson, officer and director was issued 4,500,000 shares on February 2, 2011 for which he paid par value of \$450. Alfred Foley, Vice President, was issued 500,000 shares on February 2, 2011 for which he paid par value of \$50.

### **Change in Control**

We are not aware of any arrangement that might result in a change in control in the future.

### **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

There are no promoters being used in relation with this offering, except that under the definition of promoter in Rule 405 of Regulation C of the Securities Act of 1933, Jeffery M Lamberson and Alfred Foley as officers of Halex Energy Corp. are considered promoters with respect to this offering. No persons who may, in the future, be considered a promoter will receive or expect to receive assets, services or other consideration from us. No assets will be or are expected to be acquired from any promoter on behalf of Hales. We have not entered into any agreements that require disclosure to our shareholders.

None of the following parties has, since the date of incorporation, had any material interest, direct or indirect, in any transaction with us or in any presently proposed transaction that has or will materially affect us:

- The Officers
- Sole Director;
- Any person proposed as a nominee for election as a director;
- Any person who beneficially owns, directly or indirectly, shares carrying more than 5% of the voting rights attached to the outstanding shares of common stock;
- Any relative or spouse of any of the foregoing persons who have the same house as such person.



## **DISCLOSURE OF COMMISSION POSITION OF INDEMNIFICATION FOR SECURITIES ACT LIABILITIES**

Pursuant to the provisions of Nevada Revised Statutes 78.751, Halex Energy Corp shall indemnify any director, officer and employee as follows: Every director, officer, or employee of the Company shall be indemnified by us against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him/her in connection with any proceeding to which he/she may be made a party, or in which he/she may become involved, by reason of being or having been a director, officer, employee or agent of Halex Energy Corp or is or was serving at the request of Halex Energy Corp as a director, officer, employee or agent of Halex Energy Corp, partnership, joint venture, trust or enterprise, or any settlement thereof, whether or not he/she is a director, officer, employee or agent at the time such expenses are incurred, except in such cases wherein the director, officer, employee or agent is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of Halex Energy Corp, the Company, shall provide to any person who is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of Halex Energy Corp as a director, officer, employee or agent of the corporation, partnership, joint venture, trust or enterprise, the indemnity against expenses of a suit, litigation or other proceedings which is specifically permissible under applicable law.

## **CORPORATE GOVERNANCE**

### **Board of Directors Structure**

The number of directors constituting the entire Board of Directors shall be the number, not less than one fixed from time to time by a majority of the total number of directors which the Corporation would have, prior to any increase or decrease, if there were no vacancies, provided, however, that no decrease shall shorten the term of an incumbent director.

### **Code of Ethics**

The Board of Directors adopted a Code of Ethics for the Company on April 10, 2011.

## **THE SEC'S POSITION ON INDEMNIFICATION FOR SECURITIES ACT LIABILITIES**

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to our directors, officers or controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the SEC this indemnification is against public policy as expressed in the Securities Act of 1933, as amended, and is, therefore, unenforceable.

## **TRANSFER AGENT AND REGISTRAR**

Halex has not engaged the services of a registrar and transfer agent for our shares of common stock. We plan to select and engage a Transfer Agent within the next six (6) months.

## LEGAL MATTERS

The validity of the securities offered hereby will be passed upon for Halex Energy Corp. by Andrew Grundman, Attorney at Law.

### WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-1 under the Securities Act of 1933 with the Securities and Exchange Commission with respect to the shares of our Common Stock offered through this prospectus. This prospectus is filed as a part of that registration statement and does not contain all of the information contained in the registration statement and exhibits. We refer you to our registration statement and each exhibit attached to it for a more complete description of matters involving us, and the statements we have made in this prospectus are qualified in their entirety by reference to these additional materials. You may inspect the registration statement and exhibits and schedules filed with the Securities and Exchange Commission at the Commission's principal office in Washington, D.C. Copies of all or any part of the registration statement may be obtained from the Public Reference Section of the Securities and Exchange Commission, 100 F Street NE, Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for further information on the operation of the public reference rooms. The Securities and Exchange Commission also maintains a web site at <http://www.sec.gov> that contains reports, proxy statements and information regarding registrants that file electronically with the Commission. In addition, we will file electronic versions of our annual and quarterly reports on the Commission's Electronic Data Gathering Analysis and Retrieval, or EDGAR System. Our registration statement and the referenced exhibits can also be found on this site as well as our quarterly and annual reports. We will not send the annual report to our shareholders unless requested by the individual shareholders.

Please note the Company is subject to the 15(d) reporting requirements according to the Securities Exchange Act of 1934. The Company is required to file the necessary reports in the fiscal year that the registration statement is declared effective. After that fiscal year and provided the Company has less than 300 shareholders, the Company is not required to file these reports. If the reports are not filed, the investors will have reduced visibility as to the Company and its financial condition. Even if the Company is not required to file the reports, it is the intension of the Company to file the necessary reports to be considered fully reporting.

**OUTSIDE BACK COVER:**

**PROSPECTUS**

**Subject To Completion: Dated \_\_\_\_\_, 2013**

**Halex Energy Corp.**

**Initial Public Offering**

**6,000,000 shares of common stock, no minimum / 6,000,000 maximum Offered at \$.50 per share**

**PART II - INFORMATION NOT REQUIRED IN THE PROSPECTUS**  
**OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION**

The estimated costs of this offering are as follows:

Securities and Exchange Commission registration fee	\$ 409.20
Accounting fees and expenses	\$ 6,000.00
Legal fees and expenses	\$ 2,000.00
Miscellaneous	\$ 1,000.00
Total	\$ 9,409.20

Halex is paying all expenses of the offering listed above.

**INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Halex Energy's Bylaws provide for the indemnification of a present or former director or officer. Halex indemnifies any director, officer, employee or agent who is successful on the merits or otherwise in defense on any action or suit. Such indemnification shall include, but not necessarily be limited to, expenses, including attorney's fees actually or reasonably incurred by him. Nevada law also provides for discretionary indemnification for each person who serves as or at Halex request as an officer or director.

Halex may indemnify such individual against all costs, expenses and liabilities incurred in a threatened, pending or completed action, suit or proceeding brought because such individual is a director or officer. Such individual must have conducted himself in good faith and reasonably believed that his conduct was in, or not opposed to, Halex best interests. In a criminal action, he must not have had a reasonable cause to believe his conduct was unlawful.

## **RECENT SALES OF UNREGISTERED SECURITIES**

We have sold securities within the past three years without registering the securities under the Securities Act of 1933 on one occasion.

We issued 24,570,000 shares of common stock for total consideration of \$2,457 to 38 founders of the Company. The Company believes that this issuance was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended, as a transaction by an issuer not involving any public offering. See page 21 for detailed list of shareholders.

## EXHIBITS

EXHIBIT NUMBER	DESCRIPTION
3.1	Articles of Incorporation
3.2	By-Laws
5.1	Legal Opinion with Consent
10.1	License Agreement with K'Air Energy, Inc
14.1	Code of Ethics
23.1	Consent of Accountant

## UNDERTAKINGS

The undersigned Registrant hereby undertakes as follows:

- (a) (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement.
  - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933 (the "Act");
  - (ii) To reflect in the prospectus any facts or events which, individually or together, represent a fundamental change in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the maximum estimated offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;
  - (iii) To include any additional or changed material information on the plan of distribution.

- (2) For determining liability under the Act, to treat each post-effective amendment as a new registration statement of the securities offered, and the offering of the securities at the time to be the initial bona fide offering.
- (3) To file a post-effective amendment to remove from registration any of the securities being registered which remain unsold at the end of the offering.
- (4) (ii) If the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430(B) or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.
- (5) That, for the purpose of determining of liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of securities : The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:
  - (i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
  - (ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
  - (iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
  - (iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.
- (b) Insofar as indemnification for liabilities arising under the Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions set forth in Item 24, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable.

If a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer, or controlling person of the Registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

## SIGNATURES

In accordance with the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements of filing on Form S-1 and authorized registration statement to be signed on its behalf by the undersigned, in the City of Reno, Nevada on January 10, 2013.

### HALEX ENERGY CORP.

By: /s/ Jeffery M. Lamberson

Jeffery M. Lamberson  
President, Director  
Principal Executive Officer  
Chief Accounting Officer

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons on behalf of the registrant and in the capacities and on the date indicated:

<u>SIGNATURE</u>	<u>TITLE</u>	<u>DATE</u>
<u>/s/ Jeffery M. Lamberson</u> Jeffery M. Lamberson	President, Chief Executive Officer and Director (principal executive officer) Chief Financial Officer (principal financial and accounting officer)	January 10, 2013





# SECRETARY OF STATE



## CORPORATE CHARTER

I, ROSS MILLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that **HALEX ENERGY CORP.**, did on January 20, 2011, file in this office the original Articles of Incorporation; that said Articles of Incorporation are now on file and of record in the office of the Secretary of State of the State of Nevada, and further, that said Articles contain all the provisions required by the law of said State of Nevada.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on January 20, 2011.

ROSS MILLER  
Secretary of State

Certified By: Electronic Filing  
Certificate Number: C20110120-3405  
You may verify this certificate  
online at <http://www.nvsos.gov/>



STATE OF NEVADA

ROSS MILLER  
Secretary of State



SCOTT W. ANDERSON  
Deputy Secretary  
for Commercial Recordings

OFFICE OF THE  
SECRETARY OF STATE

Certified Copy

January 20, 2011

Job Number: C20110120-3405  
Reference Number:  
Expedite:  
Through Date:

The undersigned filing officer hereby certifies that the attached copies are true and exact copies of all requested statements and related subsequent documentation filed with the Secretary of State's Office, Commercial Recordings Division listed on the attached report.

Document Number(s)	Description	Number of Pages
20110045653-87	Articles of Incorporation	8 Pages/1 Copies



Respectfully,

A handwritten signature in black ink, appearing to read "Ross Miller".

ROSS MILLER  
Secretary of State

Certified By: Electronic Filing  
Certificate Number: C20110120-3405  
You may verify this certificate  
online at <http://www.nvsos.gov/>

Commercial Recording Division  
202 N. Carson Street  
Carson City, Nevada 89701-4069  
Telephone (775) 684-5708  
Fax (775) 684-7138



ROSS MILLER  
Secretary of State  
204 North Carson Street, Suite 4  
Carson City, Nevada 89701-4520  
(775) 684-5708  
Website: [www.nvsos.gov](http://www.nvsos.gov)



\*040101\*

## Articles of Incorporation

(PURSUANT TO NRS CHAPTER 78)

Filed in the office of	Document Number
 Ross Miller Secretary of State State of Nevada	20110045653-87
	Filing Date and Time
	01/20/2011 3:57 PM
	Entity Number
	E0033302011-2

(This document was filed electronically.)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

1. Name of Corporation:	HALEX ENERGY CORP.			
2. Registered Agent for Service of Process: (check only one box)	<input checked="" type="checkbox"/> Commercial Registered Agent: LAUGHLIN ASSOCIATES, INC. Name <input type="checkbox"/> Noncommercial Registered Agent (name and address below) <b>OR</b> <input type="checkbox"/> Office or Position with Entity (name and address below) Name of Noncommercial Registered Agent <b>OR</b> Name of Title of Office or Other Position with Entity Street Address City Nevada Zip Code Mailing Address (if different from street address) City Nevada Zip Code			
3. Authorized Stock: (number of shares corporation is authorized to issue)	Number of shares with par value: 75000000	Par value per share: \$ 0.0001	Number of shares without par value: 0	
4. Names and Addresses of the Board of Directors/Trustees: (each Director/Trustee must be a natural person at least 18 years of age; attach additional page if more than two directors/trustees)	1) BRENT BUSCAY Name 2533 N CARSON STREET CARSON CITY NV 89706 Street Address City State Zip Code 2) _____ Name Street Address City State Zip Code			
5. Purpose: (optional; see instructions)	The purpose of the corporation shall be:			
6. Name, Address and Signature of Incorporator: (attach additional page if more than one incorporator)	BRENT BUSCAY <input checked="" type="checkbox"/> BRENT BUSCAY Name Incorporator Signature 2533 N CARSON STREET CARSON CITY NV 89706 Address City State Zip Code			
7. Certificate of Acceptance of Appointment of Registered Agent:	I hereby accept appointment as Registered Agent for the above named Entity. <input checked="" type="checkbox"/> LAUGHLIN ASSOCIATES, INC. 1/20/2011 Authorized Signature of Registered Agent or On Behalf of Registered Agent Entity Date			

This form must be accompanied by appropriate fees.

Nevada Secretary of State NRS 78 Articles  
Revised: 4-10-09





**ATTACHMENT TO**  
**ARTICLES OF INCORPORATION**

**FIRST.** The name of the corporation is:

**Halex Energy Corp.**

**SECOND.** Its registered office in the State of Nevada is located at 2533 North Carson Street, Carson City, Nevada 89706 the Corporation may maintain an office, or offices, in such other place within or without the State of Nevada as may be from time to time designated by the Board of Directors, or by the By-Laws of said Corporation, and that this Corporation may conduct all Corporation business of every kind and nature, including the holding of all meetings of Directors and Stockholders, outside the State of Nevada as well as within the State of Nevada

**THIRD.** The objects for which this Corporation is formed are: To engage in any lawful activity, including, but not limited to the following:

(A) Shall have such rights, privileges and powers as may be conferred upon corporations by any existing law.

(B) May at any time exercise such rights, privileges and powers, when not inconsistent with the purposes and objects for which this corporation is organized.

(C) Shall have power to have succession by its corporate name for the period limited in its certificate or articles of incorporation, and when no period is limited, perpetually, or until dissolved and its affairs wound up according to law.

(D) Shall have power to sue and be sued in any court of law or equity.

(E) Shall have power to make contracts.

(F) Shall have power to hold, purchase and convey real and personal estate and to mortgage or lease any such real and personal estate with its franchises. The power to hold real and personal estate shall include the power to take the same by devise or bequest in the State of Nevada, or in any other state, territory or country.

(G) Shall have power to appoint such officers and agents as the affairs of the corporation shall require, and to allow them suitable compensation.

(H) Shall have power to make By-Laws not inconsistent with the constitution or laws of the United States, or of the State of Nevada, for the management, regulation and government of its affairs and property, the transfer of its stock, the transaction of its business, and the calling and holding of meetings of its stockholders.

(I) Shall have power to wind up and dissolve itself, or be wound up or dissolved.

(J) Shall have power to adopt and use a common seal or stamp, and alter the same at pleasure. The use of a seal or stamp by the corporation on any corporate documents is not necessary. The corporation may use a seal or stamp, if it desires, but such use or nonuse shall not in any way affect the legality of the document.

(K) Shall have power to borrow money and contract debts when necessary for the transaction of its business, or for the exercise of its corporate rights, privileges or franchises, or for any other lawful purpose of its incorporation; to issue bonds, promissory notes, bills of exchange, debentures, and other obligations and evidences of indebtedness, payable at a specified time or times, or payable upon the happening of a specified event or events,



whether secured by mortgage, pledge or otherwise, or unsecured, for money borrowed, or in payment for property purchased, or acquired, or for any other lawful object.

(L) Shall have power to guarantee, purchase, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the shares of the capital stock of, or any bonds, securities or evidences of the indebtedness created by, any other corporation or corporations of the State of Nevada, or any other state or government, and, while owners of such stock, bonds, securities or evidences of indebtedness, to exercise all the rights, powers and privileges of ownership, including the right to vote, if any.

(M) Shall have power to purchase, hold, sell and transfer shares of its own capital stock, and use therefor its capital, capital surplus, surplus, or other property or fund.

(N) Shall have power to conduct business, have one or more offices, and hold, purchase, mortgage and convey real and personal property in the State of Nevada, and in any of the several states, territories, possessions and dependencies of the United States, the District of Columbia, and any foreign countries.

(O) Shall have power to do all and everything necessary and proper for the accomplishment of the objects enumerated in its certificate or articles of incorporation, or any amendment thereof, or necessary or incidental to the protection and benefit of the corporation, and, in general, to carry on any lawful business necessary or incidental to the attainment of the objects of the corporation, whether or not such business is similar in nature to the objects set forth in the certificate or articles of incorporation of the corporation, or any amendment thereof.

(P) Shall have power to make donations for the public welfare or for charitable, scientific or educational purposes.

(Q) Shall have power to enter into partnerships, general or limited, or joint ventures, in connection with any lawful activities, as may be allowed by law.

**FOURTH.** That the total number of common stock authorized that may be issued by the Corporation is 75,000,000 shares of stock with a nominal par value of \$0.0001 and no other class of stock shall be authorized. Said shares may be issued by the corporation, from time to time, for such considerations as may be fixed by the Board of Directors.

**FIFTH.** The governing board of this corporation shall be known as directors, and the number of directors may from time to time be increased or decreased in such manner as shall be provided by the By-Laws of this Corporation, providing that the number of directors shall not be reduced to fewer than one (1).

The name and post office address of the first board of Directors shall be one (1) in number and listed as follows:

**NAME**

Brent Buscay

**POST OFFICE ADDRESS**

2533 North Carson Street  
Carson City, Nevada 89706

**SIXTH.** The capital stock, after the amount of the subscription price, or par value, has been paid in, shall not be subject to assessment to pay the debts of the corporation.

**SEVENTH.** The name and post office address of the Incorporator signing the Articles of Incorporation is as follows:

**NAME**

Brent Buscay

**POST OFFICE ADDRESS**

2533 North Carson Street  
Carson City, Nevada 89706

**EIGHTH.** The registered agent for this corporation shall be:

**LAUGHLIN ASSOCIATES, INC.**

The address of said agent, and, the registered or statutory address of this corporation in the state of Nevada, shall be:

2533 North Carson Street  
Carson City, Nevada 89706

**NINTH.** The corporation is to have perpetual existence.

**TENTH.** In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized:

Subject to the By-Laws, if any, adopted by the Stockholders, to make, alter or amend the By-Laws of the Corporation.

To fix the amount to be reserved as working capital over and above its capital stock paid in; to authorize and cause to be executed, mortgages and liens upon the real and personal property of this Corporation.

By resolution passed by a majority of the whole Board, to designate one (1) or more committees, each committee to consist of one or more of the Directors of the Corporation, which, to the extent provided in the resolution, or in the By-Laws of the Corporation, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Corporation. Such committee, or committees, shall have such name, or names, as may be stated in the By-Laws of the Corporation, or as may be determined from time to time by resolution adopted by the Board of Directors.



When and as authorized by the affirmative vote of the Stockholders holding stock entitling them to exercise at least a majority of the voting power given at a Stockholders meeting called for that purpose, or when authorized by the written consent of the holders of at least a majority of the voting stock issued and outstanding, the Board of Directors shall have power and authority at any meeting to sell, lease or exchange all of the property and assets of the Corporation, including its good will and its corporate franchises, upon such terms and conditions as its board of Directors deems expedient and for the best interests of the Corporation.

**ELEVENTH.** No shareholder shall be entitled as a matter of right to subscribe for or receive additional shares of any class of stock of the Corporation, whether now or hereafter authorized, or any bonds, debentures or securities convertible into stock, but such additional shares of stock or other securities convertible into stock may be issued or disposed of by the Board of Directors to such persons and on such terms as in its discretion it shall deem advisable.

**TWELFTH.** No director or officer of the Corporation shall be personally liable to the Corporation or any of its stockholders for damages for breach of fiduciary duty as a director or officer involving any act or omission of any such director or officer; provided, however, that the foregoing provision shall not eliminate or limit the liability of a director or officer (i) for acts or omissions which involve intentional misconduct, fraud or a knowing violation of law, or (ii) the payment of dividends in violation of Section 78.300 of the Nevada Revised Statutes. Any repeal or modification of this Article by the stockholders of the Corporation shall be prospective only, and shall not adversely affect any limitation on

the personal liability of a director or officer of the Corporation for acts or omissions prior to such repeal or modification.

**THIRTEENTH.** This Corporation reserves the right to amend, alter, change or repeal any provision contained in the Articles of Incorporation, in the manner now or hereafter prescribed by statute, or by the Articles of Incorporation, and all rights conferred upon Stockholders herein are granted subject to this reservation.

## Halex Energy Corp.

## BY-LAWS

ARTICLE I MEETINGS OF SHAREHOLDERS

1. Shareholders' Meetings shall be held in the office of the corporation, at Carson City, NV, or at such other place or places as the Directors shall, from time to time, determine.

2. The annual meeting of the shareholders of this corporation shall be held on the incorporation date each year, at which time there shall be elected by the shareholders of the corporation a Board of Directors for the ensuing year, and the shareholders shall transact such other business as shall properly come before them. If the day fixed for the annual meeting shall be a legal holiday such meeting shall be held on the next succeeding business day.

3. A notice signed by any Officer of the corporation or by any person designated by the Board of Directors, which sets forth the place of the annual meeting, shall be personally delivered to each of the shareholders of record, or mailed postage prepaid, at the address as appears on the stock book of the corporation, or if no such address appears in the stock book of the corporation, to his last known address, at least ten (10) days prior to the annual meeting.

Whenever any notice whatever is required to be given under any article of these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to the notice, whether before or after the time of the meeting of the shareholders, shall be deemed equivalent to proper notice.

4. A majority of the shares issued and outstanding, either in person or by proxy, shall constitute a quorum for the transaction of business at any meeting of the shareholders.

5. If a quorum is not present at the annual meeting, the shareholders present, in person or by proxy, may adjourn to such future time as shall be agreed upon by them, and notice of such



adjournment shall be mailed, postage prepaid, to each shareholder of record at least ten (10) days before such date to which the meeting was adjourned; but if a quorum is present, they may adjourn from day to day as they see fit, and no notice of such adjournment need be given.

6. Special meetings of the shareholders may be called at anytime by the President; by all of the Directors provided there are no more than three, or if more than three, by any three Directors; or by the holder of a majority share of the capital stock of the corporation. The Secretary shall send a notice of such called meeting to each shareholder of record at least ten (10) days before such meeting, and such notice shall state the time and place of the meeting, and the object thereof. No business shall be transacted at a special meeting except as stated in the notice to the shareholders, unless by unanimous consent of all shareholders present, either in person or by proxy.

7. Each shareholder shall be entitled to one vote for each share of stock in his own name on the books of the corporation, whether represented in person or by proxy.

8. At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the corporation before or at the time of the meeting.

9. The following order of business shall be observed at all meetings of the shareholders so far as is practicable:

- a. Call the roll;
- b. Reading, correcting, and approving of the minutes of the previous meeting;
- c. Reports of Officers;
- d. Reports of Committees;
- e. Election of Directors;
- f. Unfinished business; and





- g. New business.

10. Unless otherwise provided by law, any action required to be taken at a meeting of the shareholders, or any other action which may be taken at a meeting of the shareholders, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof.

## ARTICLE II STOCK

1. Certificates of stock shall be in a form adopted by the Board of Directors and shall be signed by the President and Secretary of the corporation.

2. All certificates shall be consecutively numbered; the name of the person owning the shares represented thereby, with the number of such shares and the date of issue shall be entered on the company's books.

3. All certificates of stock transferred by endorsement thereon shall be surrendered by cancellation and new certificates issued to the purchaser or assignee.

4. Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, and cancel the old certificate; every such transfer shall be entered on the transfer book of the corporation.

5. The corporation shall be entitled to treat the holder of record of any share as the holder in fact thereof, and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person whether or not it shall have express or other notice thereof, except as expressly provided by the laws of this state.



### ARTICLE III DIRECTORS

1. A Board of Directors, consisting of at least one (1) person shall be chosen annually by the shareholders at their meeting to manage the affairs of the corporation. The Directors' term of office shall be one (1) year, and Directors may be re-elected for successive annual terms.

2. Vacancies on the Board of Directors by reason of death, resignation or other causes shall be filled by the remaining Director or Directors choosing a Director or Directors to fill the unexpired term.

3. Regular meetings of the Board of Directors shall be held 10 am/pm., on the incorporation date each year at the office of the company at 3941 Park Dr # 20-196 E.D.# ca 9576, or at such other time or place as the Board of Directors shall by resolution appoint; special meetings may be called by the President or any Director giving ten (10) days notice to each Director. Special meetings may also be called by execution of the appropriate waiver of notice and called when executed by a majority of the Directors of the company. A majority of the Directors shall constitute a quorum.

4. The Directors shall have the general management and control of the business and affairs of the corporation and shall exercise all the powers that may be exercised or performed by the corporation, under the statutes, the Articles of Incorporation, and the By-Laws. Such management will be by equal vote of each member of the Board of Directors with each Board member having an equal vote.

5. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Directors.

6. A resolution, in writing, signed by all or a majority of the members of the Board of Directors, shall constitute action by the Board of Directors to effect therein expressed, with the same



force and effect as though such resolution had been passed at a duly convened meeting; and it shall be the duty of the Secretary to record every such resolution in the Minute Book of the corporation under its proper date.

7. Any or all of the Directors may be removed for cause by vote of the shareholders or by action of the Board. Directors may be removed without cause only by vote of the shareholders.

8. A Director may resign at any time by giving written notice to the Board, the President or the Secretary of the corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board or such Officer, and the acceptance of the resignation shall not be necessary to make it effective.

9. A Director of the corporation who is present at a meeting of the Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

#### ARTICLE IV OFFICERS

1. The Officers of this company shall consist of: a President, one or more Vice Presidents, Secretary, Treasurer, and such other officers as shall, from time to time, be elected or appointed by the Board of Directors.

2. The PRESIDENT shall preside at all meetings of the Directors and the shareholders and shall have general charge and control over the affairs of the corporation subject to the Board of Directors. He shall sign or countersign all certificates, contracts and other





instruments of the corporation as authorized by the Board of Directors and shall perform all such other duties as are incident to his office or are required by him by the Board of Directors.

3. The VICE PRESIDENT shall exercise the functions of the President during the absence or disability of the President and shall have such powers and the Board of Directors may assign such duties as to him, from time to time.

4. The SECRETARY shall issue notices for all meetings as required by the By-Laws, shall keep a record of the minutes of the proceedings of the meetings of the shareholders and Directors, shall have charge of the corporate books, and shall make such reports and perform such other duties as are incident to his office, or properly required of him by the Board of Directors. He shall be responsible that the corporation complies with Section 78.105 of the Nevada Revised Statutes and supplies to the Nevada Registered Agent or Registered Office in Nevada, any and all amendments to the corporation's Articles of Incorporation and any and all amendments or changes to the By-Laws of the corporation. In compliance with Section 78.105, he will also supply to the Nevada Registered Agent or Registered Office in Nevada, and maintain, a current statement setting out the name of the custodian of the stock ledger or duplicate stock ledger, and the present and complete Post Office address, including street and number, if any, where such stock ledger or duplicate stock ledger is kept.

5. The TREASURER shall have the custody of all monies and securities of the corporation and shall keep regular books of account. He shall disburse the funds of the corporation in payment of the just demands against the corporation, or as may be ordered by the Board of Directors, making proper vouchers for such disbursements and shall render to the Board of Directors, from time to time, as may be required of him, an account of all his transactions as





Treasurer and of the financial condition of the corporation. He shall perform all duties incident to his office or which are properly required of him by the Board of Directors.

6. The REGISTERED AGENT shall be in charge of the corporation's registered office in the State of Nevada, upon whom process against the corporation may be served and shall perform all duties required of him by statute.

7. The salaries of all Officers shall be fixed by the Board of Directors and may be changed, from time to time, by a majority vote of the Board.

8. Each of such Officers shall serve for a term of one (1) year or until their successors are chosen and qualified. Officers may be re-elected or appointed for successive annual terms.

9. The Board of Directors may appoint such other Officers and Agents, as it shall deem necessary or expedient, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined, from time to time, by the Board of Directors.

10. Any Officer or Agent elected or appointed by the Directors may be removed by the Directors whenever in their judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

11. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Directors for the unexpired portion of the term.

#### ARTICLE V INDEMNIFICATION OF OFFICERS AND DIRECTORS

The corporation shall indemnify any and all of its Directors and Officers, and its former Directors and Officers, or any person who may have served at the corporation's request as a Director or Officer of another corporation in which it owns shares of capital stock or of which it is a creditor, against expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they, or any of them, are made parties, or a party, by reason of



being or having been Director(s) or Officer(s) of the corporation, or of such other corporation, except, in relation to matters as to which any such Director or Officer or former Director or Officer or person shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled, under By-Law, agreement, vote of shareholders or otherwise.

#### ARTICLE VI DIVIDENDS

The Directors may, from time to time, declare, and the corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law.

#### ARTICLE VII WAIVER OF NOTICE

Unless otherwise provided by law, whenever any notice is required to be given to any shareholder or Director of the corporation under the provisions of these By-Laws or under the provisions of the Articles of Incorporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

#### ARTICLE VIII AMENDMENTS

1. Any of these By-Laws may be amended by a majority vote of the shareholders at any annual meeting or at any special meeting called for that purpose.
2. The Board of Directors may amend the By-Laws or adopt additional By-Laws, but shall not alter or repeal any By-Laws adopted by the shareholders of the company.



CERTIFIED TO BE THE BY-LAWS OF:

Halex Energy Corp.

BY:



Secretary

2-2-11

Date



Andrew S. Grundman  
Attorney at Law



Mailing Address:  
1017 L Street #201  
Sacramento, CA 95814

ag@grundmanlaw.com

Meridian Plaza  
1415 L Street, Suite 900  
Sacramento, CA 95814

P:(916) 273-4811  
F:(916) 273-4816

January 2, 2013

United States Securities and Exchange Commission  
100 F Street  
Washington, D.C. 20549

**RE: Legal Opinion Pursuant to SEC Form S-1 Registration Statement  
Halex Energy Corp., a Nevada corporation (the "Company")**

To Whom It Concerns:

I have acted as special counsel to the Company for the limited purpose of rendering this opinion in connection with the Registration Statement Form S-1 and the Prospectus included therein (collectively the "Registration Statement") which is being filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Act") with respect to the registration and proposed sale of up to 6,000,000 shares of Common Stock, par value \$0.0001 per share, which may be sold at a price of \$0.50 per share, pursuant to a resolution of the Board of Directors dated October 7, 2012 authorizing such issuance.

I was not engaged to prepare or review any portion of the Registration Statement. I express no opinion as to the accuracy or adequacy of the disclosure contained in the Registration Statement.

In my capacity as special counsel to the Company, I have examined instruments, documents, and records, which I have deemed relevant and necessary for the basis of my opinion, including, but not limited to, the Registration Statement, the Certificate of Incorporation of the Company, the By-Laws of the Company, and the records of corporate proceedings relating to the issuance of Shares. Additionally, I have reviewed and made such other examinations of law and fact as I have deemed relevant to form the opinion hereinafter expressed.

I have examined such documents in light of my understanding and knowledge of the applicable laws of the State of Nevada, including the Nevada Constitution, applicable provisions of Nevada statutes, and reported judicial decisions interpreting those laws.

In such examinations, I have assumed the legal capacity of all natural persons, the authenticity and completeness of all instruments presented to me as original documents, the conformity to the authentic originals of all documents supplied to me as certified or photostatic or faxed copies, the genuineness of all signatures, and the truth, accuracy, and completeness of the information, representations, and warranties contained in the records, documents, instruments, and certificates I have reviewed.



In conducting my examination of documents executed by parties other than the Company, I have assumed that such parties had the power, corporate, limited liability company or other, to enter into and perform all obligations thereunder and have also assumed the due authorization by all requisite action, corporate, limited liability company or other, and the due execution and delivery by such parties of such documents and that, to the extent such documents purport to constitute agreements, such documents constitute valid and binding obligations of such parties.

Based upon and subject to the foregoing, I make the following opinion on the legality of the securities being registered. I am of the opinion that:

1. The Company is a corporation duly authorized and validly existing and in good standing under the laws of the State of Nevada, with corporate power to conduct its business as described in the Registration Statement.
2. The Company has an authorized capitalization of 75,000,000 shares of Common Stock, \$0.0001 par value, and no shares of Preferred Stock.
3. The 24,570,000 shares of Common Stock, currently issued and outstanding, are duly and validly issued as fully paid and non-assessable, pursuant to the corporate law of the State of Nevada. All shareholders are listed in the attached S-1 document.
4. The 6,000,000 Shares that are being offered by the Company, upon the due execution by the Company and the registration by its registrar of such shares, the sale thereof by the Company in accordance with the terms of the Registration Statement and after the effectiveness of the Registration Statement, and the receipt of consideration therefore in accordance with the terms of the Registration Statement, such shares will be duly and validly issued, fully paid and non-assessable.

This opinion letter is limited to the status of shares to be issued under the Registration Statement, and no opinion is implied or may be inferred beyond the matters expressly stated.

This opinion is expressed as of the date hereof, and I disclaim any undertaking to advise you of any subsequent changes of the facts stated or assumed herein or any subsequent changes in applicable law, and I have assumed that at no future time would any such subsequent change of fact or law affect adversely my ability to render at such time an opinion (a) containing the same legal conclusions set forth herein and (b) subject only to such (or fewer) assumptions, limitations, and qualifications as are contained herein.

I hereby consent to the filing of this opinion with the U.S. Securities and Exchange Commission as an Exhibit to the Registration Statement and to the reference under the heading "Experts and Counsel" in the Prospectus. In giving this consent, I do not hereby admit that I am an "expert" under the Act, or the rules and regulations of the SEC issued thereunder, with respect to any part of the Registration Statement, including this exhibit. Further, in giving this consent I do not admit that I come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933 or the rules and regulations of the SEC promulgated therein or Item 509 of Regulation S-K.

**Very Truly Yours,**

GRUNDMAN | LAW<sup>SM</sup>  


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Andrew Grundman  
Attorney at Law



## K°Air Energy Distributor Agreement

**Licensee: Halex Energy Corporation**

**Contact name/title: Jeffery Lamberson, President**

**Address: 9190 Double Diamond Parkway, Reno, NV 89521**

**Phone: 1-916-293-6337**

**E-mail: info@halexenergy.com**

K°Air Energy, Inc. ("K°Air") agrees to appoint the entity named above (**Licensee**) as a Distributor under the K°Air Distributor Program upon the following terms and conditions, and Licensee accepts such appoint.

NOW THEREFORE, in consideration of the mutual promises, covenants and obligations contained herein the parties agree as follows:

**Definitions.** As used herein:

*"Product"* means the K°Air Pressure Power Units available under the K°Air Distributor Program and as set forth in Schedule 'A', together with related user manuals.

1. *"End-user"* means a person or entity, which enters into a purchase and sale or a license or sub- license to use the Product for internal purposes and not for resale, relicensing or redistribution of any kind.

*"End-user License"* means the K°Air End-user license agreement for the Product as may be provided by K°Air from time to time.

*"Territory"* means, unless otherwise specified above, the State of California in the United States of America.

2. **Appointment.**

- 2.1.1 Subject to the terms and conditions of this Agreement, K°Air grants Licensee:

- (i) an exclusive, nontransferable license to distribute the Product to End-users in the Territory, subject to the terms of the End-user License.

3. **Restrictions.**

- 3.1 Licensee shall market and promote the Product consistent with good business ethics and reasonable industry standards and in a manner that will reflect favorably on K°Air and on the goodwill and reputation of K°Air. All communications to the media or the general public, including without limitation, press releases, regarding this Agreement or the relationship of the parties, shall require the prior written approval of K°Air.

- 3.2 Licensee shall not distribute the Product to anyone who infringes K°Air's rights therein or for any other purpose except as expressly set out.

- 3.3 Licensee shall not adapt, modify, reverse engineer, decompile or in any other manner disassemble the Product or any parts or components thereof, or modify the End-user License, or any part thereof.

4. **Ordering, Delivery, Payment and Reporting.**

- 4.1 Licensee shall submit to K°Air:

- (i) a purchase order identifying the applicable Product to be delivered;

- (ii) the maximum number of End-users;
- (iii) the shipping location;

- (iv) a copy of any and all End-user documentation including any purchase order, purchase and sale agreement and/or lease;
- (v) a description of the intended use of the Product from each End-user; and
- (vi) any other information reasonably required by K°Air to process the order.

In addition to the foregoing, Licensee agrees to abide by any export regulations including obtaining any export permits that may be required for any sales outside the Territory. K°Air will ship the Product, F.O.B. plant of manufacture or assembly, which may be located in a country other than the United States of America.

- 4.2 Support and Maintenance Services, and Training will be provided in accordance with K°Air's then current policies and procedures and only upon receipt and acceptance of Licensee's purchase order by K°Air.

- 4.3 Licensee will pay the fees and royalties for the Product, Support and Maintenance Services and Training within thirty (30) days of the date of the K°Air invoice and in accordance with the fees and royalties set forth in Schedule 'A'. Licensee will pay shipping and handling costs, freight and insurance and any applicable duties, import taxes or other government charges assessed on any shipment. K°Air shall not be liable for any delay in shipment whatsoever.

- 4.4 Licensee shall be responsible for the payment of all duties, taxes, or amounts due in lieu thereof, and interest thereon related in any way to performance under this Agreement or amounts chargeable to or payable by Licensee, exclusive of taxes based on K°Air's net income. In the event any payments required to be made by Licensee under this Agreement are subject to applicable withholding tax that Licensee is required to deduct from such payments, Licensee shall promptly deliver to K°Air receipts issued by appropriate government authorities for all such taxes withheld or paid by Licensee and Licensee shall fully and promptly cooperate with K°Air to provide such information and records as K°Air may require in connection with any application by K°Air to obtain available tax credits.

- 4.5 Credit limits, if any, shall be at K°Air's sole discretion. K°Air expressly reserves its right to require pre-payment of any order by Licensee. K°Air shall have no obligation to sell products or provide services to Licensee if at any time Licensee's account is in arrears or Licensee is in material breach of this Agreement. Licensee shall not be bound by any suggested pricing from K°Air.

- 4.6 Any amounts not paid when due hereunder shall bear interest at the rate of 1.5% per month (which is equivalent to 18% per annum) or the highest interest rate permitted by applicable law, whichever is less. K°Air reserves its right to terminate this Agreement upon notice to Licensee in the event Licensee is in arrears under this Agreement.

- 4.7 In addition to the export/ import reporting requirements hereunder, Licensee agrees to report to K°Air regarding its marketing and licensing activities under this Agreement in the form as may be reasonably requested by K°Air from time to time.

- 4.8 Licensee agrees to maintain adequate books and records of its activities hereunder during the existence of this Agreement and for a period of five (5) years following termination or expiration. K°Air may, at its expense, appoint an independent third party to audit Licensee's books and records. Any such audit shall be conducted upon prior written notice, no more than once in each year (unless K°Air has reason to believe that Licensee is not in compliance with the export compliance, payment or reporting provisions of this Agreement), during regular business hours and shall not unreasonably interfere with Licensee's business activities. If the audit reveals underpayment or under reporting in excess of 10%, then Licensee shall pay K°Air reasonable costs of conducting the audit, as well as remit to K°Air any deficit payments or reports immediately upon receipt of notice from K°Air. If the audit reveals underpayment or under reporting of less than 10%, then Licensee shall remit to K°Air any deficit payments. If the audit reveals non-compliance with the export provisions, in addition to any other rights K°Air may have under this Agreement, K°Air may immediately terminate this Agreement.

## 5. Intellectual Property.

5.1 Licensee acknowledges and agrees that all right, title and interest in and to the Product, the Technology and Documentation, in whole or in part, in any form, and including all patent, copyright, trademark, trade secret and all other intellectual and industrial property rights in such and the structure, sequence and organization of same, shall remain with K°Air. Licensee shall have no rights in such Product, Technology and Documentation other than to act as a Distributor for the Product, Technology and Documentation and to distribute the Product subject to the End- user License applicable to the Product. Licensee acknowledges that K°Air has and reserves the exclusive, worldwide right in perpetuity to protect its interests therein. Licensee shall not alter or remove any K°Air copyright notices or other proprietary notices or designations of the Product, Technology or Documentation or on any related advertising, displays or media. Licensee acknowledges that any breach of its obligations with respect to proprietary rights of K°Air will cause K°Air irreparable injury for which there are inadequate remedies at law and that K°Air shall be entitled to equitable relief in addition to all other remedies available to it.

5.2 K°Air hereby grants to Licensee, the non-exclusive revocable right to reproduce and display K°Air's logos, trademarks, trade names and other similar identifying material ("Marks") as specified in K°Air's Marks usage policies or as otherwise directed by K°Air solely for the purposes of advertising the existence of the relationship of the parties and the products and services. In connection with the licenses granted hereunder, K°Air shall have the unilateral right to establish such quality standards and additional terms and conditions concerning the reproduction and display of its Marks as K°Air deems necessary to reasonably protect its Marks and shall have a right to review all advertising or other materials, products or services using the Marks. Failure of Licensee to adhere to such standards shall be grounds for K°Air to terminate Licensee's rights to use K°Air's Marks. In addition, all licenses granted pursuant to this Section shall immediately terminate upon the termination or expiration of this Agreement.

5.3 Licensee acknowledges and agrees that K°Air retains all of its right, title and interest in and to K°Air's Marks, and all use of the Marks by Licensee shall enure to the benefit of K°Air. Licensee agrees to execute all documents and further assurances required by the K°Air to register or protect K°Air's Marks. Licensee further agrees that it shall not:

- (i) alter K°Air's Marks;
- (ii) at any time during or after the term of this Agreement assert any claim or interest in or to anything which may adversely affect the validity or enforceability of any of K°Air's Marks;
- (iii) register, seek to register, or cause to be registered any of K°Air's Marks without K°Air's prior written consent; or
- (iv) adopt or use such Marks, trade names, logos or insignia or any confusingly Similar word or symbol, as part of Licensee's company or partnership name.

## 6. Confidentiality.

6.1 From time to time the parties may have access to information of the other and each party agrees to keep confidential such any and all information with respect to the other party which it has received or may in future receive in connection with this Agreement (the "**Confidential Information**") and shall only disclose such information:

- (i) to its agents, employees or representatives who have a need to know such information, for the purpose of performance under this Agreement and exercising the rights granted under this Agreement and who have entered into a non-disclosure agreement at least as protective of the disclosing party's confidential information as this Agreement, or
- (ii) to the extent required by applicable law, or
- (iii) during the course of or in connection with any litigation, arbitration or other proceeding based upon or in connection with the subject matter of this Agreement, provided that the receiving party shall give the disclosing party reasonable notice prior to such disclosure and shall comply with any applicable protective order or equivalent.

Licensee shall not reverse engineer or attempt to reverse engineer the Product, except to the extent applicable law does not permit this restriction. Confidential Information shall not include that information defined as Confidential Information which the receiving party can conclusively establish:





- (i) was in the possession of the receiving party at the time of disclosure;
- (ii) prior to or after the time of disclosure became part of the public domain without the act or omission of the party to whom it was disclosed;
- (iii) was disclosed to the receiving party by a third party under no legal obligation to maintain the confidentiality of such information; or
- (iv) was independently developed by the receiving party without breach of its obligations of confidentiality pursuant to this Section.

6.2 In addition to the foregoing restrictions on disclosure, Licensee shall not disclose the results of any benchmark tests of the Product to any third party without K°Air's prior written approval and all such results shall be deemed Confidential Information. The parties agree to hold each other's Confidential Information in confidence and to take all reasonable steps, which shall be no less than those steps it takes to protect its own highly confidential and proprietary information, to protect the Confidential Information of the other party.

## 7. Warranties

7.1 THE PRODUCT IS PROVIDED TO LICENSEE BY K°AIR ON AN "AS IS" BASIS AND THERE ARE NO WARRANTIES, REPRESENTATIONS OR CONDITIONS, EXPRESS OR IMPLIED, WRITTEN OR ORAL, ARISING BY STATUTE, OPERATION OF LAW, COURSE OF DEALING, USAGE OF TRADE OR OTHERWISE, REGARDING THEM OR ANY OTHER PRODUCT OR SERVICE PROVIDED HEREUNDER OR IN CONNECTION HERewith BY K°AIR. K°AIR DISCLAIMS ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY, SATISFACTORY QUALITY, MERCHANTABILITY, DURABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO REPRESENTATION OR OTHER AFFIRMATION OF FACT, INCLUDING BUT NOT LIMITED TO STATEMENTS REGARDING PERFORMANCE OF THE PRODUCT THAT IS NOT CONTAINED IN THIS AGREEMENT, SHALL BE DEEMED TO BE A WARRANTY, CONDITION OR REPRESENTATION BY K°AIR.

7.2 NO AGREEMENTS VARYING OR EXTENDING THE TERMS OF THIS SECTION 7 WILL BE BINDING ON K°AIR UNLESS IN WRITING AND SIGNED BY AN AUTHORIZED OFFICER OF K°AIR.

7.3 Licensee will give and make no warranties, conditions or representations on behalf of K°Air as to quality, merchantable quality, merchantability, fitness for a particular use or purpose, with regard to the Product or services provided hereunder; and Licensee shall not incur any liabilities, obligations or commitments on behalf of K°Air.

## 8. Infringement Indemnity.

8.1 K°Air will defend at its expense and pay the costs and damages finally awarded against Licensee in any action against Licensee that Licensee's distribution of the Product, in accordance with the terms of this Agreement infringes any valid copyright, patent or trademark in the Territory, provided that:

- (a) the Licensee provides prompt written notice to K°Air (including notice of any prior related claims);
- (b) K°Air has sole control of the defense and all related settlement negotiations; and
- (c) Licensee, and those for whom Licensee is in law responsible, provides K°Air, at K°Air's expense, with the assistance, information, and authority necessary to perform K°Air's obligations under this section.

K°Air shall have no liability if the action results from:

- (i) the use of the Product for purposes or in an environment for which it was not designed;
- (ii) modification of the Product by anyone other than K°Air or by anyone authorized by K°Air;
- (iii) distribution of any Product or display or use of any Mark after K°Air's notice to Licensee that it should cease distribution or use of such Product and/or Mark due to a possible infringement; or

(iv) Licensee is otherwise in material breach of the terms and conditions of this Agreement.

8.2 If a final injunction is obtained in such action against Licensee's distribution of the Product or if in K°Air's opinion the Product is likely to become the subject of a claim of infringement, K°Air may at its sole option and expense either procure for Licensee the right to distribute the Product or replace or modify the Product so that it becomes non-infringing or, if K°Air determines, in its sole discretion, that the foregoing options are not commercially reasonable, grant Licensee a credit for the fees or royalties paid by Licensee to K°Air in respect of any Product remaining in the inventory of Licensee and terminate this Agreement.

8.3 The foregoing states the entire liability of K°Air and exclusive remedy of Licensee with respect to any intellectual or industrial property infringement.

## 9. **Limitation of Liability.**

9.1 IN NO EVENT WILL KAIR BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES WHATSOEVER INCLUDING WITHOUT LIMITATION THOSE RESULTING FROM LOSS OF USE, DATA OR PROFITS, DOWN-TIME, GOODWILL, DAMAGE TO OR REPLACEMENT OF EQUIPMENT OR PROPERTY, ANY COSTS OF RECOVERING, REPROGRAMMING, OR REPRODUCING ANY PROGRAM OR DATA USED IN CONJUNCTION WITH PRODUCT, THE USE OR PERFORMANCE OF THE PRODUCT OR OTHER KAIR PROVIDED MATERIALS OR SERVICES, WHETHER IN AN ACTION IN CONTRACT OR TORT, INCLUDING BUT NOT LIMITED TO NEGLIGENCE, AND WHETHER OR NOT KAIR OR ITS LICENSEES OR DISTRIBUTORS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR THEY ARE FORESEEABLE. THIS LIMITATION SHALL APPLY WHETHER OR NOT THE ALLEGED BREACH IS A BREACH OF CONDITION, OR FUNDAMENTAL TERM, OR A FUNDAMENTAL BREACH. EXCEPT AS PROVIDED IN SECTION 8 (INDEMNIFICATION), KAIR AGGREGATE LIABILITY IN CONNECTION WITH THIS AGREEMENT WHETHER FOR NEGLIGENCE, BREACH OF CONTRACT, MISREPRESENTATION OR OTHERWISE SHALL IN NO CIRCUMSTANCES EXCEED THE AMOUNTS PAID BY LICENSEE TO KAIR UNDER THIS AGREEMENT IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE CLAIM BY LICENSEE.

## 10. **Indemnification of K°Air.**

Licensee agrees to indemnify and save K°Air harmless from and against any and all claims, demands, costs and liabilities (including all reasonable legal and attorney fees and expenses) of any kind whatsoever, arising directly or indirectly out of Licensee's performance or non-performance of its obligations hereunder (including but not limited to negligence or willful misconduct), including claims by Licensee's customers or a third party provided that

- (a) K°Air provides prompt written notice to Licensee (including notice of any prior related claims);
- (b) Licensee has sole control of the defense and all related settlement negotiations; and
- (c) KAir, and those for whom KAir is in law responsible, provides Licensee, at Licensees expense, with the assistance, information, and authority necessary to perform Licensees obligations under this section.

## 11. **Term.**

Subject to Section 12, this Agreement will commence on the date the Agreement is accepted by K°Air and will continue until December 31, 2013 (the "**Initial Term**"). This Agreement will automatically terminate on the last day of the Initial Term or any Renewal Term, as the case may be, unless Licensee, at Licensee's sole option, has submitted a written request for renewal to K°Air, along with all required application and renewal forms and payment of any fees and outstanding amounts at least sixty (60) days prior to the end of such term. Any renewal shall be for a further twelve (12) month term (the '**Renewal Term**').

## 12. **Termination.**

In addition to termination as set forth in Section 11, this Agreement will terminate in the event of any of the following:

- (a) on the thirtieth (30th) day after one party gives the other written notice of a breach by the other of any material term or condition of this Agreement (which shall include any failure by Licensee to pay any amounts owing under this Agreement when due) unless the breach is cured before that day;



(b) immediately, in the event

(i) of an amalgamation, acquisition or merger of Licensee with any person or entity who is not a party to this Agreement or assignment of this Agreement by Licensee;

(ii) Licensee becomes owned or controlled by any government or state, or government or state agency;

(iii) currency repatriation provisions or other currency restrictions are imposed by any government body which prevent or unduly restrict the ability of Licensee to make any payments to K°Air required hereunder; or

(iv) Licensee is convicted of any criminal or quasi-criminal offense;

(c) immediately, upon written notice of termination by one party after a receiver has been appointed in respect of the whole or a substantial part of the other's assets or a petition in bankruptcy or for liquidation is filed by or against that other;

(d) on December 31st of any year in which the Licensee has failed to give sufficient notice in writing renewing this Agreement per Schedule "A" of this Agreement.

### **13. Effects of Termination.**

13.1 In the event of termination, Licensee shall:

(a) make all payments and reports due hereunder within thirty (30) days of the notice of effective date of termination;

(b) immediately cease to distribute the Product, Support and Maintenance Services and Training and cease to represent itself as a K°Air Distributor, and immediately cease to use the Marks; and

(c) return to K°Air all copies of the Product, Documentation, Confidential Information or other materials provided in connection with this Agreement in its possession or under its control.

13.2 Sections 4.3, 4.5, 4.7 to 4.9 inclusive, 5.3, 6 to 10 inclusive, 12 to 15 inclusive, and Schedule A section B (d) of this Agreement will survive the termination of this Agreement.

13.3 Termination hereunder shall be without prejudice to any other right or remedy to which either party may be entitled hereunder in law.

13.4 Licensee acknowledges and agrees that it has no expectation that its business relationship with K°Air will continue for any minimum period of years, or that Licensee shall obtain any anticipated amount of profits by virtue of this Agreement. The parties agree that the termination provisions herein, in terms of both notice and default events, are reasonable and agree not to contest same by way of wrongful termination proceedings or otherwise. K°Air shall not be liable, by reason of any termination of this Agreement, for compensation, reimbursement or damages on account of the loss of prospective profits on anticipated sales or on account of expenditures, investments, leases or commitments whatsoever in connection with the business or goodwill of Licensee.

### **14. General.**

14.1 This Agreement, including any Schedules referenced within the Agreement and appended hereto, constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all oral or written prior statements, representations, discussions, negotiations and agreements, including all pre-printed terms and conditions appearing on Licensee's order forms, K°Air acknowledgment of order forms and K°Air's invoice forms. No terms and conditions or stipulations written on a purchase order or similar document will affect this Agreement even if the receiving party accepts such order or document. Except as specifically provided for herein, all amendments and /or modifications require a mutual written agreement signed by authorized signing officers of both parties.

- 14.2 Except for obligations of payment, neither party shall be liable for failure to fulfill obligations hereunder due to causes beyond that party's control provided that the party so relieved of its obligations hereunder shall use all reasonable efforts to resume performance of its obligations as soon as is reasonably possible.

- 14.3 Any provision of this Agreement found to be illegal or unenforceable by a court of competent jurisdiction shall be deemed severed, and the balance of this Agreement shall remain in full force and effect.
- 14.4 The parties to this Agreement are independent contractors. No agency, partnership, jointventure or similar relationship is established hereby. Neither party has the authority to bind the other or incur any obligation on behalf of the other.
- 14.5 Neither party's right to require performance of the other party's obligations hereunder shall be affected by any previous waiver, forbearance or course of dealing, unless or only to the extent of any waiver given in writing.
- 14.6 Licensee shall not assign this Agreement without K°Air's prior written consent. This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.
- 14.7 The laws of the State of Georgia shall apply, excluding the United Nations Convention on International Sale of Goods and any implementing legislation thereto and conflict of laws principles. Licensee consents and attorns to the exclusive jurisdiction of such courts. The parties waive trial by jury, except where such waiver is expressly prohibited by law.

**15. Counterparts; Facsimile and Electronic Signatures.**

- 15.1 This Agreement and any modification or amendment hereof may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all of which together shall constitute one and the same instrument, and shall become effective when one or more counterparts hereof or thereof have been signed by each party hereto or thereto. Delivery of an executed counterpart signature page of this Agreement or any modification or amendment hereof by facsimile or transmitted electronically in a Tagged Image File Format ("TIFF"), Portable Document Format ("PDF"), or other electronic format sent by electronic mail shall be effective as delivery of a manually executed counterpart hereof or thereof. Any Party delivering an executed counterpart of this Agreement or any modification or amendment hereof by facsimile or by email shall also deliver a manually executed counterpart hereof or thereof, but failure to do so shall not affect the validity, enforceability or binding effect of this Agreement, and the Parties hereby waive any right they may have to object to such treatment.

**16. Compliance.**

- 16.1 Licensee shall comply with all applicable laws, regulations (including applicable import and export laws and regulations) and government orders as they relate to the Product and Licensee's performance of its obligations under this Agreement existing in the Territory or any regions or countries outside the Territory in which Licensee distributes or markets the Product.

**K°Air Energy, Inc.**



By: \_\_\_\_\_  
Bruce Benn, President  
Date: November 30, 2012

**Halex Energy Corporation:**



By: \_\_\_\_\_  
Jeffery Lamberson, President  
Date: November 30 2012

## **SCHEDULE 'A'**

### **PRODUCT, COMMITMENTS, PAYMENT TERMS**

#### **A. DESCRIPTION OF K°AIR PRODUCT LICENSED**

K°Air Pressure Power Units with designated or rated maximum capacity of 20 kilowatts or greater

#### **B. FEES, ROYALTIES AND COMMITMENTS:**

In return for K°Air providing Licensee with licenses and agreements, Licensee:

- a) will pay an initiation fee to the direction of K°Air in the amount of \$75,000 U.S. on or before January 31, 2013
- b) will pay an initial licensing fee to the direction of K°Air in the amount of \$500,000 U.S for the license for the period until December 31, 2013, payable as follows:
  - (i) the amount of \$200,000 on or before March 31, 2013
  - (ii) the amount of \$150,000 on or before June 30, 2013
  - (iii) the amount of \$150,000 on or before September 30, 2013
- c) will provide K°Air 60 days written notice prior to the expiry of the existing license renewing the license for another calendar year and payment at the time of the written notice of the annual license fee, which shall be:
  - (i) the amount of \$1,000,000 U.S. for the calendar year 2014
  - (ii) the amount of \$2,000,000 U.S. for the calendar year 2015
  - (iii) the amount of \$3,000,000 U.S. for the calendar year 2016
  - (iv) the amount of \$4,000,000 U.S. for the calendar year 2017
  - (v) the amount of \$5,000,000 U.S. for each calendar year thereafter
- d) will pay to the written direction of K°Air a Royalty Fee equal to the greater of:
  - (i) one (1) cent per kilowatt hour of electricity; or
  - (ii) (ii) 10% of the gross revenue received by Halex or any of its affiliates for the provision of electricity; produced directly or indirectly by K°Air Pressure Power Systems;
- e) will have the right to buy, and will pay for, K°Air Pressure Power Systems at prices equivalent to K°Air's Best Customer Price, fob plant including terms and schedules for payment. Costs of transportation, insurance, installation and service will be payable by Halex
- f) will be paid by K°Air a commission of 10% of the sales price fob plant for all K°Air Pressure Power Systems purchased by third parties for installation in the Territory
- g) will provide sales, installation, service and support services for:
  - (i) all K°Air Pressure Power Systems sold or leased by any party within the Territory; and
  - (ii) for all K°Air Pressure Power Systems sold or leased by Halex outside the Territory



**HALEX ENERGY CORP.**  
**CODE OF CONDUCT AND ETHICS**  
**(Adopted by the board on April 10, 2011)**

**OVERVIEW**

This Code of Conduct and Ethics sets forth the guiding principles by which we operate our company and conduct our daily business with our stockholders, customers, vendors and with each other. These principles apply to all of the directors, officers and employees of Halex Energy Corp. (the “Company”).

**PRINCIPLES****Complying with Laws, Regulations, Policies and Procedures**

All directors, officers and employees of the Company are expected to understand, respect and comply with all of the laws, regulations, policies and procedures that apply to them in their positions with the Company. Employees are responsible for talking to their supervisors to determine which laws, regulations and Company policies apply to their position and what training is necessary to understand and comply with them.

Directors, officers and employees are directed to specific policies and procedures available to persons they supervise.

**Conflicts of Interest**

All directors, officers and employees of the Company should be scrupulous in avoiding any action or interest that conflicts with, or gives the appearance of a conflict with, the Company’s interests. A “conflict of interest” exists whenever an individual’s private or business interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of the Company. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest may also arise when a director, officer or employee or a member of his or her family receives improper personal benefits as a result of his or her position with the Company, whether from a third party or from the Company. Company employees are encouraged to utilize the Company’s products and services, but this should generally be done on an arm’s length basis and in compliance with applicable law.

All directors, officers and employees of the Company are obligated to disclose potential and actual conflicts of interest as and when they arise. Subject to any pre-existing fiduciary duty which exists prior to the time of becoming a director, officer or employee of the Company, all directors, officers and employees of the Company are prohibited from participating in any transaction that is or may pose a conflict of interest with the Company without the prior written consent of the Company.

If a conflict of interest shall arise, our directors, officers and employees shall act in a manner expected to advance and protect the Company’s interests, subject to any pre-existing fiduciary duties. Conflicts of interest may not always be clear-cut, so if a question arises, an officer or employee should consult with higher levels of management, the board of directors or company counsel. Any employee, officer or director who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel.

**Corporate Opportunity**

Directors, officers and employees are prohibited from (a) taking for themselves personally opportunities that properly belong to the Company or are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for personal gain; and (c) subject to pre-existing fiduciary obligations, competing with the Company. Directors, officers and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

## **Confidentiality**

Directors, officers and employees must maintain the confidentiality of confidential information entrusted to them by the Company or its suppliers or customers, except when disclosure is specifically authorized by the board of directors or required by laws, regulations or legal proceedings. Confidential information includes all non-public information that might be material to investors or of use to competitors of the Company or harmful to the Company or its customers or employees if disclosed.

## **Fair Dealing**

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing or utilizing trade secret information that was obtained without the owner's consent or inducing such disclosures by past or present employees of other companies is prohibited.

Each director, officer and employee is expected to deal fairly with the Company's customers, suppliers, competitors, officers and employees. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing.

## **Protection and Proper Use of the Company Assets**

All directors, officers and employees should protect the Company's assets and ensure their efficient use. All Company assets should be used only for legitimate business purposes.

## **Public Company Reporting**

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission be accurate and timely and not contain any known material misrepresentation or omission. Depending on their position with the Company, an employee, officer or director may be called upon to provide necessary information to assure that the Company's public reports are complete, fair and understandable. The Company expects employees, officers and directors to take this responsibility very seriously and to provide prompt accurate answers to inquiries related to the Company's public disclosure requirements.

## **Inside Information and Securities Trading**

The Company's directors, officers or employees who have access to material, non-public information are not permitted to use that information for stock trading purposes or for any purpose unrelated to the Company's business. It is also against the law to trade or to "tip" others who might make an investment decision based on inside company information. For example, using non-public information to buy or sell the Company stock, options in the Company stock or the stock of any Company supplier, customer or competitor is prohibited. The consequences of insider trading violations can be severe. These rules also apply to the use of material, nonpublic information about other companies (including, for example, our customers, competitors and potential business partners). In addition to employees, these rules apply to an employee's spouse, children, parents and siblings, as well as any other family members living in the employee's home.

## **Financial Statements and Other Records**

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must both conform to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation.

Records should always be retained or destroyed according to the Company's record retention policies. In accordance with those policies, in the event of litigation or governmental investigation, please consult the board of directors.

## **Improper Influence on Conduct of Audits**

No director or officer, or any other person acting under the direction thereof, shall directly or indirectly take any action to coerce, manipulate, mislead or fraudulently influence any public or certified public accountant engaged in the performance of an audit or review of the financial statements of the Company if that person knows or should know that such action, if successful, could result in rendering the Company's financial statements materially misleading. Any person who believes such improper influence is being exerted should report such action to such person's supervisor, or if that is impractical under the circumstances, to any of our directors.

- Types of conduct that could constitute improper influence include, but are not limited to, directly or indirectly:
- Offering or paying bribes or other financial incentives, including future employment or contracts for non-audit services; Providing an auditor with an inaccurate or misleading legal analysis;
- Threatening to cancel or canceling existing non-audit or audit engagements if the auditor objects to the Company's accounting;
- Seeking to have a partner removed from the audit engagement because the partner objects to the Company's accounting;
- Blackmailing; and
- Making physical threats.

## **Anti-Corruption Laws**

The Company complies with the anti-corruption laws of the countries in which it does business, including the U.S. Foreign Corrupt Practices Act (FCPA). Directors, officers and employees will not directly or indirectly give anything of value to government officials, including employees of state-owned enterprises or political candidates. These requirements apply both to Company employees and agents, such as third party sales representatives, no matter where they are doing business. If you are authorized to engage agents, you are responsible for ensuring they are reputable and for obtaining a written agreement to uphold the Company's standards in this area.

## **REPORTING ILLEGAL OR UNETHICAL BEHAVIOR**

### **Reporting Illegal or Unethical Behavior**

Employees, officers and directors who suspect or know of violations of this Code or illegal or unethical business or workplace conduct by employees, officers or directors have an obligation to contact either their supervisor or superiors. If the individuals to whom such information is conveyed are not responsive, or if there is reason to believe that reporting to such individuals is inappropriate in particular cases, then the employee, officer or director may contact the Chief Executive Officer or the President of the Company. Such communications will be kept confidential to the extent feasible. If the employee is still not satisfied with the response, the employee may contact the chairman of the board of directors or any of the Company's outside directors.

### **Accounting Complaints**

The Company's policy is to comply with all applicable financial reporting and accounting regulations. If any director, officer or employee of the Company has unresolved concerns or complaints regarding questionable accounting or auditing matters of the Company, then he or she is encouraged to submit those concerns or complaints (anonymously, confidentially or otherwise) to the Company's directors. Subject to their legal duties, the directors will treat such submissions confidentially.

### **Non-Retaliation**

The Company prohibits retaliation of any kind against individuals who have made good faith reports or complaints of violations of this Code or other known or suspected illegal or unethical conduct.

### **Amendment, Modification and Waiver**

This code may be amended or modified by the board of directors of the Company. Only the board of directors or a committee of the board of directors with specific delegated authority may grant waivers of this Code of Conduct and Ethics. Waivers will be disclosed to

stockholders as required by the Securities Exchange Act of 1934 and the rules thereunder and the applicable rules of the American Stock Exchange.

## Violations

Violation of this Code of Conduct and Ethics is grounds for disciplinary action up to and including termination of employment. Such action is in addition to any civil or criminal liability which might be imposed by any court or regulatory agency.

## CODE OF ETHICS FOR CHIEF EXECUTIVE OFFICER AND SENIOR FINANCIAL OFFICERS

Attached hereto is the Code of Conduct and Ethics applicable to all directors, officers and employees of the Company. The CEO and all senior financial officers, including the CFO and principal accounting officer, are bound by the provisions set forth therein relating to ethical conduct, conflicts of interest, and compliance with law. In addition to the Code of Conduct and Ethics, the CEO and senior financial officers are subject to the following additional specific policies:

1. Act with honesty and integrity, avoiding actual or apparent conflicts between personal, private interests and the interests of the Company, including receiving improper personal benefits as a result of his or her position.
2. Disclose to the CEO and the Board of Directors of the Company any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest.
3. Perform responsibilities with a view to causing periodic reports and documents filed with or submitted to the SEC and all other public communications made by the Company to contain information that is accurate, complete, fair, objective, relevant, timely and understandable, including full review of all annual and quarterly reports.
4. Comply with laws, rules and regulations of federal, state and local governments applicable to the Company and with the rules and regulations of private and public regulatory agencies having jurisdiction over the Company.
5. Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting or omitting material facts or allowing independent judgment to be compromised or subordinated.
6. Respect the confidentiality of information acquired in the course of performance of his or her responsibilities except when authorized or otherwise legally obligated to disclose any such information; not use confidential information acquired in the course of performing his or her responsibilities for personal advantage.
7. Share knowledge and maintain skills important and relevant to the needs of the Company, its stockholders and other constituencies and the general public.
8. Proactively promote ethical behavior among subordinates and peers in his or her work environment and community.
9. Use and control all corporate assets and resources employed by or entrusted to him or her in a responsible manner.
10. Not use corporate information, corporate assets, corporate opportunities or his or her position with the Company for personal gain; not compete directly or indirectly with the Company.
11. Comply in all respects with the Company's Code of Conduct and Ethics.
12. Advance the Company's legitimate interests when the opportunity arises. The board of directors will investigate any reported violations and will oversee an appropriate response, including corrective action and preventative measures. Any officer who violates this Code will face appropriate, case specific disciplinary action, which may include demotion or discharge.

Any request for a waiver of any provision of this Code must be in writing and addressed to the Chairman of the Board of Directors of the Company. Any waiver of this Code will be disclosed promptly on Form 8-K or any other means approved by the Securities and Exchange Commission.





*2451 N. McMullen Booth Road  
Suite.308  
Clearwater, FL 33759  
855.334.0934 Toll free*

**Consent of Independent Registered Public Accounting Firm**

I consent to the inclusion in the Prospectus, of which this Registration Statement on Form S-1 is a part, of the report dated January 8, 2013 relative to the financial statements of Halex Energy Corporation as of December 31, 2011 and for the period January 20, 2011 (date of inception) through December 31, 2011.

I also consent to the reference to my firm under the caption "Experts" in such Registration Statement.

/s/ Peter Messineo, CPA

DKM Certified Public Accountants

Clearwater, Florida

January 8, 2013



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