GREEN ENVIROTECH HOLDINGS CORP.
Form 10-Q
April 25, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

[x] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2011

or

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

For the transition period from ___________________ to ___________________________

Commission file number: 000-54395

GREEN ENVIROTECH HOLDINGS CORP.
(Exact name of registrant as specified in its charter)

DELAWARE	32-0218005
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

PO Box 692 5300 Claus Road

Riverbank, CA	95367
(Address of principal executive offices)	(Zip Code)

(209) 863-9000
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [ ] No [x]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes [ ] No [x]

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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ]	
	Smaller reporting company [x]
(Do not check if smaller reporting company)	

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)

Yes [ ] No [x]

Indicated the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date; 190,623,314 shares of common stock are issued and outstanding as of April 16, 2012.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Statements in this quarterly report on Form 10-Q may be “forward-looking statements.” Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors, including those described above and those risks discussed from time to time in this quarterly report on Form 10-Q, including the risks described under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this quarterly report on Form 10-Q and in other documents which we file with the Securities and Exchange Commission. In addition, such statements could be affected by risks and uncertainties related to our ability to raise any financing which we may require for our operations, competition, government regulations and requirements, pricing and development difficulties, our ability to make acquisitions and successfully integrate those acquisitions with our business, as well as general industry and market conditions and growth rates, and general economic conditions. Any forward-looking statements speak only as of the date on which they are made, and, except as may be required under applicable securities laws, we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this quarterly report on Form 10-Q.

PART 1. - FINANCIAL INFORMATION

Item 1. Financial Statements.

GREEN ENVIROTECH HOLDINGS CORP.
(FORMERLY WOLFE CREEK MINING, INC.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN US$)

	(Unaudited) September 30, 2011	December 31, 2010
ASSETS		
CURRENT ASSETS		
Cash	$1,330	$26,184
Inventory	15,496	15,496
Other current assets	27,500	5,000
Total current assets	44,326	46,680
Fixed Assets		
Plant Equipment	125,000	120,000
Construction in progress	113,929	113,929
	238,929	233,929
Other Assets:		
Deposits	261,390	263,990
	261,390	263,990
TOTAL ASSETS	$544,645	$544,599
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$1,274,072	$528,914
Secured debentures payable	380,000	330,000
Loan payable - other	1,028,252	372,500
Derivative liability	107,507	-
Loan payable - related party	303,996	304,696
Total current liabilities	3,093,827	1,536,110

TOTAL LIABILITIES	3,093,827	1,536,110
STOCKHOLDERS' EQUITY (DEFICIT)		
Preferred stock, $0.001 par value, 25,000,000 shares authorized,		
0 shares issued and outstanding	-	-
Common stock, $0.001 par value, 250,000,000 shares authorized,		
69,843,313 and 63,516,758 shares issued and outstanding	69,843	63,517
(4,790,081 shares are held in reserve but are in issued and outstanding)		
Additional paid in capital	3,620,939	3,130,753
Additional paid in capital - warrants	410,635	-
Deficit accumulated during the development stage	(6,650,599)	(4,185,781)
Total stockholders' equity (deficit)	(2,549,182)	(991,511)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$544,645	$544,599

The accompanying notes are an integral part of these condensed consolidated financial statements

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GREEN ENVIROTECH HOLDINGS CORP.
(FORMERLY WOLFE CREEK MINING, INC.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (UNAUDITED)
FOR THE NINE AND THREE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010

	IN US$				
	NINE MONTHS SEPTEMBER 30, 2011	NINE MONTHS SEPTEMBER 30, 2010	THREE MONTHS SEPTEMBER 30, 2011	THREE MONTHS SEPTEMBER 30, 2010	OCTOBER 6, 2008 (INCEPTION) THROUGH SEPTEMBER 30, 2011
REVENUE	$1,950	$-	$-	$-	$1,950
COST OF REVENUES	12,835	-	750	-	18,137
GROSS PROFIT	(10,885)	-	(750)	-	(16,187)
OPERATING EXPENSES					
Wages and professional fees	791,899	1,010,458	87,903	290,176	2,050,623
Professional fees - common stock issued and warrants issued	341,632	2,130,000	-	-	2,527,649
General and administrative	300,198	259,038	19,888	153,529	753,838
Total operating expenses	1,433,729	3,399,495	107,791	443,705	5,332,110
NON-OPERATING EXPENSES					
Amortization of debt discount	362,423	-	260,166		362,423
Interest expense	252,901	22,834	76,817	10,142	306,797
Total non-operating expenses	615,324	22,834	336,983	10,142	669,220
NET (LOSS) FROM OPERATIONS	(2,059,938)	(3,422,329)	(445,524)	(453,847)	(6,017,517)
DISCONTINUED OPERATIONS:					
Gain on disposal of discontined operations	(429,066)	-	-	-	(429,066)
	24,186	-	-	-	24,186

Income from discontined operations					
Total loss from discontinued operations	(404,880)	-	-	-	(404,880)
NET (LOSS)	$(2,464,818)	$(3,422,329)	$(445,524)	$(453,847)	$(6,422,397)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	66,874,053	61,753,139	70,610,822	60,856,900	61,771,788
NET (LOSS) PER SHARE	$(0.03)	$(0.06)	$(0.01)	$(0.01)	$(0.10)

The accompanying notes are an integral part of these condensed consolidated financial statements

GREEN ENVIROTECH HOLDINGS CORP.
(FORMERLY WOLFE CREEK MINING, INC.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010
FOR THE PERIOD OCTOBER 6, 2008 (INCEPTION) THROUGH SEPTEMBER 30, 2011

IN US$	Unaudited NINE MONTHS ENDED September 30, 2011	Unaudited NINE MONTHS ENDED September 30, 2010	(Unaudited) OCTOBER 6, 2008 (INCEPTION) THROUGH September 30, 2011
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (loss)	$(2,464,818)	$(3,422,329)	$(6,422,397)
Adjustments to reconcile net (loss) to net cash used in operating activities:			
Common stock issued for services, net of cancelations, including shares issued for loss on disposal of discontinued operations ($104,880)	484,512	2,130,000	2,670,529
Warrants issued as loan fees to brokers	287,515	-	287,515
Amortization of debt discount	123,120	-	123,120
Fair value change in derivative liability	107,507	-	107,507
Loss on disposal of discontined operations	324,186		324,186
Income from discontined operations	(24,186)		(24,186)
Change in assets and liabilities			
(Increase) in inventory	-	-	(15,496)
(Increase) in deposits and other current assets	(19,900)	(16,458)	(288,890)
Increase in accounts payable and accrued expenses	707,160	554,970	1,238,186
Total adjustments	1,989,914	2,668,512	4,422,471
Net cash (used in) operating activities	(474,904)	(753,817)	(1,999,926)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Expenditures related to purchase of equipment for Riverbank Plant			(120,000)
Expenditures related to construction of building	(5,000)	(53,856)	(118,929)
Net cash (used in) investing activities	(5,000)	(53,856)	(238,929)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of stock for cash	50,000	-	80,000
Cash paid for acquisition of Magic Bright	(300,000)	-	(300,000)

Proceeds received from loan payable - related party	23,800	710,033	1,228,856
Payments on loan payable - related party	(24,500)		(170,483)
Proceeds received from loan payable - other	728,250	420,000	1,734,312
Payments on loan payable - other	(72,500)	(310,000)	(382,500)
Proceeds received from secured debentures	50,000	-	50,000
Net cash provided by financing activities	455,050	820,033	2,240,185
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(24,854)	12,360	1,330
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	26,184	23	-
CASH AND CASH EQUIVALENTS - END OF PERIOD	$1,330	$12,383	$1,330
SUPPLEMENTAL CASH FLOW INFORMATION:			
Cash paid during the period for:			
Interest	$214,901	$10,142	$254,927
NON-CASH SUPPLEMENTAL INFORMATION:			
Stock and liability for stock to be issued for services and interest	$484,512	$2,130,000	$2,670,529
Warrants issued as loan fees to brokers	$287,515	$-	$543,952
Payment of common shares by third party	$-	$-	$-
Conversion of loans payable for common stock	$-	$1,006,488	$1,006,488
Acquisition of Magic Bright for cash, debt and stock:			
Acquired assets and liabilities:			
Cash	$54,378	$-	$54,378
Accounts receivable	367,038	-	367,038
Inventory	1,293,118	-	1,293,118
Prepaid expenses and other current assets	378,504	-	378,504
Fixed assets	1,739,560	-	1,739,560
Goodwill	5,148,377	-	5,148,377
Accounts payable and accrued expenses	(1,410,137)	-	(1,410,137)
Deferred tax liability	(13,923)	-	(13,923)
Long-term debt	(1,452,035)	-	(1,452,035)
	$6,104,880	$-	$6,104,880
Consideration for acquisition:			
Loan payable - acquisition	$700,000	$-	$700,000
Preferred stock	5,000,000	-	5,000,000
Common stock	104,880	-	104,880
	$5,804,880	-	$5,804,880
Cash paid for acquisition of Magic Bright\	$300,000	$-	$300,000

The accompanying notes are an integral part of these condensed consolidated financial statements

NOTE 1- ORGANIZATION AND BASIS OF PRESENTATION

The unaudited financial statements included herein have been prepared, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The financial statements and notes are presented as permitted on Form 10-Q and do not contain information included in the Company's annual statements and notes. Certain information and footnote disclosure normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these financial statements be read in conjunction with the December 31, 2010 Form 10-K filed with the SEC, including the audited financial statements and the accompanying notes thereto. While management believes the procedures followed in preparing these financial statements are reasonable, the accuracy of the amounts are in some respects dependent upon the facts that will exist, and procedures that will be accomplished by the Company later in the year.

These unaudited condensed consolidated financial statements reflect all adjustments, including normal recurring adjustments which, in the opinion of management, are necessary to present fairly the operations and cash flows for the periods presented.

Green EnviroTech Holdings Corp. (the "Company") was incorporated on June 26, 2007 under the name Wolfe Creek Mining, Inc. under the laws of the State of Delaware. The Company up until November 20, 2009 was primarily engaged in the acquisition and exploration of mining properties.

On November 20, 2009, the Company, entered into an Agreement and Plan of Merger (the "Merger Agreement") with Green EnviroTech Acquisition Corp., a Nevada corporation and wholly-owned subsidiary of the Company ("Subsidiary") and Green EnviroTech Corp., a Nevada corporation ("Green EnviroTech").

On October 6, 2008, Green EnviroTech (formerly EnviroPlastics Corp) was incorporated in the State of Nevada.

On August 18, 2011, the Company authorized that the Company's wholly-owned subsidiary, Green EnviroTech Corp., a Nevada Corporation, shall be dissolved effective October 1, 2011 and all its assets and liabilities be assigned to its parent Green EnviroTech Holdings Corp.

The Company is a plastics recovery, separation, cleaning, and recycling company, with the intent to supply recycled commercial plastics to industries such as the automotive and consumer products industries, and it plans to construct large-scale plastics recycling facilities near automotive shredder locations nationwide. Operating in conjunction with large national recycling partners, the Company using a patent pending process developed in conjunction with Thar Process, Inc. will produce recycled commercial grade plastics ready to be re-introduced into commerce. Additionally, the Company will convert waste and scrap plastic into high-value energy products, including crude oil.

Pursuant to the Merger Agreement, on November 20, 2009 (the "Closing Date"), the Subsidiary merged with and into Green EnviroTech resulting in Green EnviroTech becoming a wholly-owned subsidiary of the Company (the "Merger"). As a result of the Merger, the Company issued 45,000,000 shares of its common stock (the "Acquisition Shares") to the shareholders of Green EnviroTech, representing 75% of the issued and outstanding common stock following the closing of the Merger. The outstanding shares of Green EnviroTech were cancelled.

In October 2009, Kristen Paul, the owner of 44,999,895 shares of the Company's common stock sold her shares to Green EnviroTech Corp. These shares were cancelled. With the cancellation of those shares, Kristen Paul resigned as the sole officer and director and was replaced by former officers of Green EnviroTech.

The transaction was recorded as a reverse merger, and the historical financial information is that of Green EnviroTech Corp.

On December 12, 2009, Green EnviroTech entered into an (i) equipment purchase and installation agreement (the “Purchase Agreement”) with Agilyx (formally Plas2Fuel) Corporation (“Agilyx (formally Plas2Fuel)”), (ii) oil marketing and distribution agreement with Agilyx (formally Plas2Fuel) (the “Oil Marketing Agreement”), and (iii) license agreement with Agilyx (formally Plas2Fuel) (the “License Agreement”). Plas2Fuel Corporation changed its name to Agilyx Corporation effective June 8, 2010.

NOTE 1- ORGANIZATION AND BASIS OF PRESENTATION (CONTINUED)

All agreements and contracts negotiated as Plas2Fuel Corporation are still in full force and will be honored by Agilyx Corporation.

Pursuant to the Purchase Agreement, Green EnviroTech agreed to purchase, and Agilyx (formally Plas2Fuel) agreed to sell and install, a twelve vessel waste plastic to oil recycling system (the “System”), for a purchase price of $5,595,645. Green EnviroTech agreed to pay the purchase price over five installments. On December 31, 2009, Agilyx (formally Plas2Fuel) issued a waiver to Green EnviroTech leaving it to the discretion of Green EnviroTech to implement the first installment due date before the equipment would be shipped. As of September 30, 2011, the first installment date had not been determined.

Pursuant to the Oil Marketing Agreement, Green EnviroTech agreed to provide to Agilyx (formally Plas2Fuel), on an exclusive basis, the crude oil generated by the System, meeting the specifications set forth in the Oil Marketing Agreement, and Agilyx (formally Plas2Fuel) agreed to broker the oil for sale to third parties, for a commission of 10%. The Oil Marketing Agreement has a term of five years commencing on December 12, 2009, which will renew automatically for successive one year terms unless either party provides written notice at least 90 days prior to such renewal.

Pursuant to the License Agreement, Agilyx (formally Plas2Fuel) agreed to grant Green EnviroTech a limited license to use Agilyx (formally Plas2Fuel)’s proprietary technology and information in connection with operation of the System at Green EnviroTech’s facilities, for a license fee of 10% of Net Oil Revenue. On May 18, 2010, the License Agreement was amended to give Green EnviroTech an exclusive provisional right to the Auto Shredder Residue (“ASR”) market within North America. The right expires on January 1, 2021. Agilyx (formally Plas2Fuel) excluded producers they are servicing on Exhibit A which indicated “none”. The exclusive right is contingent upon the Company purchasing from Agilyx (formally Plas2Fuel) and paying in full for Plastic Reclamation Units on a prearranged schedule as follows:

a) Twelve (12) Plastic Reclamation Units (“***PRU’s***”) between January 1, 2010 and December 31, 2010; (As of September 30, 2011, no units had been ordered. Even though no units have been ordered as set forth in the agreement, Agilyx still recognizes the Company as having exclusive rights with no liability to Agilyx until the first order. It has not been determined when the Company expects to place the first order.

b) Twenty (20) PRU’s between January 1, 2011 and December 31, 2011; and

c) Forty (40) PRU’s between January 1, 2012 and December 31, 2012; and

d) Forty (40) PRU’s between January 1, 2013 and December 31, 2013; and

e) Forty (40) PRU’s between January 1, 2014 and December 31, 2014; and

f) Forty (40) PRU’s between January 1, 2015 and December 31, 2015; and

g) Forty (40) PRU’s between January 1, 2016 and December 31, 2016; and

h) Forty (40) PRU's between January 1, 2017 and December 31, 2017; and

i) Forty (40) PRU's between January 1, 2018 and December 31, 2018; and

j) Forty (40) PRU's between January 1, 2019 and December 31, 2019; and

k) Forty (40) PRU's between January 1, 2020 and December 31, 2020.

On December 4, 2009, the Company formed Green EnviroTech Wisconsin, Inc., ("GET WISC") a Wisconsin Corporation in anticipation of opening a plant in Wisconsin.

On August 9, 2010, the Company formed Green EnviroTech Riverbank, Inc., ("GETRB") a California Corporation in anticipation of opening a plant in Riverbank, CA. Procedures toward development of the plant and acquisition of equipment are presently undetermined. GETRB was dissolved at midnight December 31, 2011. (See Note 15)

On March 30, 2011, the Company acquired Magic Bright Limited ("Magic Bright"), a Hong Kong Corporation. Magic Bright is a plastics brokerage company brokering waste plastic in Europe and Asia.

NOTE 1- ORGANIZATION AND BASIS OF PRESENTATION (CONTINUED)

During the quarter ended June 30, 2011, and thereafter, the Company was unable to receive from Magic Bright their financial records and support for the transactions as a result of the failure to make the first required note payment. The parties mutually agreed that due to the failure of the Company to be properly funded and make the required note payments as stipulated in the purchase agreement, that effective April 1, 2011, the agreement would be terminated.

As a result of this termination, the Company returned the stock of Magic Bright to the original shareholders, and Magic Bright shareholders forgave the remaining $700,000 owed by the Company as consideration for the acquisition and returned to the Company, the 1,000,000 shares of convertible preferred stock that were issued in the agreement. The Company agreed that the initial $300,000 paid by the Company as cash consideration for the acquisition would be retained by the sellers and agreed to let the Magic Bright shareholders keep the 184,000 shares of common stock issued to them on March 31, 2011. (See Notes 12 and 14).

On April 22, 2011, the Company entered into an agreement with Mosaic Capital LLC ("Mosaic") wherein Mosaic will act as the Company's financial advisor and will assist the Company with providing growth capital for the Company. Mosaic will also assist with raising growth capital for the Company overall in the range of up to $15,000,000. The term of the agreement is until the satisfaction of the funding or until 30-day written notice of termination by either party. Mosaic is to receive a $20,000 cash retainer and $30,000 in warrants. (See Note 3)

Effective July 1, 2009, the Company adopted the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 105-10, Generally Accepted Accounting Principles – Overall ("ASC 105-10"). ASC 105-10 establishes the FASB Accounting Standards Codification (the "Codification") as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative U.S. GAAP for SEC registrants. All guidance contained in the Codification carries an equal level of authority. The Codification superseded all existing non-SEC accounting and reporting standards. All other non-grandfathered, non-SEC accounting literature not included in the Codification is non-authoritative. The FASB will not issue new standards in the form of Statements, FASB Positions or Emerging Issue Task Force Abstracts. Instead, it will issue Accounting Standards Updates ("ASUs"). The FASB will not consider ASUs as authoritative in their own right. ASUs will serve only to update the Codification, provide background information about the guidance and provide the bases for conclusions on the change(s) in the Codification. References made to FASB guidance throughout this document have been updated for the Codification.

Going Concern

These condensed consolidated financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company acquired Magic Bright Limited ("Magic Bright"), a Hong Kong Corporation, on March 30, 2011. Magic Bright is a plastics brokerage company brokering waste plastic in Europe and Asia.

The Company and the shareholders of Magic Bright determined that, as a result of the failure by the Company to pay $700,000 of the aggregate $1,000,000 of cash consideration payable by the Company for the acquisition, the Company was unable to obtain requisite financial statements for Magic Bright, and the purchase agreement for the acquisition would be terminated effective April 1, 2011. (See Note 14)

The Company has not generated revenues since inception and has generated losses totaling $6,307,607 for the period October 6, 2008 (Inception) through September 30, 2011 and needs to raise additional funds to carry out their business plan.

The Company has raised net debt financing of $1,028,252 from non-related third parties through September 30, 2011and $303,996 from the Company's CEO through September 30, 2011. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders and the ability of the Company to obtain necessary equity financing to continue and expand operations.

NOTE 1- ORGANIZATION AND BASIS OF PRESENTATION (CONTINUED)

Going Concern (Continued)

The Company has had very little operating history to date. These condensed consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. These factors raise substantial doubt regarding the ability of the Company to continue as a going concern.

Besides generating revenues from proposed operations, the Company may need to raise additional funds to expand operations to the point at which the Company can achieve profitability. The terms of new debt or equity that may be raised may not be on terms acceptable by the Company. If adequate funds cannot be raised outside of the Company, the Company's officers and directors may need to contribute additional funds to sustain operations.

In February of 2011, the Company retained the services of the Strategic Tactical Asset Trading LLC. to handle its investor relations program and to communicate the Company's business and growth strategy to the investment community.

The Company entered into a twelve (12) month agreement with AME Holdings Group, LLC (Consultant) on March 3, 2011 wherein Consultant will provide consulting services designed to assist Company in growing its business through mergers, acquisitions, debt financing, structured finance, strategic capital assistance and/or other legal means.

On July 9, 2011, the Company signed a Letter of Intent with Ebbros I Investment Group, LLC ("Ebbros") wherein the Company and Ebbros would explore the major terms for the development of a recycling facility in Mississippi and in Kansas to convert disposable tires and plastic into crude oil. Ebbros would develop the facilities by providing the building and equipment according to Company specifications. The Company would lease, with a purchase option, the building and equipment from Ebbros. Ebbros would also purchase the crude oil produced at the facilities. This joint development would assist the Company in the generation of revenue.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Development Stage Company

The Company is considered to be in the development stage as defined in ASC 915, "*Accounting and Reporting by Development Stage Enterprises*". The Company has devoted substantially all of its efforts to the corporate formation and the raising of capital.

Use of Estimates

The preparation of condensed consolidated 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 disclosures of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Comprehensive Income (Loss)

The Company adopted ASC 220-10, "Reporting Comprehensive Income." ASC 220-10 requires the reporting of comprehensive income in addition to net income from operations.

Comprehensive income is a more inclusive financial reporting methodology that includes disclosure of information that historically has not been recognized in the calculation of net income.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments and other short-term investments with maturity of three months or less, when purchased, to be cash equivalents.

The Company maintains cash and cash equivalent balances at one financial institution that is insured by the Federal Deposit Insurance Corporation.

Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Costs of maintenance and repairs will be charged to expense as incurred. The Company through September 30, 2011, incurred some engineering and design costs on a facility they are planning to build or purchase to refurbish. All of these costs are non-depreciable until the facility is in service.

Recoverability of Long-Lived Assets

The Company reviews long-lived assets on a periodic basis whenever events and changes in circumstances have occurred which may indicate a possible impairment. The assessment for potential impairment will be based primarily on the Company's ability to recover the carrying value of its long-lived assets from expected future cash flows from its operations on an undiscounted basis.

If such assets are determined to be impaired, the impairment recognized is the amount by which the carrying value of the assets exceeds the fair value of the assets. Fixed assets to be disposed of by sale will be carried at the lower of the then current carrying value or fair value less estimated costs to sell.

Fair Value of Financial Instruments

The carrying amount reported in the condensed consolidated balance sheets for cash and cash equivalents, accounts payable, and accrued expenses approximate fair value because of the immediate or short-term maturity of these financial instruments.

Income Taxes

The Company accounts for income taxes utilizing the liability method of accounting. Under the liability method, deferred taxes are determined based on differences between financial statement and tax bases of assets and liabilities at enacted tax rates in effect in years in which differences are expected to reverse. Valuation allowances are established, when necessary, to reduce deferred tax assets to amounts that are expected to be realized.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The Company will generate revenue from sales as follows:

1) Persuasive evidence of an arrangement exists;

2) Delivery has occurred or services have been rendered;

3) The seller's price to the buyer is fixed or determinable, and

4) Collectable is reasonably assured.

The Company anticipates that the plastics that are recovered will be their main source of revenue, with the automotive parts manufacturers being the primary market. However, the use of the Company's recycled materials is not limited to just automotive parts, therefore the Company will market numerous other industries both domestically and internationally.

In addition, the Company believes that they will generate revenue from joint ventures with companies in the waste oil and waste plastics recycling businesses, including royalties generated by the sale of crude oil products developed by the joint venture partners.

(Loss) Per Share of Common Stock

Basic net loss per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share (EPS) include additional dilution from common stock equivalents, such as stock issuable pursuant to the exercise of stock options and warrants. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti-dilutive for periods presented. The following is a reconciliation of the computation for basic and diluted EPS:

	September 30, 2011	September 30, 2010
Net loss	$(2,464,818)	$(3,422,329)

Weighted-average common shares outstanding (Basic)	66,874,053	61,753,139
Weighted-average common stock Equivalents		
Stock options	-	-
Warrants	1,851,857	-
Weighted-average common shares outstanding (Diluted)	68,725,910	61,753,139

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NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory

Inventory is valued at the lower of cost (on a first-in, first-out (FIFO) basis) or market. Inventory of $15,496 as of September 30, 2011 consists of the plastic raw materials that are awaiting conversion. This material is located at Green EnviroTech Riverbank, Inc. (GETRB). GETRB inventory has been accumulated in anticipation of opening the Riverbank facility. There has been no reserve for obsolescence of inventory and inventory is only removed upon use. The Company includes in its Cost of Revenues its costs of materials as well as other direct costs in the delivery of its materials to the warehouse and products to its customers as well as freight and other costs. When the Company commences the conversion process they will also include the work in process inventory and finished goods in its inventory. This inventory was sold on December 28, 2011. (See Note 15)

Goodwill and Other Intangible Assets

Impairment of Excess Purchase Price over Net Assets Acquired (Goodwill and Other Long-Term Assets) – The Company determines impairment by comparing the fair value of the goodwill, using the undiscounted cash flow method, with the carrying amount of that goodwill. The Company recognized goodwill in the amount of $5,148,377 as a result of the Magic Bright Limited acquisition on March 30, 2011. ASC 350 requires that goodwill and intangible assets with indefinite useful lives no longer be amortized, but instead be tested for impairment at least annually in accordance with ASC 350.

ASC 350 also requires that intangible assets with finite useful lives be amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment in accordance with ASC 360, "Accounting for the Impairment or Disposal of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." The Company's assessment for impairment of assets involves estimating the undiscounted cash flows expected to result from use of the asset and its eventual disposition. An impairment loss recognized is measured as the amount by which the carrying amount of the asset exceeds the fair value of the asset, and considers year-end the date for its annual impairment testing, unless information during the year becomes available that requires an earlier evaluation of impairment testing.

The goodwill that was recorded was offset by the return of the preferred shares and forgiveness of the remaining $700,000 note payable when the contract with Magic Bright was canceled effective April 1, 2011 when the Company disposed of this subsidiary. As a result, no goodwill remains as of September 30, 2011.

Uncertainty in Income Taxes

The Company follows ASC 740-10, "Accounting for Uncertainty in Income Taxes" ("ASC 740-10"). This interpretation requires recognition and measurement of uncertain income tax positions using a "more-likely-than-not" approach. ASC 740-10 is effective for fiscal years beginning after December 15, 2006. Management has adopted ASC 740-10 for 2007, and they evaluate their tax positions on an annual basis, and have determined that as of September 30, 2011, no additional accrual for income taxes is necessary.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Issued Accounting Standards

In May 2011, FASB issued Accounting Standards Update (ASU) No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*. FASB ASU 2011-04 amends and clarifies the measurement and disclosure requirements of FASB ASC 820 resulting in common requirements for measuring fair value and for disclosing information about fair value measurements, clarification of how to apply existing fair value measurement and disclosure requirements, and changes to certain principles and requirements for measuring fair value and disclosing information about fair value measurements. The new requirements are effective for fiscal years beginning after December 15, 2011. The Company plans to adopt this amended guidance on October 1, 2012 and at this time does not anticipate that

it will have a material impact on the Company's results of operations, cash flows or financial position.

In June 2011, FASB issued ASU No. 2011-05, *Presentation of Comprehensive Income*, which amends the disclosure and presentation requirements of Comprehensive Income. Specifically, FASB ASU No. 2011-05 requires that all nonowner changes in stockholders' equity be presented either in 1) a single continuous statement of comprehensive income or 2) two separate but consecutive statements, in which the first statement presents total net income and its components, and the second statement presents total other comprehensive income and its components. These new presentation requirements, as currently set forth, are effective for the Company beginning October 1, 2012, with early adoption permitted. The Company plans to adopt this amended guidance on October 1, 2012 and at this time does not anticipate that it will have a material impact on the Company's results of operations, cash flows or financial position.

In September 2011, FASB issued ASU 2011-08, *Testing Goodwill for Impairment*, which amended goodwill impairment guidance to provide an option for entities to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. After assessing the totality of events and circumstances, if an entity determines that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, performance of the two-step impairment test is no longer required. This guidance is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011, with early adoption permitted. Adoption of this guidance is not expected to have any impact on the Company's results of operations, cash flows or financial position.

There were other updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to have a material impact on the Company's financial position, results of operations or cash flows.

NOTE 3- STOCKHOLDERS' EQUITY (DEFICIT)

Preferred Stock

The Company has 25,000,000 preferred shares of $0.001 par value stock authorized. The Company had not issued preferred stock until March 30, 2011 when they issued 1,000,000 shares of preferred stock to the shareholders of Magic Bright to complete the Magic Bright acquisition. The parties agreed effective April 1, 2011 to cancel the agreement. As a result of the cancelation, Magic Bright has returned the shares of stock issued in the transaction. (See Note 14). As of September 30, 2011, there are no shares of preferred stock issued and outstanding.

Common Stock

The Company was established with two classes of stock, common stock – 250,000,000 shares authorized at a par value of $0.001; and preferred stock – 25,000,000 shares authorized at a par value of $0.001. On June 28, 2010, the Company amended its certificate of incorporation to effect an increase in its authorized common shares from 75,000,000 to 250,000,000.

NOTE 3- STOCKHOLDERS' EQUITY (DEFICIT) (CONTINUED)

Common Stock (Continued)

On October 17, 2007, the Company issued 44,999,895 shares of common stock to one director for cash in the amount of $0.000334 per share for a total of $15,000.

On July 17, 2008, the Company sold 15,000,000 shares of common stock to a group of 26 investors for cash in the amount of $0.001667 per share for a total of $25,000 pursuant to a registration statement on Form S-1 which became effective on April 8, 2008.

In October 2009, Kristen Paul, the owner of 44,999,895 shares of the Company's common stock sold her shares to Green EnviroTech Corp. These shares were cancelled. With the cancellation of those shares, Kristen Paul resigned as the sole officer and director and was replaced by former officers of Green EnviroTech.

Pursuant to the Merger Agreement, on November 20, 2009 (the "Closing Date"), the Subsidiary merged with and into Green EnviroTech resulting in Green EnviroTech becoming a wholly-owned subsidiary of the Company (the "Merger"). As a result of the Merger, the Company issued 44,999,895 shares of its common stock (the "Acquisition Shares") to the shareholders of Green EnviroTech, representing 75% of the issued and outstanding common stock following the closing of the Merger. The outstanding shares of Green EnviroTech were cancelled.

On March 11, 2010, the Company effected a fifteen to 1 forward stock split in the form of a stock dividend. The shares and per share amounts included herein have been reflected retroactive to the stock split.

During the year ended December 31, 2010, the Company issued 2,600,000 shares of common stock with a fair value of $2,195,000 (between $0.65 and $1.00 per share). In addition, the Company issued 1,006,488 shares of common stock to convert loans payable that were outstanding to a related party (754,377) and to a non-related party (252,111). These shares were converted at $1.00 which was the fair value of the stock at the date of conversion. The Company also canceled 89,625 shares of common stock valued at $67,218 to a consultant for services not performed, as the certificate was returned.

During the three months ended March 31, 2011, the Company issued 131,250 shares of common stock with a fair value of $98,750 (100,000 shares valued at $.80 and 31,250 shares valued at $.60) for professional services. The Company also issued 184,000 shares of common stock with a fair value of $104,880 (valued at $.57 per share) to employees of Magic Bright Limited as a condition for the acquisition of Magic Bright.

During the three months ended June 30, 2011, the Company issued 597,250 shares of common stock with a fair value of $108,495 (250,000 shares valued at $.18 per share, 70,000 shares valued at $.15 per share, 177,250 shares valued at $.22 per share and 100,000 shares valued at $.14 per share) for professional services. The Company issued an additional 290,641 shares of common stock issued to Centurion Private Equity LLC for fees in connection with a funding agreement which is further explained in Note 13. (248,591 shares valued at $.50 per share and 42,050 shares valued at $.24 per share). The Company issued an additional 333,333 shares of common stock issued at a price of $.15 per share for working capital. The $50,000 from these common shares was used to reduce the note balance owed to HE Capital S.A. The Company issued an additional 4,790,081 shares of common stock placed into reserve as part of the agreement with Asher Enterprises Inc. concerning their notes which are further explained in Note 5. (These shares were valued at par value $.001 while in reserve)

During the three months ended September 30, 2011, the Company did not issue any shares of common stock.

As of September 30, 2011, there were 69,843,313 shares of common stock issued and outstanding.

NOTE 3- STOCKHOLDERS' EQUITY (DEFICIT) (CONTINUED)

Warrants

On January 24, 2011, the Company issued 190,000 warrants to the investors who subscribed to the Secured Debenture financing. These warrants are five-year warrants to purchase an aggregate of 190,000 shares of common stock at an exercise price of $0.40 per share, which may be exercised on a cashless basis.

The value of these warrants was $123,120 at inception which represents the debt discount on the Secured Debentures issued on January 24, 2011. The debt discount will be amortized over the life of the debt which was six months. On July 21, 2011, the debt was extended an additional six months to a new due date of January 24, 2012. The investors received a total 380,000 shares of common on December 7, 2011 for agreeing to the extension. The extension and modification to the Secured Debentures, did not constitute a material modification under ASC 470-50, and thus the Company recorded the shares as additional expense with a liability to issue these shares. On February 2, 2012, this due date was extended to September 24, 2012. (See Note 6 & Note 15)

In addition, the Company issued 19,000 five-year warrants to the brokers as commission on the Secured Debenture transaction. These warrants carry the same term as the investor warrants. The value of the warrants was $18,242 and was reflected as loan fees in statement of operations for the nine months ended September 30, 2011.

On April 22, 2011, the Company entered into an Agreement with Mosaic Capital LLC wherein Mosaic will act as the Company's financial advisor. Contained in Mosaic's compensation package is a $30,000 fee payable in cashless warrants. Mosaic is to receive 142,857 warrants convertible into one (1) share of the Company's common stock within five years from the date of the Agreement. These warrants were valued at $0.21 per share which was the value of the Company's common share on the date of execution of the Agreement. These warrants were issued on August 1, 2011. Please refer to Note 1 for more on the Mosaic Capital LLC Agreement.

On May 25, 2011, the Company issued to the CFO 1,500,000 common stock purchase warrants, exercisable on a cashless basis for three years at an exercise price of $0.01 per share. These warrants are restricted for six months from the date of issuance. The warrants

were issued in consideration for deferring salary and as a discretionary bonus for 2009 and 2010. The value of these warrants was $239,303 at inception and this amount will be amortized over the exercise term of three years.

The Following is a breakdown of the warrants:

Warrants	Exercise Price	Date Issued	Term
190,000	$0.40	1/24/2011	5 Years

19,000	$0.00	1/24/2011	5 Years
1,500,000	$0.01	5/25/2011	3 Years
142,857	$0.01	8/1/2011	5 Years
1,851,857			

NOTE 4- LOAN PAYABLE – RELATED PARTY

The Company had an unsecured, loan payable in the form of a line of credit with their CEO. The CEO had provided a line of credit up to $200,000 at 4% interest per annum to the Company to cover various expenses and working capital infusions until the Company can be funded. This loan was extended from the original due date of December 31, 2009 to December 31, 2010 and the amount was increased from $200,000 to $1,000,000.

This loan has been extended again to December 31, 2011. The CEO has advanced $1,224,856 from inception through September 30, 2011 and the Company repaid $924,859 of these advances. The Company converted $754,377 of these advances into shares of common stock on May 11, 2010 at a $1 per share.

The remaining principal under this loan due as of September 30, 2011 is $303,996. $24,702 of interest is accrued on the loan at September 30, 2011. The CEO converted $200,000 of this note in exchange for 40,000,000 common shares of the company on December 1, 2011.

NOTE 5- LOAN PAYABLE – OTHER

The Company received $215,000 on March 31, 2010 and an additional $35,000 on April 9, 2010 from HE Capital, SA as a loan. These notes accrue interest at 8% annually. The Company accrued interest of $2,111 on the loans through May 11, 2010. These amounts were converted into shares of common stock at a $1 per share.

On August 6, 2010, HE Capital, S.A. loaned the Company $100,000 and loaned the Company an additional $50,000 on September 13, 2010. These loans are for one year and have an annual interest rate of 8%. The loans were used for operations of the Company during its development stage.

On October 13, 2010, HE Capital, S.A. loaned the Company $22,500. This loan is for one year and has an annual 8% interest rate. This loan was used to pay fees in connection with the equipment lease signed with Naranza Capital Partners LLC.

On December 3, 2010, HE Capital S.A. loaned the Company $170,000. This loan is for one year and has an annual 8% interest rate. This loan was used to pay the first and last lease payments on the Naranza Capital Partners LLC equipment lease (see Note 10).

On December 3, 2010, HE Capital S.A. loaned the Company $20,000. This loan is for one year and has an annual 8% interest rate. This loan was used to pay additional fees on the Naranza Capital Partners LLC equipment lease (see Note 11). An addendum was agreed to by the Company and HE Capital on February 10, 2011 to increase this loan amount to an incremental amount not to exceed $500,000. The balance of this loan amount at September 30, 2011 was

$480,750. $300,000 of this amount was the cash payment needed in the closing of the Magic Bright Limited acquisition on March 30, 2011 (see Note 7). The remainder of $180,750 was used in the Company for working capital.

On May 25, 2011, the Company reduced its debt to HE Capital S.A. by paying $50,000 in cash received from the sale of 333,333 shares of Common Stock of the Company.

The total balance of notes outstanding with HE Capital at September 30, 2011 is $823,250. Interest incurred for the nine months ended September 30, 2011 and 2010 was $39,148 and $1,444, and interest accrued through September 30, 2011 on these HE Capital notes is $48,433. On December 1, 2011 $65,000 of these notes was converted into shares of common stock of the Company. (See Note 15)

The Company also entered into a loan payable with an individual in the amount of $20,000 at 10% due on demand. The Company repaid $10,000 of this note on August 10, 2010. The Company also repaid $2,500 of this note on April 13, 2011. As of September 30, 2011 the loan has an outstanding balance of $7,500 and accrued interest in the amount of $1,935.

NOTE 5- LOAN PAYABLE – OTHER (CONTINUED)

On March 31, 2011, the Company signed a Promissory Note in the amount of $50,000 from JDS Squared. The note calls for interest in the amount of five percent (5%) per annum from the date of issue until due on September 30, 2011. The Company has the right to prepay the note with interest anytime following the issue date of the note. The funds were used for working capital. This note was converted into shares of common stock of the Company on December 1, 2011. (See Note 15)

On April 12, 2011, the Company received $53,000 from Asher Enterprises, Inc. in exchange for a Convertible Promissory Note. The note calls for interest in the amount of eight percent (8%) per annum from the date of issue until due on January 12, 2012. The Company has the right to prepay the note with interest anytime after sixty (60) days following the issue date of the note. The Company has to issue a prepayment notice within three (3) trading days prior to the prepayment date. The prepayment amount is one hundred twenty-five percent (125%) of the principal balance. Asher Enterprises, Ins. has the right to convert the note or any part of the unpaid principal balance of the note into common shares of the Company anytime after one hundred eighty (180) days following the issue date of the note. The conversion price is sixty three percent (63%) of the average of the lowest three (3) trading prices for the common stock during the ten (10) trading day period ending on the latest complete trading day prior to the conversion date. The funds were used for working capital. This note also calls for 808,913 shares of the Company's common shares to be placed into a reserve account. On August 23, 2011, the Company received a notice of default on this note from Asher as a result of the Company's failure to remain current in its SEC filings. The note remains outstanding and in default as of September 30, 2011.

On April 27, 2011, the Company received $42,500 from Asher Enterprises, Inc. in exchange for a Convertible Promissory Note. The note calls for interest in the amount of eight percent (8%) per annum from the date of issue until due on January 12, 2012. The Company has the right to prepay the note with interest anytime after sixty (60) days following the issue date of the note. The Company has to issue a prepayment notice within three (3) trading days prior to the prepayment date. The prepayment amount is one hundred twenty-five percent (125%) of the principal balance. Asher Enterprises, Ins. has the right to convert the note or any part of the unpaid principal balance of the note into common shares of the Company anytime after one hundred eighty (180) days following the issue date of the note. The conversion price is sixty one percent (61%) of the average of the lowest three (3) trading prices for the common stock during the ten (10) trading day period ending on the latest complete trading day prior to the conversion date. The funds were used for working capital. This note also calls for 1,865,885 shares of the Company's common shares to be placed into a reserve account. On August 23, 2011, the Company received a notice of default on this note from Asher as a result of the Company's failure to remain current in its SEC filings. The note remains outstanding and in default as of September 30, 2011.

On May 23, 2011, the Company received $40,000 from Asher Enterprises, Inc. in exchange for a Convertible Promissory Note. The note calls for interest in the amount of eight percent (8%) per annum from the date of issue until due on February 25, 2012. The Company has the right to prepay the note with interest anytime after sixty (60) days following the issue date of the note. The Company has to issue a prepayment notice within three (3) trading days prior to the prepayment date. The prepayment amount is one hundred thirty-five percent (135%) of the principal balance. Asher Enterprises, Ins. has the right to convert the note or any part of the unpaid principal balance of the note into common shares of the Company anytime after one hundred eighty (180) days following the issue date of the note. The conversion price is sixty one percent (61%) of the average of the lowest three (3) trading prices for the common stock during the ten (10) trading day period ending on the latest complete trading day prior to the conversion date. The funds were used for working capital.

This note also calls for 2,115,283 shares of the Company's common shares to be placed into a reserve account. On August 23, 2011, the Company received a notice of default on this note from Asher as a result of the Company's failure to remain current in its SEC filings. The note remains outstanding and in default as of September 30, 2011.

NOTE 5- LOAN PAYABLE – OTHER (CONTINUED)

On July 7, 2011, the Company signed a Promissory Note in the amount of $12,000 from Crackerjack Classic LLC. The note calls for interest in the amount of eight percent (8%) per annum from the date of issue until due on July 8, 2012. The Company has the right to prepay the note with interest anytime following the issue date of the note. The funds were used for working capital. This note was converted into shares of common stock of the Company on December 1, 2011. (See Note 15)

NOTE 6- SECURED DEBENTURES

On January 24, 2011, the Company entered into a series of securities purchase agreements with accredited investors (the "Investors"), pursuant to which the Company sold an aggregate of $380,000 in 12% secured debentures (the "Debentures"). Legend Securities, Inc. a broker dealer which is a member of FINRA, received a commission of $45,600 and 19,000 warrants at an exercise price of $0.40 in connection with the sale of the Debentures. The Debentures are due at the earlier of 6 months from the date of issuance or upon the Company receiving gross proceeds from subsequent financings in the aggregate amount of $1,000,000. The Debentures bear interest at the rate of 12% per annum, payable upon maturity. The Debentures are secured by the assets of the Company pursuant to security agreements entered into between the Company and the Investors.

On July 21, 2011, the Secured Debentures were extended an additional six months to a new maturity date of January 24, 2012. Everything concerning the Debentures remained the same. The Investors will receive an additional 380,000 shares of common stock from the Company for agreeing to the extension. These shares were valued at $38,000 on July 25, 2011, the first day of the extension. This amount was treated as additional interest to the investors and was expensed. The extension and modification to the Secured Debentures, did not constitute a material modification under ASC 470-50. These shares were issued to the Investors on December 7, 2011.

The Company also issued to the Investors five-year warrants to purchase an aggregate of 190,000 shares of common stock at an exercise price of $0.40, which may be exercised on a cashless basis.

The Company as of September 30, 2011, raised $380,000 from the investors.

Interest on these notes for the nine months ended September 30, 2011 was $34,247 and accrued as of September 30, 2011 (12%) was $36,897.

The $380,000 in proceeds from the financing transaction was allocated to the debt features and the warrants based upon their fair values. The value of the warrants ($123,120) was recorded as a debt discount on the secured debentures. This discount has been fully amortized as of September 30, 2011..

The estimated fair value of the 190,000 warrants to the investors at issuance on January 24, 2011 was $141,362 and has been classified as Additional Paid In Capital - Warrants on the Company's condensed consolidated balance sheet. The estimated fair value of the warrants was determined using the Black-Scholes option-pricing model.

On October 22, 2010, the Company entered into an engagement for an independent introducing agent services with Legend Securities, Inc. ("LSI") where in LSI has agreed to introduce investors to the Company in the form of equity and/or debt. In accordance with the agreement, LSI received 10% of the cash equivalent received by the Company as a fee and 2% of the cash equivalent as an expense allowance. LSI received as compensation for this agreement, $39,600 in fees and expenses in 2010 and $6,000 on January 21, 2011 as well as 19,000 warrants valued at $18,242.

NOTE 7- LOAN PAYABLE – ACQUISITION

As part of the acquisition of Magic Bright on March 30, 2011, the Company agreed to pay $1,000,000 in cash and $5,000,000 in the form of 1,000,000 preferred shares. At closing , the Company paid $300,000. They agreed to a payment schedule of $300,000 due on June 16, 2011; $200,000 on September 16, 2011; and $200,000 on December 16, 2011. The remaining $700,000 is non-interest bearing note. As a result of the cancellation of the contract between the Company and Magic Bright, effective April 1, 2011, the remaining amount of $700,000 was forgiven in return of Magic Bright's stock. (See Note 14)

NOTE 8- LOAN PAYBALE - BANK

The Company incurred in its acquisition of Magic Bright Limited on March 30, 2011 a bank debt to DBS Bank Limited of Hong Kong in the amount of $1,453,307 at an interest rate of .75 % above the Hong Kong prime rate. The note was set to mature on November 18, 2015. Due to the cancelation of the agreement between the Company and Magic Bright, the notes became the responsibility of Magic Bright and not the Company when the stock transferred back to the Magic Bright shareholders. (See Note 14)

NOTE 9- PROVISION FOR INCOME TAXES

Deferred income taxes are determined using the liability method for the temporary differences between the financial reporting basis and income tax basis of the Company's assets and liabilities. Deferred income taxes are measured based on the tax rates expected to be in effect when the temporary differences are included in the Company's tax return. Deferred tax assets and liabilities are recognized based on anticipated future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases.

As of September 30, 2011, there is no provision for income taxes, current or deferred.

Net operating losses	$2,183,615	
Valuation allowance	(2,183,615)	
		$ -

At September 30, 2011, the Company had a net operating loss carry forward in the amount of $6,422,397, available to offset future taxable income through 2031. The Company established valuation allowances equal to the full amount of the deferred tax assets due to the uncertainty of the utilization of the operating losses in future periods.

A reconciliation of the Company's effective tax rate as a percentage of income before taxes and federal statutory rate for the periods ended September 30, 2011 and 2010 is summarized below.

Federal statutory rate	(34.0)%
State income taxes, net of federal benefits	0.0
Valuation allowance	34.0
	0%

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NOTE 10- FAIR VALUE MEASUREMENTS

The Company adopted certain provisions of ASC Topic 820. ASC 820 defines fair value, provides a consistent framework for measuring fair value under generally accepted accounting principles and expands fair value financial statement disclosure requirements. ASC 820's valuation techniques are based on observable and unobservable inputs. Observable inputs reflect readily obtainable data from independent sources, while unobservable inputs reflect our market assumptions. ASC 820 classifies these inputs into the following hierarchy:

Level 1 inputs: Quoted prices for identical instruments in active markets.

Level 2 inputs: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 inputs: Instruments with primarily unobservable value drivers.

NOTE 11- COMMITMENTS

Agilyx Agreements

On December 12, 2009, Green EnviroTech entered into an (i) equipment purchase and installation agreement (the "Purchase Agreement") with Agilyx (formally Plas2Fuel) Corporation ("Agilyx (formally Plas2Fuel)"), (ii) oil marketing and distribution agreement with Agilyx (formally Plas2Fuel) (the "Oil Marketing Agreement"), and (iii) license agreement with Agilyx (formally Plas2Fuel) (the "License Agreement"). Plas2Fuel Corporation changed its name to Agilyx Corporation effective June 8, 2010. All agreements and contracts negotiated as Plas2Fuel Corporation are still in full force and will be honored by Agilyx Corporation.

Pursuant to the Purchase Agreement, Green EnviroTech agreed to purchase, and Agilyx (formally Plas2Fuel) agreed to sell and install, a twelve vessel waste plastic to oil recycling system (the "System"), for a purchase price of $5,595,645. Green EnviroTech agreed to pay the purchase price over five installments. On December 31, 2009, Agilyx (formally Plas2Fuel) issued a waiver to Green EnviroTech leaving it to the discretion of Green EnviroTech to implement the first installment due date before the equipment would be shipped. As of September 30, 2011, the first installment date had not been determined.

Pursuant to the Oil Marketing Agreement, Green EnviroTech agreed to provide to Agilyx (formally Plas2Fuel), on an exclusive basis, the crude oil generated by the System, meeting the specifications set forth in the Oil Marketing Agreement, and Agilyx (formally Plas2Fuel) agreed to broker the oil for sale to third parties, for a commission of 10%. The Oil Marketing Agreement has a term of five years commencing on December 12, 2009, which will renew automatically for successive one year terms unless either party provides written notice at least 90 days prior to such renewal.

Pursuant to the License Agreement, Agilyx (formally Plas2Fuel) agreed to grant Green EnviroTech a limited license to use Agilyx (formally Plas2Fuel)'s proprietary technology and information in connection with operation of the System at Green EnviroTech's facilities, for a license fee of 10% of Net Oil Revenue. On May 18, 2010, the License Agreement was amended to give Green EnviroTech an exclusive provisional right to the Auto Shredder Residue ("ASR") market within North America. The right expires on January 1, 2021.

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NOTE 11- COMMITMENTS (CONTINUED)

Agilyx Agreements (Continued)

Agilyx (formally Plas2Fuel) excluded producers they are servicing on Exhibit A which indicated “none”. The exclusive right is contingent upon the Company purchasing from Agilyx (formally Plas2Fuel) and paying in full for Plastic Reclamation Units on a prearranged schedule as follows:

a) Twelve (12) Plastic Reclamation Units (“***PRU’s***”) between January 1, 2010 and December 31, 2010; (as of September 30, 2011 no Units had been ordered. Even though no units have been ordered as set forth in the agreement, Agilyx still recognizes the Company as having exclusive rights with no liability to Agilyx until the first order. It has not been determined when the Company expects to place the first order.)

b) Twenty (20) PRU’s between January 1, 2011 and December 31, 2011; and

c) Forty (40) PRU’s between January 1, 2012 and December 31, 2012; and

d) Forty (40) PRU’s between January 1, 2013 and December 31, 2013; and

e) Forty (40) PRU’s between January 1, 2014 and December 31, 2014; and

f) Forty (40) PRU’s between January 1, 2015 and December 31, 2015; and

g) Forty (40) PRU’s between January 1, 2016 and December 31, 2016; and

h) Forty (40) PRU’s between January 1, 2017 and December 31, 2017; and

i) Forty (40) PRU’s between January 1, 2018 and December 31, 2018; and

j) Forty (40) PRU’s between January 1, 2019 and December 31, 2019; and

k) Forty (40) PRU’s between January 1, 2020 and December 31, 2020.

Wisconsin Site

The Company had previously announced it was exploring the idea of opening a plant in Fond du Lac, Wisconsin. However, the decision has now been decided to locate the plant in another city in Wisconsin. There were no incentives offered by Fond du Lac other than to offer to sale land suitable for plant construction when no building for lease was found suitable for the Company’s needs. The Industrial Park location appeared to be suitable and the Company started design work on the location. The site called for a rail spur which was turned down by the railroad for lack of enough space to meet their requirements. The Company looked elsewhere and decided to direct its efforts to Sheboygan where the city has offered incentives and the city has commercial building space available suitable for the needs of the plant.

The area also has a pool of experienced work force available to compliment the employee requirements needed for the plant.

The Company received on September 23, 2010 an Incentive Offer from the City of Sheboygan laying out its proposal of incentives for the Company to consider locating its plant in Sheboygan. Sheboygan offered a low-interest loan in the amount of $400,000 to be used for equipment, working capital, or training purposes from its Business Development Loan Program. The city offered to sponsor a bond resolution for the Industrial Revenue Bonds which can be used for funding of a large portion of the project. The city will sponsor and prepare the grant application for a Transportation Economic Assistance Grant for assistance of up to 50% of the costs of a railroad spur if the Company qualifies. The city is working with a Bay-Area Workforce Development Board in conjunction with a Technical College who are proposing a $100,000 grant for training associated with start-up of the new building and equipment.

The city spoke to Alliant Energy who offers a Shared Savings program that is available if the efficiency levels of our equipment, meets their energy savings. This could equate to 2% money toward a five year loan. The city reports there are energy efficiency incentives from the Wisconsin Public Service as well.

In January of 2011, the State of Wisconsin Investment Board indicated its interest to commit $5 million in a low interest loan to the Company for the purchase of a building in Sheboygan, Wisconsin to be used for the Sheboygan Plant. As of September 30, 2011, the Company had not received a letter of commitment for financial assistance from the State of Wisconsin

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Employment Agreements

The Company executed on February 19, 2010 employment contracts for the hire of its Chief Executive Officer for a term of 36 months with one year automatic extensions and its President and Chief Technology Officer for a term of 12 months with one year automatic extensions. Each contract provided for base and incentive salary as well as carried a ten year stock option incentive for the purchase of up to 200,000 of the Company's common shares at the exercise price of $0.30 which was the closing price of the Company's common stock on the OTCBB on February 18, 2010. These shares were to vest in 66,667 amounts on each of November 1, 2010 and 2011 and 66,666 on November 1, 2012, assuming the Executive was employed by the Company on such vesting dates. The employment agreements were terminated on October 1, 2010. The employment agreements were terminated until the Company can raise funds. Once the appropriate funds have been raised, the Company will enter into new employment agreements with senior management. Any amounts that were accrued as salary for these individuals was reversed and no stock options were issued.

On August 9, 2010, the Chief Technology Officer with consent of the Company resigned his position with the Company as its CTO in order to work as a consultant to the Company for Ergonomy, LLC, a company the CTO helped form and is already an officer. The Company has a long standing contract with Ergonomy to use its technology.

On January 25, 2011, Jeffrey Chartier resigned as President and as a director of Green EnviroTech Holdings Corp. (the "Company"). In connection with Mr. Chartier's resignation, the Company and Mr. Chartier entered into a separation agreement pursuant to which he agreed to a six month lock-up of the 4,495,680 shares of the Company's common stock he owns (the "JC Shares"), and subsequent "leak-out" selling of no more than 1% of the Company's issued and outstanding shares of common stock in any 90 day period, in consideration for which the Company agreed to issue Mr. Charter 50,000 shares of common stock (the "LL Transfer Shares").

Mr. Chartier relinquished voting rights to his 4,495,680 shares of common stock, giving Gary DeLaurentiis (the Company's Chief Executive Officer and Chairman) the proxy to vote such shares, in consideration for which the Company agreed to issue Mr. Chartier 25,000 shares of common stock (the "Proxy Transfer Shares"). Mr. Chartier provided the Company a right of first refusal on any proposed sale of the JC Shares, LL Transfer Shares, Proxy Transfer Shares, and an additional 25,000 shares the Company agreed to issue to Mr. Chartier as partial reimbursement for $30,000 of outstanding expenses. The Company agreed to issueand/or caused the transfer of an additional 50,000 shares of common stock for Mr. Chartier as severance. Mr. Chartier provided a general release.

On January 27, 2011, Wayne Leggett was elected to the Board of Directors of the Company, and Lou Perches was appointed Chief Operating Officer of the Company. Mr. Leggett has been the Company's Chief Financial Officer since March 2010. Mr. Perches will receive a salary of $7,500 per month for six months during which he will devote 100% of his business time to the Company. The Company currently uses Mr. Perches on an as needed basis and accrues any compensation to him that is unpaid.

Lease Agreements - Riverbank

On September 1, 2010, the Company signed a five year lease for office space and opened its Riverbank, California offices and changed its corporate offices to California. The office is staffed by the CEO and three office personnel. The office space is approximately 1,100 sq ft. The lease calls for lease payments in the amount of $600 per month the first year, $618 per month the 2nd year, $637 per month the 3rd year, $656 per month the 4th year and $675 per month the 5th year. The Company asked to be let out of the lease, which was granted and moved out of the Riverbank location on November 16, 2011.

NOTE 11- COMMITMENTS (CONTINUED)

Lease Agreements – Riverbank (Continued)

On December 1, 2010, the Company signed a five year lease for plant space in Riverbank, California in anticipation of opening its Riverbank Plant. The plant space is approximately 37,800 sq ft. The lease calls for lease payments in the amount of $1,900 per month the first 6 months, $10,584 for the next 6 months, $10,902 per month the 2nd year, $11,229 per month the 3rd year, $11,565 per month the 4th year and $11,912 per month the 5th year. The Company asked to be let out of this lease, which was granted on November 16, 2011.On December 1, 2010, the Company signed a six month lease for 5,175 sq. ft. of space in Riverbank, California to store non-hazardous plastic material that is covered.

The lease calls for lease payments in the amount of $518 per month. The Company asked to be let out of this lease, which was granted on November 16, 2011.

Capital Lease – Riverbank

On September 24, 2010, the Company received a "term sheet" from Naranza Capital Partners for the lease purchase of $5,000,000 of equipment to be placed in the Riverbank facility. On November 23, 2010, the Company signed an Equipment Lease Agreement with Naranza Capital Partners for the lease of the equipment needed in the Riverbank Plant. This Capital Lease also included the installation of this equipment and has a $1 (one dollar) buyout clause. The term of the lease is for five years (60 months) starting from the date the equipment is operational. The Company paid an application fee of $12,500 plus the first and last month's lease payments in the amount of $128,945 each. The Company also paid $10,000 doc fees, site visit fee and legal fees. As of December 31, 2010, the equipment had not been ordered for shipment.

The plant will produce sweet crude oil using the Agilyx technology. The material to be used in the technology is from an agricultural waste plastic stream, the Company will obtain at no cost to the Company. The transportation of the waste plastic to the plant is the only cost.

The Company has also received draft approval documents from the Air Resource Board with authority to proceed with the development of the plant. This is the first license of its kind to be issued in California for construction of a facility to use this technology.

The Company will recognize the assets and the obligation under the capital lease at the time that Naranza Capital Partners honors the commitment and places the order of the equipment and installs the equipment. The deposits are recognized as non-current assets on the Company’s consolidated balance sheets at September 30, 2011. As of September 30, 2011, the equipment had not been ordered for shipment. On April 1, 2011, a Demand Letter was sent to Naranza Capital Partners for the return of the Company’s deposit.

Naranza Capital Partners have not returned the deposit as of September 30, 2011.

Riverbank Site

On October 4, 2010, the Company received a letter from the City of Riverbank’s Local Redevelopment Authority (LRA) outlining its support and enthusiasm for the Company’s decision to proceed with the development of a plant facility in Riverbank and for opening its corporate offices in their city. To show their commitment to the Company’s success in Riverbank, the LRA is preparing the Community Development Block Grant (CDBG) Over-The-Counter (OTC) Grant Application in support of the Company. The Grant provides for the creation and retention of jobs. The funds are awarded at a rate of $35,000 per estimated new job created.

The LRA is working with the granting agency and the State’s Department of Housing & Community Development, to provide $5 million in funds over the next two years for site infrastructure improvements, business working capital, job training and equipment in the form of both grants and loans. In addition, the LRA is prepared to offer the Company in-kind contributions totaling $2,000,000 to support the project, including staff support, building improvements, local building and processing fees, electrical upgrades, rail improvements and infrastructure upgrades.

NOTE 11- COMMITMENTS (CONTINUED)

Riverbank Site (Continued)

The Company appreciates the support the community of Riverbank is providing. Before the close of the year, the City of Riverbank notified the Company that it had received instruction from the State of California's Economic Development panel providing funds to the City of Riverbank for the use of the Company that it was unable to provide such funds presently.

On October 8, 2010 the Company received a Letter of Intent from Ravago Manufacturing Americas for joint activities with the Company. Ravago has experience as an engineering resin custom compounder, toll and producer services provider, and world class recycler of both engineering polymers and basic commodity plastics has made them one of America's leading resins suppliers. Their broad product portfolio and unique manufacturing assets allow for versatility beyond compare. Ravago has facilities strategically located to serve both the producer and end user, with activities in the Midwest, Southeast, and Gulf Coast regions. In the Ravago Letter of Intent, Ravago will install and operate manufacturing equipment in Green EnviroTech's facilities to produce compounded plastic products. Ravago will provide all materials needed to make the compound to specification. The Company will purchase virgin plastic material from another division of Ravago, H. Muehlstein. This virgin material will be mixed with the reclaimed plastic to make compound plastic to specification.

The Company will pay Ravago $0.15 per pound for the compound produced. Ravago, with its worldwide customer list, will take 100% of the compounded material produced at the Company facilities and market the material for a 10% commission thru its division ENTEC.

This Letter of Intent from Ravago has the potential to save the Company millions of dollars for the purchase of compounding equipment, operations and maintenance of the equipment as well as provides the Company a Sales and Marketing Department. The Letter of Intent, if executed will make Ravago the Company's only customer for its compound material. The Company met with executives of Ravago on February 23, 2011 and negotiated the final agreement between Ravago and the Company. The Company has not executed the agreement by September 30, 2011.

NOTE 12- ACQUISITION

Magic Bright Transaction

On February 14, 2011, the Company entered into a securities purchase agreement with Magic Bright. Pursuant to the Purchase Agreement, the Company agreed to purchase, and the Stockholders (Sellers) of Magic Bright agreed to sell, all of the issued shares of Magic Bright (the "Ordinary Shares"), subject to the terms and conditions therein. Company agreed to pay to the Sellers, in consideration for the Ordinary Shares, an aggregate purchase price of $6,000,000, consisting of $1,000,000 in cash (the "Cash Consideration") and $5,000,000 in securities.

The Cash Consideration was payable as follows: (i) $300,000 on the closing date; (ii) $300,000 on June 16, 2011; (iii) $200,000 on September 16, 2011; and (iv) $200,000 on December 16, 2011. The $5,000,000 in securities was in the form of 1,000,000 shares of Magic Bright Acquisition Series Convertible Preferred Stock (with a stated value of $5.00 per share), which the Company shall issue to the Sellers on the closing date. The Company agreed to use its reasonable best efforts to obtain at least $3,000,000 in net proceeds from financings and allocate such net proceeds towards the business and operations of Magic Bright by way of interest free loans from the Company to Magic Bright within the period of 15 months from the closing.

NOTE 12- ACQUISITION (CONTINUED)

Magic Bright Transaction (Continued)

The Company acquired the following assets and assumed the following liabilities in the acquisition of Magic Bright:

Cash	$54,378
Accounts Receivable	367,038
Inventory	1,293,118
Prepaid expenses and other assets	378,504
Fixed Assets	1,739,560
Accounts payable and accrued expenses	(1,410,137)
Deferred tax liablility	(13,923)
Long-term bank debt	(1,452,035)
Total assets and liabilities acquired	$956,503
Consideration paid for acquisition of Magic Bright	$6,104,880
Value of Goodwill	$5,148,377

If the Company (i) does not obtain and allocate at least $2,000,000 of such net proceeds towards the business and operations of Magic Bright by way of interest free loans from the Company to Magic Bright on or before the date falling on the expiry of 12 months from the closing or (ii) does not obtain and allocate at least $3,000,000 in aggregate of such net proceeds towards the business and operations of Magic Bright by way of interest free loans from the Company to Magic Bright on or before the date falling on the expiry of 15 months from the closing or (iii) fails to pay all of the Cash Consideration by December 16, 2011, each Seller shall have the option to re-purchase the Ordinary Shares sold by such Seller to the Company, in exchange for the Preferred Shares issued by the Company to such Seller.

Three years from the closing, each Seller will have a one-time ninety (90) day option (“Buy Back Option”) to purchase back 50.1% of the Ordinary Shares sold by such Seller to the Company, in exchange for the 50% of the Preferred Shares issued by the Company to such Seller (or the fair market equivalent in cash of such shares). The Company agreed, on or prior to closing, to (i) have the Seller Wong Kwok Wing, Tony (“Tony”), appointed to the Company’s board of directors, (ii) enter into an employment agreement with Tony in form and substance satisfactory to Tony, and

(iii) issue an aggregate of 184,000 shares of common stock to employees of Magic Bright. These shares were issued on March 31, 2011 and were valued at $0.57 per share to reflect the price of the stock on that day. These shares were valued in total at $104,880 in which this amount was added to the $6,000,000 approved purchase price bringing the total purchase price to $6,104,880 as reflected above in the Goodwill calculation.

NOTE 12- ACQUISITION (CONTINUED)

Magic Bright Transaction (Continued)

On March 16, 2011, the Company entered into Amendment No. 1 to Securities Purchase Agreement, dated as of February 14, 2011, among the Company, Magic Bright Limited, a Hong Kong corporation and the members of Magic Bright. Pursuant to the Amendment, the deadline for the closing of the acquisition by the Company of the issued shares of Magic Bright under the Purchase Agreement was extended from March 16, to March 25, 2011.

On March 25, 2011, the Company entered into Amendment No. 2 to Securities Purchase Agreement, dated as of February 14, 2011, among the Company, Magic Bright Limited, a Hong Kong corporation and the members of Magic Bright. Pursuant to the Amendment, the deadline for the closing of the acquisition by the Company of the issued shares of Magic Bright under the Purchase Agreement was extended from March 25, to March 30, 2011. Magic Bright Limited officially became a subsidiary of the Company on March 30, 2011 when the transaction closed.

During the quarter ended June 30, 2011, and thereafter, the Company was unable to receive from Magic Bright their financial records and support for the transactions as a result of the failure to make the first required note payment. The parties mutually agreed that due to the failure of the Company to be properly funded and make the required note payments as stipulated in the purchase agreement, that effective April 1, 2011, the agreement would be terminated.

As a result of this termination, the Company returned the stock of Magic Bright to the original shareholders, and Magic Bright shareholders forgave the remaining $700,000 owed by the Company as consideration for the acquisition and returned to the Company, the 1,000,000 shares of convertible preferred stock that were issued in the agreement. The Company agreed that the initial $300,000 paid by the Company as cash consideration for the acquisition would be retained by the sellers and agreed to let the Magic Bright shareholders keep the 184,000 shares of common stock issued to them on March 31, 2011. (See Note 14).

NOTE 13- INVESTMENT AGREEMENT

Centurion Private Equity, LLC Agreement

On April 8, 2011, Green EnviroTech Holdings Corp. (the “Company”) entered into an investment agreement with Centurion Private Equity, LLC (“Centurion”). Pursuant to the Investment Agreement, Centurion agreed to purchase from the Company, from time to time in the Company’s sole discretion (subject to the conditions set forth therein), for a period of up to 24 months commencing on the effective date of the registration statement to be filed by the Company for resale of the shares of common stock issuable under the Investment Agreement, but in no event extending beyond the date that is 30 months from April 8, 2011, up to $5,000,000 in the Company’s common stock

The Company issued to Centurion 290,641 shares of common stock as a commitment fee and 31,250 shares of common stock as a due diligence/legal and administrative fee. Pursuant to a registration rights agreement between the Company and Centurion entered into in connection with the Investment Agreement, the Company agreed to file a registration statement for the resale of not less than the maximum number of shares of common stock allowable pursuant to Rule 415 under the Securities Act of 1933, as amended, issuable under the Investment Agreement (including the Commitment Shares and the Fee Shares), within 60 days of execution of the Investment Agreement, and to have such registration statement declared effective by the Securities and Exchange Commission (the “SEC”) within 120 days of execution of the Investment Agreement (or 150 days if such registration statement is reviewed by the SEC).

NOTE 13- INVESTMENT AGREEMENT (CONTINUED)

Centurion Private Equity, LLC Agreement (Continued)

The purchase price for the shares of common stock sold under the Investment Agreement will be equal to the lesser of (i) 97% of the “Market Price” for such Put, defined as average of the lowest 3 daily volume weighted average prices for the 15 trading days immediately following the “Put Date” date specified by the Company in any “Put Notice” in which the Company is deemed to provide notice of a sale of common stock under the Investment Agreement or (ii) the Market Price for such

Put minus $0.01, but shall in no event be less than the Company Designated Minimum Put Share Price (as defined in the Investment Agreement) for such Put.

The maximum amount of common stock that Centurion shall be obligated to purchase with respect to any single closing under the Investment Agreement will be the lesser of (i) 2,000,000 shares, (ii) 15% of the sum of the aggregate daily reported trading volume in the Company's common stock for all Evaluation Days (as defined in the Investment Agreement) in the Pricing Period (as defined in the Investment Agreement), excluding any block trades that exceed 20,000 shares of common stock,

(iii) the number of Put Shares (as defined in the Investment Agreement) which, when multiplied by their respective Put Share Prices (as defined in the Investment Agreement), equals the Maximum Put Dollar Amount (as defined in the Investment Agreement), and (iv) such amount which would cause Centurion's beneficial ownership of the Company's common stock to exceed 4.9%.

In connection with the foregoing, the Company relied upon the exemption from registration provided by Section 4(2) of the Securities Act of 1933, as amended, for transactions not involving a public offering. This information was included in the 8-K filed on April 14, 2011.

On July 8, 2011, the Company filed an S-1 Registration Statement registering securities for the benefit of the Centurion Agreement was filed with the SEC. However, on July 22, 2011, the Company withdrew the registration statement.

NOTE 14- DISPOSITION OF MAGIC BRIGHT

On March 5, 2012, Green EnviroTech Holdings Corp. (the "Company") entered into a letter agreement (the "Letter Agreement") with Magic Bright Limited ("Magic Bright"), Wong Kwok Wing Tony ("Tony"), and Chan Sau Fong (collectively with Tony, the "Sellers"). Pursuant to the Letter Agreement, the parties agreed as a result of the failure by the Company to pay $700,000 in Cash Consideration (as defined in the Purchase Agreement) of the aggregate $1,000,000 Cash Consideration payable by the Company under the Purchase Agreement, dated February 14, 2012, among the Company, Magic Bright, and the Sellers, as amended by Amendment No. 1 and Amendment No.2 thereto, dated March 16, 2011 and March 25, 2011, respectively (as amended, the "Purchase Agreement"), including $300,000 of Cash Consideration due on June 16, 2011, $200,000 of Cash Consideration due on September 16, 2011, and $200,000 of Cash Consideration due on December 16, 2011, the Company was unable to obtain requisite financial statements relating to Magic Bright for periods subsequent to April 1, 2011 (the "Termination Effective Date").

As a result of the failure to obtain requisite financial statements for Magic Bright, the Purchase Agreement was terminated, such termination to be deemed effective as of the Termination Effective Date. The Magic Bright Acquisition Shares (as defined in the Purchase Agreement) will be deemed to have been returned to the Company and cancelled effective as of the Termination Effective Date. The Ordinary Shares (as defined in the Purchase Agreement) will be deemed to have been returned to the Sellers effective as of the Termination Effective Date. The Sellers may retain the $300,000 of Cash Consideration paid by the Company. The Employment Agreement between the Company and Tony was terminated, such termination to be deemed effective as of the Termination Effective Date. Tony resigned as a director of the Company, effective March 5, 2012. The parties provided mutual general releases.

As a result of this transaction, the Company's financial statements have been prepared with the results of operations and cash flows of the disposition of Magic Bright Limited shown as discontinued operations. All historical statements have been restated in accordance with GAAP.

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NOTE 14- DISPOSITION OF MAGIC BRIGHT (CONTINUED)

The following are the operating results included in discontinued operations for the nine and three months ended:

GREEN ENVIROTECH HOLDINGS CORP.
(FORMERLY WOLFE CREEK MINING, INC.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2011 AND 2010 AND
FOR THE PERIOD OCTOBER 6, 2008 (INCEPTION) THROUGH MARCH 31, 2011

	IN US$		
	NINE MONTHS SEPTEMBER 30, 2011	THREE MONTHS SEPTEMBER 30, 2011	OCTOBER 6, 2008 (INCEPTION) THROUGH MARCH 31, 2011
REVENUE	$32,555	$-	$32,555
COST OF REVENUES	8,197	-	13,499
GROSS PROFIT	24,358	-	19,056
OPERATING EXPENSES			
General and administrative	172	-	453,812
Total operating expenses	172	-	453,812
Net Income from operations	$24,186	$-	

The impact on the Company’s balance sheet due to the disposition of Magic Bright Limited was as follows: The Company reduced its Assets by a total of $9,028,265 the Company reduced its Liabilities by $3,598,362 and the Company decreased its Shareholder equity by $5,000,000. For the nine months ended September 30, 2011, the transaction had the following impact on the Company’s statement of operations: The Company increased its Expenses by $429,066 as a result of the loss created from writing off its investment in Magic Bright Limited when the Company discontinued its operations. The Company also decreased its net loss by $24,186 as a result of recognizing one day of net income from the discontinued operations of Magic Bright.

NOTE 15- SUBSEQUENT EVENTS

On October 4, 2011 and on October 6, 2011, the Company entered into twelve month agreements with two separate Investment Relations firms to provide advisory and consulting services to the Company in conjunction with the development of the Company's marketing plan, business plan and goals. The Company will be responsible for all reasonable costs and necessary expenses incurred by consultants. The Consultants, Stocks That Move will receive 2,000,000 shares of common stock of the Company and Seven Royal Angels, Ltd will receive 1,000,000 shares of common stock of the Company for their services. These shares were issued on December 7, 2011.

On November 16, 2011, the Company asked the City of Riverbank to let it out of the three leases with the City the Company had entered into in anticipation of opening the Riverbank plant. The City of Riverbank granted the release and the Company moved out of the Riverbank location. The Company located its offices temporarily at 14699 Holman Mountain Road, Jamestown, CA until a new location can be determined.

On December 1, 2011, the Company authorized the acceptance of the Debt Settlement Agreements dated December 1, 2011 between the Company and certain officers and creditors of the Company. The agreements called for the issue of Common Shares to settle debt. On December 1, 2011, Common Shares of the Company were selling for $0.005 per share and was agreed as the conversion price. On December 7, 2011, 105,380,000 shares of Common Stock were issued to settle $526,900 of debt. The Company issued 40,000,000 shares to the CEO of the Company to reduce $200,000 of the note due him and issued 16,000,000 shares to the CFO to reduce $80,000 in accrued salary due him. The Company also issued 49,380,000 shares for services rendered and additional debt conversion amounting to $246,900.

On December 15, 2011, the Company's wholly-owned subsidiary, Green EnviroTech Riverbank, Inc. ("GETRB") entered into an asset purchase agreement pursuant to which GETRB sold its inventory and permits to a third party. GETRB's remaining assets and liabilities were transferred to the Company and GETRB was dissolved on December 31, 2011. The Company has decided to maintain its contract with Agilyx Corporation for the purchase of its equipment and has decided to look for a more favorable location in California or surrounding states. The inventory and permits were sold for $250,000. $175,000 was used for working capital and $75,000 was used to repay debt.

On February 2, 2012, the Company considered the form terms and provisions of the proposed Addendum to Secured Debentures pursuant to which the Company shall issue 1,000,000 shares of common stock and the maturity date of the debentures referred to shall be extended to September 24, 2012, are approved in all respects; and such shares, when issued, will be duly issued, fully paid and non assessable, and the Company's Authorized Officers and each

of them hereby is authorized to execute and deliver in the name and on behalf of the Company the Addendum. The Company by direction of Legend Securities, Inc. shall also issue to the holders of the Secured Debentures five-year warrants to purchase 100,000 shares of common stock at an exercise price of $0.10 per share which said warrants were originally issued to certain employees of Legend Securities, Inc. per a previous Legend Agreement. The warrants will be issued to the holders of the Secured Debentures simultaneously with the issuance of the above mentioned stock.

On February 6, 2012, the Company announced the signing of a letter of intent for the creation of a Joint Venture (JV) between GETH and ACG Consulting, LLC (ACG), a division of ACG Companies of Irvine, California. The non-binding LOI contemplates that GETH and ACG will enter into a JV agreement forming Limited Liability Companies (LLC) for the purpose of owning and developing Shredder Residue (SR) Recycling Plants in the United States. Each Recycling Plant will be organized as a wholly owned subsidiary of the JV. ACG has specialized expertise in the employment based EB-5 Visa Program administered by the United States Citizenship and Immigration Services (“USCIS”) under the Immigration Act of 1990 (http://1.usa.gov/EB5Program). The EB-5 program provides a legal vehicle for raising funds via a securities subscription agreement with foreign nationals which are offered and sold only to persons who are not citizens of the United States and who are physically located outside the United States in reliance upon Regulation S (“Regulation S”) under the Securities Act of 1933, as amended (purchasers of securities by foreign investors are not purchasing equity in GETH but rather in an entity created expressly for the EB-5 investors.)

NOTE 15- SUBSEQUENT EVENTS (CONTINUED)

The EB-5 Funds are raised from foreign nationals. Once raised, the funds would be loaned to each of the JV's wholly owned subsidiary Recycling Plants. As part of the JV agreement, ACG will provide the capital to the JV for the plant projects, approximately $30 million for each site, and GETH will provide the material, the technology to recycle and convert using the "PlastExtract" process, management experience and all sales of the plant produced crude oil and compounded plastic resin.

The joint venture with ACG will allow the management of GETH to focus on building SR plants with the expertise of ACG's financing through the EB-5 program. The Company is excited to have such a valued JV partner within the environmental sector. In addition to the LOI with ACG the company will continue to work with Mosaic Capital, LLC; the company's investment banker.

Each plant the Company builds, it is expected to create over 140 direct US jobs for each 35,000 tons of plastic processed through the plant as well as many more related indirect US jobs. The plants will operate 7 days a week and 24 hours a day with 2 shifts per day. This volume translates into approximately 120,000 barrels of oil and approximately 50 million pounds of compounded plastic resin annually. This project is exactly what the EB-5 program is designed to do, to encourage investment in US companies and create much needed US jobs.

The JV with ACG will fund GETH's SR plants going forward. With the amount of Shredder Residue that currently ends up in landfills each year being approximately 4 million tons, which equates to 920,000 tons of reusable plastic; the Company could potentially build 40 of these plants. Management believes working with ACG using the EB-5 program is a perfect vehicle for the Company to accomplish such a building program.

Each plant has the potential to produce approximately $60 million in revenue per year. The companies are currently researching locations in the northern Midwest where unemployment is some of the highest in the US.

On February 16, 2012, the Company announced the hiring of Brian Chrisman as its Vice President of Business Development. Mr. Chrisman brings 12 years of experience in global management level positions in the high technology supply chain with emphasis on Six Sigma and Lean Manufacturing management techniques. He founded Borgata Recycling in 2007 which became one of Northern California largest waste tire processors handling up to 10,000 waste tire equivalents per day. With his extensive experience in supply/demand operations and in-depth understanding of the recycling industry he will handle our large supply demands in our plants.

On February 22, 2012, the Company agreed with H.E. Capital, which holds indebtedness of the Company in form of promissory notes to assign two of its promissory notes. The Company agreed with H.E. Capital's plan to assign a

$22,000 note dated October 3, 2010 to William E. Curtis and a $20,000 note dated December 3, 2010 to Equity Digest S.L. William E. Curtis and Equity Digest S.L. wish to exchange their notes for restricted common shares of the Company. The Company agreed with the assignment of the notes and the Company agreed to exchange restricted common shares of the Company for the notes. This exchange would eliminate $42,000 in debt of the Company. The Company authorized to issue 1,100,000 shares of restricted common stock to William E. Curtis as settlement for the $22,000 note to H.E. Capital, S.A., dated October 13, 2010 and authorized to issue 1,000,000 shares of restricted common stock to Equity Digest S.L. as settlement for the $20,000 note to H.E. Capital, S.A., dated December 3, 2010 and upon issuance of these restricted shares, these notes will be duly paid and non assessable.

NOTE 15- SUBSEQUENT EVENTS (CONTINUED)

On February 23, 2012, the Company agreed with H.E. Capital, which holds indebtedness of the Company in the form of promissory notes to assign two of these promissory notes. The Company agreed with H.E. Capital's plan to assign a $75,000 note dated December 3, 2010 to Pop Holdings Ltd. and a $75,000 note dated December 3, 2010 to Pelican International Holdings, Ltd. Pop Holdings Ltd. and Pelican International Holdings Ltd. wish to exchange their notes for restricted common shares of the Company. The Company agreed with the assignment of the notes and the Company agreed to exchange restricted common shares of the Company for the notes. This exchange would eliminate $150,000 in debt of the Company. The Company authorized to issue 5,000,000 shares of restricted common stock to Pop Holdings Ltd. as settlement for the $75,000 note to H.E. Capital, S.A., dated December 3, 2010 and authorized to issue 5,000,000 shares of restricted common stock to Pelican International Holdings, Ltd. as settlement for the $75,000 note to H.E. Capital, S.A., dated December 3, 2010 and upon issuance of these restricted shares, these notes will be duly paid and non assessable.

On March 5, 2012, the Company entered into a letter agreement with Magic Bright Limited ("Magic Bright"), Wong Kwok Wing Tony ("Tony"), and Chan Sau Fong (collectively with Tony, the "Sellers") to terminate the Purchase Agreement as amended on March 25, 2011 between the Company and Sellers effective April 1, 2012. (See Note 14)

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

Statements in this quarterly report on Form 10-Q may be “forward-looking statements.” Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors, including those described above and those risks discussed from time to time in this quarterly report on Form 10-Q, including the risks described under “Risk Factors,” in our Annual Report on Form 10-K for the year ended December 31, 2010, filed with the Securities and Exchange Commission, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this quarterly report on Form 10-Q and in other documents which we file with the Securities and Exchange Commission. In addition, such statements could be affected by risks and uncertainties related to our ability to raise any financing which we may require for our operations, competition, government regulations and requirements, pricing and development difficulties, our ability to make acquisitions and successfully integrate those acquisitions with our business, as well as general industry and market conditions and growth rates, and general economic conditions. Any forward-looking statements speak only as of the date on which they are made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this quarterly report on Form 10-Q, except as required under applicable securities laws.

Corporate History

Green EnviroTech Holdings Corp. (formerly known as Wolfe Creek Mining, Inc. and referred to herein as (the “Company”)), was incorporated in the State of Delaware on June 26, 2007. On November 20, 2009, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Green EnviroTech Acquisition Corp., a Nevada corporation, and Green EnviroTech Corp. (“Green EnviroTech”), a waste plastics recovery, separation, cleaning, and recycling company. Green EnviroTech is a Nevada corporation formed on October 6, 2008 under the name EnviroPlastics Corporation. On October 21, 2009, Enviroplastics Corporation changed its name to Green EnviroTech Corp. On July 20, 2010, the Company filed an amendment to its certificate of incorporation with the secretary of state of Delaware to (i) change its name from Wolfe Creek Mining, Inc. to Green EnviroTech Holdings Corp. and (ii) to increase its total authorized common shares to 250,000,000 common shares.

Pursuant to the Merger Agreement, on November 20, 2009 (the “Closing Date”), Green EnviroTech Acquisition Corp. merged with and into Green EnviroTech, resulting in Green EnviroTech becoming a wholly-owned subsidiary of the

Company (the “Merger”). As a result of the consummation of the Merger, the Company issued approximately 45,000,000 shares of its common stock to the shareholders of Green EnviroTech, representing approximately 75% of the issued and outstanding common stock of the Company following the closing of the Merger. Further, the outstanding shares of common stock of Green EnviroTech were cancelled. The acquisition of Green EnviroTech is treated as a reverse acquisition, and the business of Green EnviroTech became the business of the Company. Immediately prior to the reverse acquisition, the Company was not engaged in any active business.

On December 4, 2009, the Company formed Green EnviroTech Wisconsin, Inc., (“GET WISC”) a Wisconsin corporation, in anticipation of opening a plant in Wisconsin. As of September 30, 2011, the Company is in discussions regarding the acquisition of a plant location in Sheboygan, Wisconsin.

On August 9, 2010, the Company formed Green EnviroTech Riverbank, Inc., (“GETRB”) a California corporation, in anticipation of opening the Riverbank, CA plant.

On November 16, 2011, the Company asked the City of Riverbank to let it out of the three leases with the City the Company had entered into in anticipation of opening the Riverbank plant. The City of Riverbank granted the release and the Company moved out of the Riverbank location. The Company located its offices temporarily at 14699 Holman Mountain Road, Jamestown, CA until a new location can be determined.

On December 15, 2011, the Company’s wholly-owned subsidiary, Green EnviroTech Riverbank, Inc. (“GETRB”) entered into an asset purchase agreement pursuant to which GETRB sold its inventory and permits to a third party. GETRB’s remaining assets and liabilities were transferred to the Company and GETRB was dissolved on December 31, 2011. The Company has decided to maintain its contract with Agilyx Corporation for the purchase of its equipment and has decided to look for a more favorable location in California or surrounding states. The inventory and permits were sold for $250,000. $175,000 was used for working capital and $75,000 was used to repay debt.

References hereinafter to “Green EnviroTech”, “we”, “us”, “our” and similar words refer to the Company and its wholly-owned subsidiaries.

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On February 14, 2011, the Company entered into a securities purchase agreement with Magic Bright Limited, a Hong Kong corporation ("Magic Bright"), and the members of Magic Bright listed on Schedule 1 thereof (the "Sellers"), and on March 16, 2011 and March 25, 2011, the Company entered into amendments to such purchase agreement (as amended, the "Purchase Agreement"). Pursuant to the Purchase Agreement,

- The Company agreed to purchase, and the Sellers agreed to sell, all of the issued shares of Magic Bright (the "Ordinary Shares"), subject to the terms and conditions therein.

- The Company agreed to pay to the Sellers, in consideration for the Ordinary Shares, an aggregate purchase price of $6,000,000, consisting of $1,000,000 in cash (the "Cash Consideration") and $5,000,000 in securities. The Cash Consideration was payable as follows: (i) $300,000 on the closing date (which the parties agreed would occur on or prior to March 30, 2011); (ii) $300,000 on June 16, 2011; (iii) $200,000 on September 16, 2011; and (iv) $200,000 on December 16, 2011. The $5,000,000 in securities were payable in the form of 1,000,000 shares of Magic Bright Acquisition Series Convertible Preferred Stock (with a stated value of $5.00 per share), which the Company agreed to issue to the Sellers on the closing date.

- The Company agreed to use its reasonable best efforts to obtain at least $3,000,000 in net proceeds from financings and allocate such net proceeds towards the business and operations of Magic Bright by way of interest free loans from the Company to Magic Bright within the period of 15 months from the closing. If the Company (i) does not obtain and allocate at least $2,000,000 of such net proceeds towards the business and operations of Magic Bright by way of interest free loans from the Company to Magic Bright on or before the date falling on the expiry of 12 months from the closing or (ii) does not obtain and allocate at least $3,000,000 in aggregate of such net proceeds towards the business and operations of Magic Bright by way of interest free loans from the Company to Magic Bright on or before the date falling on the expiry of 15 months from the closing or (iii) fails to pay all of the Cash Consideration by December 16, 2011, each Seller shall have the option to re-purchase the Ordinary Shares sold by such Seller to the Company, in exchange for the Preferred Shares issued by the Company to such Seller.

- Three years from the closing, each Seller will have a one-time ninety (90) day option ("Buy Back Option") to purchase back 50.1% of the Ordinary Shares sold by such Seller to the Company, in exchange for the 50% of the Preferred Shares issued by the Company to such Seller (or the fair market equivalent in cash of such shares).

- The Company agreed, on or prior to closing, to (i) have the Seller Wong Kwok Wing, Tony ("Tony"), appointed to the Company's board of directors, (ii) enter into an employment agreement with Tony in form and substance satisfactory to Tony, and (iii) issue an aggregate of 184,000 shares of common stock to employees of Magic Bright.

Effective March 30, 2011, the Company closed on the acquisition of the issued shares of Magic Bright in accordance with the terms of the Purchase Agreement. Magic Bright was founded in 2000 and is principally engaged in the trading of waste plastic material in the People's Republic of China (the "PRC") and Hong Kong. Its principal place of business is located at 18th Floor, 27 Lock Road, Tsim Sha Tsui, Kowloon, Hong Kong.

Pursuant to the employment agreement between the Company and Tony entered into in connection with the closing under the Purchase Agreement:

- Tony will serve as President of the Company's Magic Bright subsidiary for a term of six years commencing on March 31, 2011. During this period, Mr. Wong will also serve as Magic Bright's sole director.

- The Company agreed to pay Tony a base salary of $240,000, an annual bonus of 30% of the after tax net profit of Magic Bright, up to $1,500,000, plus 20% of the after tax net profit of Magic Bright with respect to any greater amount in the same year, a housing allowance of $6,000 per month, and a car allowance of $4,000 per month.

- The employment agreement may be terminated by Tony upon not less than 3 months written notice, or by the Company upon not less than 6 months' written notice (or forthwith upon payment of 6 months' base salary).

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The Company acquired the following assets and assumed the following liabilities in the acquisition of Magic Bright:

Cash	$54,378
Accounts receivable	367,038
Inventory	1,293,118
Prepaid expenses and other assets	378,504
Fixed assets	1,739,560
Accounts payable and accrued expenses	(1,410,137)
Deferred tax liability	(13,923)
Long-term bank debt	(1,452,035)
Total of assets and liabilities acquired	$956,503
Consideration paid for acquisition of Magic Bright	$6,104,880
Value of Goodwill	$5,148,377

On March 5, 2012, the Company entered into a letter agreement with Magic Bright, Wong Kwok Wing Tony ("Tony"), and Chan Sau Fong (collectively with Tony, the "Sellers") pursuant to which the Purchase Agreement was terminated effective April 1, 2012 (the "Termination Effective Date"). The termination was the result of the failure to obtain requisite financial statements for Magic Bright. The Magic Bright Acquisition Shares (as defined in the Purchase Agreement) will be deemed to have been returned to the Company and cancelled effective as of the Termination Effective Date. The Ordinary Shares (as defined in the Purchase Agreement) will be deemed to have been returned to the Sellers effective as of the Termination Effective Date. The Sellers may retain the $300,000 of Cash Consideration paid by the Company. The Employment Agreement between the Company and Tony was terminated, such termination to be deemed effective as of the Termination Effective Date. Tony resigned as a director of the Company, effective March 5, 2012. The parties provided mutual general releases.

Overview of Our Business

We are a development stage waste plastics recovery, separation, cleaning, and recycling company. We intend to supply recycled commercial plastics to industries such as the automotive and consumer products industries, and plan to construct large-scale plastics recycling facilities near automotive shredder locations nationwide. Operating with large national metal recycling partners, the Company, using a patent-pending process developed in conjunction with Thar Process, Inc., and Ergonomy LLC, will produce recycled commercial grade plastics ready to be re-introduced into commerce. Additionally, with other strategic partners, we will convert waste and scrap plastic (both from its own processing and from other sources) into high-value energy products, including synthetic oil.

Each year, millions of tons of automotive shredder residue ("Shredder Residue") containing reusable and recyclable plastics are unnecessarily disposed of in landfills. We believe this is because, while national and global demand for recycled plastic has increased dramatically over the past decade, the technology to efficiently and effectively recycle plastic material from this residue stream has lagged behind.   This has resulted in tremendous waste and created a huge unmet market for recycled commercial plastics, creating an opportunity for someone with a cost-effective recovery process.

We now have such a process. We were formed to capitalize on the growing market to supply recycled commercial plastic to businesses which currently use or want to use recycled plastics in their products, such as the automotive and consumer products industries. Working with our metal shredder/recycling partners, we intend to utilize our proprietary cleaning technology to take the Shredder Residue headed to landfills tainted with contaminants and convert it into two streams of recyclable material with no remaining trace of contaminants. Using our process, plastics, rubber, and foam, can be recovered from the shedder waste. We will use our proprietary technology to process the plastic stream, removing the contaminants and creating recycled commercial plastic material ready to be re-introduced into commerce.

Our plastic recovery process is both highly cost effective and efficient, and it dramatically reduces the amount of Shredder Residue going to landfills. Our process is environmentally responsible on multiple levels, and it will assist our customers in reducing their carbon footprint by allowing them to utilize a greater percentage of recycled material in their products.

The recovered plastics by us will be our main source of revenue. Automotive parts manufacturers are our primary target market. However, the use of our recycled materials isn’t limited to automotive parts. Numerous other durable goods manufacturers utilize plastics, and recycled plastic will work in many applications. As a result, we believe there is significant demand in both domestic and international markets for these materials, and we have identified multiple targets for our output stream of recycled material, beginning with a large multi-national supplier to the automotive industry worldwide. We believe that our customers will be able to utilize a larger percentage of highly cost-effective recycled plastic in the manufacturing process of their products and create dramatic savings over the cost of using only virgin plastic (tied to the cost of petroleum).

Critical Accounting Policy and Estimates

Our Management's Discussion and Analysis of Financial Condition and Results of Operations section discusses our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an on-going basis, management evaluates its estimates and judgments, including those related to revenue recognition, accrued expenses, financing operations, and contingencies and litigation. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The most significant accounting estimates inherent in the preparation of our financial statements include estimates as to the appropriate carrying value of certain assets and liabilities which are not readily apparent from other sources.

The following discussion of our financial condition and results of operations should be read in conjunction with our audited financial statements for the year ended December 31, 2010, together with notes thereto as previously filed with our Annual Report on Form 10-K. In addition, these accounting policies are described at relevant sections in this discussion and analysis and in the notes to the financial statements included in our Quarterly Report on Form 10-Q for the period ended September 30, 2011.

Results of Operations

Nine Months Ended September 30, 2011 compared to Nine Months Ended September 30, 2010

Revenues

We had $1950 in revenues for the nine months ended September 30, 2011, as compared to revenues of $0 for the nine months ended September 30, 2010. These revenues for the first nine months were from the sale of waste plastic stored at the Riverbank Location. As a result of this sale, the Company had revenues from October 6, 2008 (inception) through September 30, 2011 for the first time.

Cost of Revenues

For the nine months ended September 30, 2011, we had $12,835 in total cost of revenues compared to $0 for the nine months ended September 30, 2010. The cost of revenue for the first Nine months was from the sale of waste plastic that had to be moved.

Operating Expenses

The wages and professional fees for the nine months ended September 30, 2011 were $1,133,531 as compared to $3,140,458 for the nine months ended June 30, 2010. The wages and professional fees for the nine months ended September 30, 2011 included $341,632 in professional fees paid by issuing 5,677,972 shares of common stock and included $239,303, the value of 1,500,000 common stock warrants issued on May 25, 2011to the CFO. Though there was a decrease of $2,006,927 in wages and professional fees, the Company still maintains its efforts in engineering and design related to the equipment and building projections and landfill testing concerning the Sheboygan, Wisconsin plant.

The general and administrative expenses for the nine months ended September 30, 2011 were $300,198 as compared to $259,038 for the nine months ended September 30, 2010, an increase of approximately 15.89%. This increase of $41,160 was the result of an increase in travel, entertainment, advertising and marketing concerning the promotion of the company.

Non-Operating Expenses

The non operating expenses for the nine months ended September 30, 2011 were $615,324 as compared to $22,834 for the nine months ended September 30, 2010, an increase of 2,595%. The increase of $592,490 in non operating expenses was the result of the interest incurred on the working capital notes the Company incurred since inception through September 30, 2011 in the amount of $252,901 as compared to $22,834 in interest for the nine months ended September 30, 2010. The increase was also a result of the Company amortizing $123,120 of the debt discount assigned to the warrants issued with the debentures the Company sold to accredited investors on January 24, 2011. The total amount of the debt was $380,000 of which $123,120 was assigned to the warrants as a debt discount to be amortized over six months.

The discontinued operations for the nine months ended September 30, 2011 was a loss of $404,880 as a result of terminating the Magic Bright purchase agreement effective April 1, 2011 as previously discussed in the Corporate History section.

As a result of the above, the Company had a net loss of $2,464,818 for the nine months ended September 30, 2011 compared to $3,422,329 for the nine months ended September 30, 2010.

Liquidity and Capital Resources

Green EnviroTech Holdings Corp on September 30, 2011 had a balance of cash in the bank in the amount of $1,330. The Company had accounts receivable in the amount of $0, Inventory in the amount of $15,496, and other current assets in the amount of $27,500. The Company had accounts payable to vendors and accrued expenses in the amount of $3,093,827.

The Company had an unsecured, loan payable in the form of a line of credit with its CEO. The CEO had provided a line of credit up to $200,000 at 4% interest per annum to the Company to cover various expenses and working capital infusions until the Company can be funded. This loan was extended from the original due date of December 31, 2009 to December 31, 2010 and the amount was increased from $200,000 to $1,000,000. This loan has been extended again to December 31, 2012. The CEO has advanced $1,228,856 from inception through September 30, 2011 and the Company repaid $924,859 of these advances. The Company converted $754,377 of these advances into shares of common stock on May 11, 2010 at $1 per share. The remaining principal under this loan due as of September 30, 2011 is $303,996. $24,702 of interest is accrued on the loan at September 30, 2011. On December 1, 2011 $200,000 of this note was exchanged for common stock of the Company.

The Company received $215,000 on March 31, 2010 and an additional $35,000 on April 9, 2010 from HE Capital, SA as a loan. These notes accrue interest at 8% annually. The Company accrued interest of $2,111 on the loans through May 11, 2010. These amounts were converted into shares of common stock at a $1 per share.

On August 6, 2010, HE Capital, S.A. loaned the Company $100,000 and loaned the Company an additional $50,000 on September 13, 2010. These loans are for one year and have an annual interest rate of 8%. The loans were used for operations of the Company during its development stage.

On October 13, 2010, HE Capital, S.A. loaned the Company $22,500. This loan is for one year and has an annual 8% interest rate. This loan was used to pay fees in connection with the equipment lease signed with Naranza Capital Partners LLC.

On December 3, 2010, HE Capital S.A. loaned the Company $170,000. This loan is for one year and has an annual 8% interest rate. This loan was used to pay the first and last lease payments on the Naranza Capital Partners LLC equipment lease.

On May 25, 2011, the Company reduced its debt to HE Capital S.A. by paying $50,000 in cash received from the sale of 333,333 shares of Common Stock of the Company.

The total balance of notes outstanding with HE Capital at September 30, 2011 is $823,250. Interest incurred for the nine months ended September 30, 2011 and 2010 were $39,148 and $1,444, and interest accrued through September 30, 2011 on these HE Capital notes is $48,432. On December 1, 2011 $65,000 of these notes were exchanged for common stock of the Company.

The Company also entered into a loan payable with an individual in the amount of $20,000 at 10% due on demand. The Company repaid $10,000 of this note on August 10, 2010. As of June 30,, 2011 the loan has an outstanding balance of $7,500. Interest expense for the nine months ended September 30, 2011 and 2010, was $883 and $1,052, respectively. Accrued interest as of September 30, 2011 was $1,935.

On October 22, 2010, the Company entered into an engagement for independent introducing agent services with Legend Securities, Inc. (“LSI”) where in LSI has agreed to introduce investors to the Company in the form of equity and/or debt. In accordance with the agreement, LSI received 10% of the cash equivalent received by the Company as a fee and 2% of the cash equivalent as an expense allowance. LSI received as compensation for this agreement, $39,600 in fees and expenses in 2010 and $6,000 on January 21, 2011 as well as 19,000 warrants valued at $18,242.

On January 24, 2011, the Company entered into a series of securities purchase agreements with accredited investors (the “Investors”), pursuant to which the Company sold an aggregate of $380,000 in 12% secured debentures (the “Debentures”). Legend Securities, Inc. a broker dealer which is a member of FINRA, received a commission of $45,600 and 19,000 warrants at an exercise price of $0.40 in connection with the sale of the Debentures. The Debentures are due at the earlier of 6 months from the date of issuance or upon the Company receiving gross proceeds from subsequent financings in the aggregate amount of $1,000,000. The Company raised $380,000 from the investors. The Company agreed to issue to the Investors five-year warrants to purchase an aggregate of 190,000 shares of common stock at an exercise price of $0.40, which may be exercised on a cashless basis. The Debentures bear interest at the rate of 12% per annum, payable upon maturity. The Debentures are secured by the assets of the Company pursuant to security agreements entered into between the Company and the Investors.

These debentures have been extended to September 24, 2012. Interest incurred for the nine months ended September 30, 2011 and 2010 were $34,247 and $0 respectively. Interest accrued through September 30, 2011 was $36,897.

The $380,000 in proceeds from the financing transaction was allocated to the debt features and the warrants based upon their fair values. The value of the warrants ($123,120) was recorded as a debt discount on the secured debentures. This discount will be amortized over the life of the secured debentures, six months. During the nine months ended September 30, 2011, the Company amortized the whole amount of the value of the warrants of $123,120.

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The estimated fair value of the 190,000 warrants to the investors at issuance on January 24, 2011 was $141,362 and has been classified as Additional Paid In Capital - Warrants on the Company's condensed consolidated balance sheet. The estimated fair value of the warrants was determined using the Black-Scholes option-pricing model.

On March 31, 2011, the Company issued a Promissory Note in the amount of $50,000 to JDS Squared. The proceeds were received on April 5, 2011 in exchange for the Note. The note was recorded on the books on the date received. The note calls for interest in the amount of five percent (5%) per annum from the date of issue until due on September 30, 2011. The note has been extended to September 30, 2012. The Company has the right to prepay the note with interest anytime following the issue date of the note. There was accrued interest for the nine months ended September 30, 2011 in the amount of $1,260. The funds were used for working capital. On December 1, 2011, this note was exchanged for common stock of the Company.

On April 12, 2011, the Company received $53,000 from Asher Enterprises, Inc. in exchange for a Convertible Promissory Note. The note calls for interest in the amount of eight percent (8%) per annum from the date of issue until due on January 12, 2012. The Company has the right to prepay the note with interest anytime after sixty (60) days following the issue date of the note. The Company has to issue a prepayment notice within three (3) trading days prior to the prepayment date. The prepayment amount is one hundred twenty-five percent (125%) of the principal balance. Asher Enterprises, Ins. has the right to convert the note or any part of the unpaid principal balance of the note into common shares of the Company anytime after one hundred eighty (180) days following the issue date of the note. The conversion price is sixty three percent (63%) of the average of the lowest three (3) trading prices for the common stock during the ten (10) trading day period ending on the latest complete trading day prior to the conversion date. The funds were used for working capital. This note also calls for 808,913 shares of the Company's common shares to be placed into a reserve account. On August 23, 2011, the Company received a notice of default on this note from Asher as a result of the Company's failure to remain current in its SEC filings. The note remains outstanding and in default as of September 30, 2011.

On April 27, 2011, the Company received $42,500 from Asher Enterprises, Inc. in exchange for a Convertible Promissory Note. The note calls for interest in the amount of eight percent (8%) per annum from the date of issue until due on January 12, 2012. The Company has the right to prepay the note with interest anytime after sixty (60) days following the issue date of the note. The Company has to issue a prepayment notice within three (3) trading days prior to the prepayment date. The prepayment amount is one hundred twenty-five percent (125%) of the principal balance. Asher Enterprises, Inc. has the right to convert the note or any part of the unpaid principal balance of the note into common shares of the Company anytime after one hundred eighty (180) days following the issue date of the note. The conversion price is sixty one percent (61%) of the average of the lowest three (3) trading prices for the common stock during the ten (10) trading day period ending on the latest complete trading day prior to the conversion date. The funds were used for working capital. This note also calls for 1,865,885 shares of the Company's common shares to be placed into a reserve account. On August 23, 2011, the Company received a notice of default on this note from Asher as a result of the Company's failure to remain current in its SEC filings. The note remains outstanding and in default as of September 30, 2011.

On May 23, 2011, the Company received $40,000 from Asher Enterprises, Inc. in exchange for a Convertible Promissory Note. The note calls for interest in the amount of eight percent (8%) per annum from the date of issue until due on February 25, 2012. The Company has the right to prepay the note with interest anytime after sixty (60) days following the issue date of the note. The Company has to issue a prepayment notice within three (3) trading days prior to the prepayment date. The prepayment amount is one hundred thirty-five percent (135%) of the principal balance. Asher Enterprises, Inc. has the right to convert the note or any part of the unpaid principal balance of the note into common shares of the Company anytime after one hundred eighty (180) days following the issue date of the note. The conversion price is sixty one percent (61%) of the average of the lowest three (3) trading prices for the common stock during the ten (10) trading day period ending on the latest complete trading day prior to the conversion date. The funds were used for working capital. This note also calls for 2,115,283 shares of the Company's common shares to be placed into a reserve account. On August 23, 2011, the Company received a notice of default on this note from Asher as a result of the Company's failure to remain current in its SEC filings. The note remains outstanding and in default as of September 30, 2011.

On July 7, 2011, the Company issued a one year Promissory Note in the principal amount of $12,000 to Crackerjack Classic LLC. The note bears interest at the rate of eight percent (8%) per annum due upon maturity. The Company has the right to prepay the note with interest anytime following the issue date of the note. The funds were used for working capital. This note was converted into shares of common stock of the Company on December 1, 2011.

Cash provided by financing activities for the nine months ended September 30, 2011 was $455,050 as compared to $820,033 for the nine months ended September 30, 2010.

We will seek to raise additional funds to meet our working capital needs principally through the additional sales of our securities. However, we cannot guaranty that we will be able to obtain sufficient additional funds when needed, or that such funds, if available, will be obtainable on terms satisfactory to us.

We had cash of $1,330 as of September 30, 2011. In the opinion of management, our available funds will not satisfy our working capital requirements for the next twelve months. Our forecast for the period for which our financial resources will be adequate to support our operations involves risks and uncertainties and actual results could fail as a result of a number of factors. Besides generating revenue from our current operations, we will need to raise additional capital to expand our operations to the point at which we are able to operate profitably. The Company expects increases in the legal and accounting costs and costs to obtain funding.

We intend to pursue capital through public or private financing as well as borrowings and other sources, such as our officers, directors and principal shareholders. We cannot guaranty that additional funding will be available on favorable terms, if at all. If adequate funds are not available, then our ability to expand our operations may be significantly hindered. If adequate funds are not available, we believe that our officers, directors and principal shareholders will contribute funds to pay for our expenses to achieve our objectives over the next twelve months. However, our officers, directors and principal shareholders are not committed to contribute funds to pay for our expenses.

Off-Balance Sheet Arrangements

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

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Not applicable for a smaller reporting company.

Item 4T. Controls and Procedures.

Evaluation of Disclosures and Procedures

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in the reports we file pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”) are recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission, and that such information is accumulated and communicated to our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can only provide a reasonable assurance of achieving the desired control objectives, and in reaching a reasonable level of assurance, management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Management designed the disclosure controls and procedures to provide reasonable assurance of achieving the desired control objectives.

We carried out an evaluation, under the supervision and with the participation of our management, including our CEO and CFO, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company’s disclosure controls and procedures are effective.

Changes in Internal Controls Over Financial Reporting

There have been no changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) and 15d-15(f) under the Securities Exchange Act) during the nine months ended September 30, 2011 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

There are no legal proceedings to which the Company or any of its property is the subject.

Item 1A. Risk Factors.

Not applicable to a smaller reporting company.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the quarter ended September 30, 2011, the Company issued warrants to purchase 142,857 shares of common stock with an exercise price of $0.01 for services

In connection with the foregoing, the Company relied on the exemption from registration provided by Section 4(2) of the Securities Act of 1933, as amended, for transactions not involving a public offering.

Item 3. Defaults Upon Senior Securities.

The Company is in default under promissory notes issued to Asher Enterprises, Inc. for failure to make required payments of interest and principal and failure to remain current in its SEC filings. Aggregate principal and interest owed as of the date of this filing is $ 140,034.

Item 4. Mine Safety Disclosures.

Not Applicable

Item 5. Other Information.

None.

Item 6. Exhibits.

No.	Description
31.1	Rule 13a-14(a)/ 15d-14(a) Certification of Chief Executive Officer
31.2	Rule 13a-14(a)/ 15d-14(a) Certification of Chief Financial Officer
32.1	Section 1350 Certification of Chief Executive Officer
32.2	Section 1350 Certification of Chief Financial Officer

EX-101.INS	XBRL INSTANCE DOCUMENT
EX-101.SCH	XBRL TAXONOMY EXTENSION SCHEMA DOCUMENT
EX-101.CAL	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE
EX-101.LAB	XBRL TAXONOMY EXTENSION LABELS LINKBASE
EX-101.PRE	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Green EnviroTech Holdings Corp.

Date: April 25, 2012 By: /s/ Gary DeLaurentiis
Gary DeLaurentiis
Chief Executive Officer (principal executive officer)

Date: April 25, 2012 By: /s/ Wayne Leggett
Wayne Leggett
Chief Financial Officer (principal financial officer, principal accounting officer)

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