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

FORM 10-K

(Mark One)
☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended **June 30, 2011**.
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____.

Commission file number: **000-52936**

INFRASTRUCTURE DEVELOPMENTS CORP.

(Exact name of registrant as specified in its charter)

Nevada	**27-1034540**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

299 S. Main Street, 13th Floor, Salt Lake City, Utah 84111
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(801) 488-2006**

Securities registered under Section 12(b) of the Act: none.

Securities registered under Section 12(g) of the Act: common stock (title of class), $0.001 par value.

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the 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 ☐

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 ☑

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, 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. Smaller reporting company ☑

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

The aggregate market value of the registrant's common stock, $0.001 par value (the only class of voting stock), held by non-affiliates (84,022,930 shares) was $1,386,378 based on the average of the bid and ask price ($0.0165) for the common stock on October 5, 2011.

At October 5, 2011, the number of shares outstanding of the registrant's common stock, $0.001 par value (the only class of voting stock), was 124,365,052.

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PART I

ITEM 1. BUSINESS

As used herein the terms the "**Company**", "**we**", "**our**", and "**us**" refer to Infrastructure Developments Corp., its subsidiaries, and its predecessors, unless context indicates otherwise. The term "Intelspec" refers to Intelspec International, Inc., the Company's subsidiary.

Corporate History

The Company was incorporated in Nevada as "1st Home Buy & Sell Ltd." on August 10, 2006, to operate as a real estate company. On August 31, 2008, the Company ceased all operations to become a "shell" company as that term is defined in Rule 12b-2 of the Securities Exchange Act of 1934, as amended, and sought to identify a suitable business opportunity. The Company changed its name from "1st Home Buy & Sell Ltd." to "Infrastructure Developments Corp." on March 1, 2010, while evaluating possible business combinations, acquisitions or development opportunities.

On April 7, 2010 the Company signed a share exchange agreement to acquire Intelspec from its shareholders in exchange for 14,000,000 shares of its common stock. The acquisition of Intelspec was completed on April 14, 2010, whereby the shareholders of Intelspec acquired 70% of the Company. The closing of the transaction represented a change in control which for financial reporting purposes was characterized as a reverse acquisition or recapitalization of Intelspec. Following the closing of the share exchange agreement, our principal business became that of Intelspec. On April 26, 2010, the Company disclosed the information that would have been required if it were filing a general form for registration of securities on Form 10, as required under Item 2.01(f) of Form 8-K, thereby removing its status as a "shell" company.

The Company effected a six for one forward split of its common stock on June 11, 2010 that increased the Company's issued and outstanding shares from 20,000,000 to 120,000,000.

The Company

The Company is a global engineering and project management business that provides services through a network of branch offices and subsidiaries located in markets where the Company either has active projects, is bidding on projects, or is investigating project opportunities.

We serve an underserved niche in the global project spectrum, by targeting specialized projects and subcontracts that are too small to attract multinational firms but still require world class engineering expertise. Our business typically focuses on small to mid-size contracts and subcontracts in the $1 million to $10 million range. Few small to medium sized engineering firms in the developed world have the capacity to work in the less developed markets we serve, and local companies generally lack the international-standard expertise demanded by project investors.

We initially targeted a wide variety of private and government funded jobs in the Middle East, particularly in the U.A.E., but the substantial economic slowdown in these markets shifted our focus to U.S. government contracts and subcontracts in Southeast Asia and more recently to projects within the U.S. itself.

U.S. Government Construction and Services

Our key personnel have decades of experience in and performing work for the U.S. Department of Defense (DoD) and Department of State (DoS), largely in challenging overseas environments, and are intimately familiar with both the complex requirements of U.S. government contracts and the unusual challenges of performing high-standard work in isolated and undeveloped environments.

International U.S. Military Projects

The U.S. military is one of the world's largest sources of construction and service contracts. Construction in Iraq and Afghanistan and other highly visible projects are only part of the DoD's global construction program. Hundreds of smaller projects are continuously being carried out, largely related to training and support programs for foreign militaries and wide range of bilateral and multilateral military exercises. Many of these take place in areas where we are well positioned to carry out both construction and service work.

U.S. military contracts in Southeast Asia have been a significant source of the Company's recent work, with projects including:

- Design/Build Construction of a Close Quarters Battle (CQB) Training Facility, Camp Erawan, Thailand; the project consists of the construction for the U.S. Navy of a two-story shoot house for military training; awarded May, 2009, completed January 21, 2010.
- Construction of seven new barracks, wash facilities, food-preparation facilities and dining facilities, along with the repair of existing, and construction of additional roads, sidewalks, wells, lighting and electrical distribution, for the U.S. Navy's GPOI Training Facilities, Kampong Spoe, Cambodia; awarded August 2009, completed April 29, 2010.
- Blank Purchase Agreements for heavy equipment and adviser and troop transportation, in support of the 2010 U.S. Army "Angkor Sentinel" exercise in Cambodia, part of the Global Peace Operations Initiative, which aims to train, and where appropriate equip, 75,000 Peacekeepers worldwide; commenced August 2010, completed August 2011.
- Design/build contract for the U.S. Navy's Lido Phase II Project in Indonesia consisting of designing and building a two storey barrack, dining facilities, a mess hall, a kitchen, roads, parking areas, and site utilities; awarded September 29, 2010, construction is scheduled to be completed by the end of October 2011.

Winning and completing these contracts has established our ability to successfully work with the U.S. military in the execution of construction contracts. We intend to expand from this base and aggressively pursue other opportunities in this sector.

International U.S. Diplomatic Construction

The U.S. State Department's Bureau of Overseas Buildings Operations (OBO) is responsible for building and maintaining U.S. embassies and other diplomatic facilities around the world, and for improving and enhancing their security and effectiveness. Many of their projects are in less developed countries where the Company has the ability to effectively compete for contracts and subcontracts.

Diplomatic facilities require extremely sophisticated building and planning techniques to assure both efficiency and security. They also require detailed knowledge of local environments and practices. Our key managers have extensive experience with DoS construction and security, and we are well positioned to offer OBO prime contractors a compelling package of high-standard engineering expertise and extensive experience and contact networks in the difficult environments where diplomatic construction is typically carried out. We believe that diplomatic construction offers high potential for future contracts, and is actively pursuing several opportunities in this niche.

Project Selection

The number of projects available for bidding within our target range is enormous. The challenge facing the Company is not finding suitable projects to bid on, but rather selecting the opportunities that will be profitable and will align with our business development plan without exposing the Company to unnecessary risks. We use numerous resources to review current and future U.S. government budgets and other market indicators. This information is used to determine which clients, regions, sectors, or countries have the best potential for sustainable growth and profitability.

We typically focus on regional commands such as the U.S. Embassy in Bangkok, USAID – Bangkok, NAVFAC Site Thailand, and U.S. Pacific Command – Hawaii. We meet regularly with clients to learn of upcoming opportunities, network through the DoD and DoS community for opportunities, and track opportunities on the Federal Business Opportunities webpage (the FBO is the U.S. government's webpage for posting all U.S. government procurements).

Our most reliable source of information on project opportunities is our frequent meetings and robust relationships with existing clients. These efforts allow us to learn of upcoming opportunities, their challenges, concerns, and requirements for successful execution.

We then collect, review, and track opportunities via our global interactive data lists. This list is integrated with our current business development plan, available resources, and regional partners to select the target projects. The list ranks opportunities in order of prior, execute ability, potential risk, and sustainable growth per fiscal quarter and year. We develop a capture plan for each opportunity that outlines the opportunity, key for success, competition, and strengths and weaknesses. Upon finalization of the capture plans, project teams initiate advance, developing as much information as possible on the project, risks, and keys for success. This approach assists in the request for proposal ("RPF") or tender phase since the majority of risk mitigation, technical and price approach have been pre-determined, allowing project teams and estimators to focus their efforts on the best value, the best possible proposal, and profitability. As each project is executed, information about future opportunities, clients, and services is added to interactive data list for updating and review

Depending on the project and the location, we may bid directly on projects or offer our subcontracting services to larger prime contractors, either on our own or in joint ventures, typically with local or regional companies with resources and experience that complement our own.

We bid all projects with a bottom up detail cost proposal. We carefully review the requests for proposal, conduct site visits, evaluate risks and develop a risk mitigation plan. We develop subcontractor RFP packages based on RFPs and in accordance with our capture strategy. We issue these subcontractor RFPs to multiple companies then select a subcontractor based on our pre-established selection criteria.

The U.S. government selection criteria are “lowest price, technically acceptable”. The process generally requires that we provide clarification on the bids but does not generally allow for negotiation. The bidding process is as follows:

1) We identify the market and potential opportunities using our confidential tracking sheet;
2) We meet with clients and stakeholders to learn the timing of RFP releases and upcoming work;
3) The RFP is issued by the U.S. military contracting officer;
4) If we decided to bid, we attend the pre-proposal conference and conduct site visits;
5) We develop a price and technical proposal; and
6) We submit a proposal in compliance with RFP requirements.

We then have to wait for a decision as to whether our bid is accepted as technically acceptable at the lowest price.

Non-U.S. Government Contracts

While U.S. government work remains our priority, we still pursue work for other clients, notably our contacts within the government of Ras al Khaimah in the U.A.E. and a private residential construction contract in Jom Tien, Thailand. While economic stresses have reduced the number of such projects available for bidding, we remain alert for opportunities in this field and will continue to bid on contracts appropriate to our capacities and geographic focus.

Prefabricated Housing

We are a distributor for several types of highly portable and economical prefabricated structures manufactured in China and Thailand. These structures are ideal for use as residence and offices space on project sites, and are also a useful solution for disaster relief situations and other environments requiring the rapid deployment of low-cost housing and other structures.

The market for disaster relief and reconstruction efforts encompasses affected populations as well as rapidly deployable operation and residence bases for relief personnel. The need for this type of structure has been powerfully underscored by the recent earthquakes in Haiti and Chile and the devastating tsunami in Southeast Asia. We believe that low-cost, readily transportable prefabricated structures are an ideal solution providing both immediate relief and long-term viability for disaster-affected areas, and are actively pursuing relationships with both relief agencies and governments of disaster-prone areas.

We had planned to utilize our experience with prefabricated housing for a project sponsored by the Angolan government but we have determined that the project is currently not financially feasible for us.

Quarry Products

The Company held a contract with the government of the Emirate of Ras al Khaimah in the U.A.E. to clear a right of way to a project site in the Al Hajar mountains. We operated this project through our subsidiary, Power Track Projects. Compensation for the project was in the form of the right to sell all rock and aggregate removed from the project site, which offers high-grade limestone ideal for crushing into aggregate and for sale as quarry run and armor rock. We sold these products to construction sites and ready-mix concrete providers primarily in Dubai and Abu Dhabi, in the U.A.E.

We initially suspended quarry operations on the site and believe that the suspension is now permanent. Local political issues, leadership changes, and the continued lack of demand from smaller quarries for materials that were in demand during the UAE building boom of 2000 to 2008, required the Company to suspend operations and take necessary market losses on inventory and equipment. Of the approximately 150 quarries operating in Ras al Khaimah (the location of Power Track's quarry) in 2007, only five remain operational today. Most quarries remain suspended and have blocked access to the projects and equipment due to unpaid government royalties.

During the year ended June 30, 2011, we sold or impaired all of our assets and inventory associated with Power Track Projects.

U.S. Domestic Operations and Alternative Fuels

The Company has more recently begun contact with major U.S. construction firms to establish strategic partnerships for domestic U.S. military construction projects. Through one of these firms we are able to bid and work on facilities of a classified nature in the United States, a separate and highly specialized market. We continue to pursue these partnerships but to date have not bid on any domestic projects.

Further, during the period the Company made the decision to diversify its operations and determined to address U.S. demand for alternative fuels. Subsequent to the period the Company effected a memorandum of understanding with Cleanfield Energy, Inc., to enter into the compressed natural gas (CNG) industry. We have begun making steps toward operations related to CNG for vehicles in Utah, Arizona and Virginia, primarily related to conversion and refueling.

Subsidiaries

Intelspec was incorporated in Nevada on July 15, 2008. Intelspec acquired Intelspec LLC, a Delaware limited liability company on July 25, 2008. Intelspec acquired Power Track Projects FZE, a United Arab Emirates registered Free Zone Enterprise on October 27, 2008, that is licensed for project and equipment management in the U.A.E. Intelspec formed Intelspec International LLC, a Thai registered foreign branch, in November 2009. We closed our Thai registered foreign branch on July 31, 2011, though we continue to focus our Southeast Asia operations from Thailand.

Competition

Competitors and Prospective Competitors

The Company's construction and project management operations are designed to exploit a gap in industry competition. The Company operates in challenging international environments where few if any American or European companies of equivalent size compete. Competition from international companies in these markets is typically from very large companies such as Caddell Construction, BL Harbert, WESTON, AICI-SP, Aurora Construction, Pernix. These companies typically do not bid on projects in the range we target. Instead, we view these companies as clients, rather than competitors, as the large contracts they pursue often contain subcontracts that are within our target range.

Operations to date have demonstrated that these assumptions are valid. We have yet to bid against a major international company for a targeted project. Nonetheless, the Company cannot ensure that at some point in the future it may compete with these much larger internationally established companies.

We have been most active in the Southeast Asian construction and project management business, and this activity has generated sufficient experience to analyze current and prospective competition. To date this competition has come almost exclusively from large local and regionally based construction firms, typically based in Thailand. The following companies have emerged as consistent competitors for projects pursued by IDVC in key markets:

- Thailand – Burke Construction, Romchat Development Co, Ltd, Civil 9, NSM
- Cambodia – ENDEC, Burke Construction, Romchat Development Co, Civil9
- Indonesia – Burke Construction, Imembra

All of these companies are based and registered in Southeast Asia. They are well established in the industry and have the technical capacity to compete with us on U.S. government contracts. All have won and executed contracts of this type. Typically a range of smaller locally based companies do bid on these projects but their proposals generally fail to pass technical qualification and they do not pose significant competition.

Our operations in markets outside Southeast Asia have not been extensive enough to generate a list of companies actually competing for projects targeted by us. However, the Company expects the pattern established in Southeast Asia to be repeated in other markets. Large international firms will generally not compete for these projects, which are too small to attract their attention. Smaller international firms will not bid because they typically lack the ability to operate effectively in developing nation markets. Smaller local firms will bid but will fail to pass technical criteria. Effective competition will come from large, well established, technically competent local firms, which are typically carrying high overhead costs that allow us to bid effectively against them.

The Company expects this general framework to show variance in different markets. Southeast Asia and the Arabian Gulf market are notable for having well developed local construction industries with a significant number of local companies that are able to submit qualifying bids for the smaller high-specification projects targeted by us. Outside these core markets the number of technically qualified local companies will be significantly smaller. We expect significantly less locally based competition in, for example, markets such as East Timor, Bangladesh and similar markets. Markets such as Afghanistan, Uganda, and Djibouti, with the large U.S. Department of Defense presence and interest, are much more competitive.

Basis of Competition in the Industry

U.S. government contracts in our industry for off site procurements are typically awarded on a lowest price, technically acceptable (LPTA) basis, meaning that the contract goes to the company presenting the cheapest technically acceptable bid. On site procurements are often awarded under contracts with which we often bid as a subcontractor or under joint venture agreements with larger companies.

Competition for non-government contracts is substantially more flexible and based more extensively on negotiation and personal contact networks, but price and technical qualification remain the dominant factors.

We do not bid for any contract where bribes, personal considerations, or other illegal mechanisms are involved, even in markets where these practices are locally accepted.

Competitive Advantage

Our competitive advantage is initially built around pursuit of contracts that limit our competition to a very small niche. By pursuing projects below the size criteria of major multinationals in markets not typically serviced by smaller international firms, we minimize competition from other international companies. Selection of projects with rigorous technical, bidding, and reporting requirements minimizes competition from smaller, less qualified local and regional firms. This selectivity effectively limits competition to large, well established local and regional companies.

Our competitive position against these companies is built around the fact that these companies are typically structured as regional equivalents of the very large international construction firms. They typically maintain large headquarters facilities with extensive staffs needed to support bidding and operations on a very wide range of local and international contracts. This structure increases their overhead cost and diminishes their ability to field competitive proposals.

Our competitive strategy in dealing with these companies is to maintain an extremely lean corporate structure with minimal staff, facility, and asset depreciation costs, and to focus on a rigorous process of project selection, targeting only those projects the Company is most likely to win and reducing the staff time required for bid preparation. We maintain a very low cost structure, but the Company's high level of expertise and extensive experience with U.S. government contracting and other projects with rigorous technical specifications enables us to submit bids with a level of technical qualification that other small companies with equivalent cost structures cannot match. Our principal competitive advantages are:

- International standard technical expertise;
- A low-cost structure enabling us to bid lower than competitors without compromising margins;
- Service delivery, including the ability to deliver personnel, processes, systems and technology on an "as needed, where needed, when needed" basis with the required local content and presence;
- Highest standard health, safety, and environmental practices;
- Technological sophistication; and
- Extensive experience in developing nations and high-risk environments.

Contracts

Our contracts can be broadly categorized as either cost-reimbursable or fixed-price, the latter sometimes being referred to as lump-sum. Some contracts can involve both fixed-price and cost-reimbursable elements.

Fixed-price contracts are for a fixed sum to cover all costs and any profit element for a defined scope of work. Fixed-price contracts entail more risk to us because they require us to predetermine both the quantities of work to be performed and the costs associated with executing the work. Although fixed-price contracts involve greater risk than cost-reimbursable contracts, they also are potentially more profitable since the owner/customer pays a premium to transfer more project risk to us.

Cost-reimbursable contracts include contracts where the price is variable based upon our actual costs incurred for time and materials, or for variable quantities of work priced at defined unit rates, including reimbursable labor hour contracts. Profit on cost-reimbursable contracts may be based upon a percentage of costs incurred and/or a fixed amount. Cost reimbursable contracts are generally less risky than fixed-price contracts because the owner/customer retains many of the project risks.

Insurance

All of the Company's operations carry "All Risks Insurance", the costs of which are passed on to clients within bid proposals. This insurance is mandatory and any competing bidders will also pass on similar costs.

Markets

The Company has the capacity to execute projects within its target criteria almost anywhere in the world. The Company has, however, focused its activities in markets where we have regional contact networks, where there are large numbers of available contracts, and where risks are manageable.

Southeast Asia

Southeast Asia has emerged as a major source of contracts. We are currently working on U.S. military contacts in Cambodia and Indonesia, and have recently completed U.S. military contracts in Thailand and Cambodia.

Southeast Asia provides an ideal working environment for the Company. There is a substantial U.S. military presence in the area, but it is relatively dispersed and focused on training, disaster relief, support for local forces and civic assistance projects. These activities provide numerous contract opportunities in our target range. There is substantial diplomatic construction planned in the area. There are enough underdeveloped areas to draw substantial development and relief aid spending, but the region as a whole is economically dynamic enough to generate substantial private contraction opportunities. The region enjoys a relatively high degree of political stability and presents a very manageable risk picture. Indonesia and East Timor, along with Malaysia, Papua New Guinea, and the southern Philippines are active with new U.S. government funded building projects and private sector projects, including infrastructure, oil & gas, and mining projects. These markets are determined to be relatively open to new qualified bidders relative to other project markets in Southeast Asia and the Pacific Rim.

The Company has bid on several projects in this region and is investigating other bid opportunities. Our demonstrated capacity to perform work in this region, our current projects in Cambodia and Indonesia, and our physical presence in Thailand provide a solid base for regional expansion, and we believe that Southeast Asia will be a major source of projects for us for years to come.

The Middle East

The Company was formed largely to exploit the booming project market of the Middle East, particularly the Arabian Gulf region. The impact of the recent economic slowdown led the Company to prioritize U.S. Government contracts over the primarily private contract opportunities in the Gulf region, which suffered a severe slowdown. The region is now making a significant comeback, driven by sustained high oil prices, which have provided substantial revenues and enabled both governments and private entities to resume spending, primarily on basic infrastructure and expanded oil & gas production. The general prosperity of the region offers limited scope for development aid contracting, but U.S. military spending on facilities is substantial, with ongoing construction and extensive proposed work in Oman, Qatar, and Kuwait. There is also substantial diplomatic construction ongoing and proposed, and the strategic significance of this region is likely to generate continued U.S. government spending. Private construction is rapidly recovering and offers large numbers of contract opportunities.

Patents, Trademarks, Licenses, Franchises, Concessions, Royalty Agreements and Labor Contracts

We currently have no patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts. However, all of the Company's bid packages contain proprietary information related to the Company and the project. We depend on our ability to develop and maintain the proprietary aspects of our bids to distinguish them from our competitors' bids. To protect this information, we rely primarily on a combination of confidentiality procedures. One method is requiring employees and consultants to execute confidentiality agreements upon the commencement of their relationship with us. These agreements provide that confidential information developed or made known during the course of a relationship with us must be kept confidential and not disclosed to third parties except in specific circumstances and for the assignment to us of intellectual property rights developed within the scope of the employment relationship.

Governmental and Environmental Regulation

Health and Safety

We are subject to numerous health and safety laws and regulations imposed by the governments controlling the jurisdictions in which we operate and by or clients and project financiers. These regulations are frequently changing, and it is impossible to predict the effect of such laws and regulations on us in the future. We actively seek to maintain a safe, healthy and environmentally friendly work place for all of our employees and those who work with us. However, we provide some of our services in high-risk locations and as a result we may incur substantial costs to maintain the safety of our personnel. All of our operations and personnel are covered by comprehensive "all risk" insurance, the costs of which are included in our contracts.

Office of Foreign Assets Control

The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States. OFAC acts under Presidential national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze assets under U.S. jurisdiction. Since the Company is a U.S. corporation, it is bound to the regulations of OFAC. Although we have never contracted nor made any effort to contract with countries which OFAC has identified as state sponsors of terrorism, the possibility exists that certain OFAC sanctioning methods could be employed against certain of our operations.

Environmental Regulation

The countries where we do business often have numerous environmental regulatory requirements by which we must abide in the normal course of our operations. We do not expect costs related to environmental matters will have a material adverse effect on our consolidated financial position or our results of operations.

Climate Change Legislation and Greenhouse Gas Regulation

Many studies over the past couple decades have indicated that emissions of certain gases contribute to warming of the Earth's atmosphere. In response to these studies, many nations have agreed to limit emissions of "greenhouse gases" or "GHGs" pursuant to the United Nations Framework Convention on Climate Change, and the "Kyoto Protocol." Although the United States did not adopt the Kyoto Protocol, several states have adopted legislation and regulations to reduce emissions of greenhouse gases. Additionally, the United States Supreme Court has ruled, in *Massachusetts, et al. v. EPA* , that the EPA abused its discretion under the Clean Air Act by refusing to regulate carbon dioxide emissions from mobile sources. As a result of the Supreme Court decision the EPA issued a finding that serves as the foundation under the Clean Air Act to issue other rules that would result in federal greenhouse gas regulations and emissions limits under the Clean Air Act, even without Congressional action. Finally, acts of Congress, particularly those such as the "American Clean Energy and Security Act of 2009" approved by the United States House of Representatives, as well as the decisions of lower courts, large numbers of states, and foreign governments could widely affect climate change regulation. Greenhouse gas legislation and regulation could have a material adverse effect on our business, financial condition, and results of operations.

Employees

We have one full-time employee in Virginia. We also have part-time consultants in Utah, Dubai, and Thailand. We believe we have a good working relationship with our employee and consultants, which are not represented by a collective bargaining organization. We also use third party consultants to assist in the completion of various projects; third parties are instrumental to keep the development of projects on time and on budget. Our management expects to continue to use consultants, attorneys, and accountants as necessary, to complement services rendered by our employees.

Reports to Security Holders

The Company's annual report contains audited financial statements. We are not required to deliver an annual report to security holders and will not automatically deliver a copy of the annual report to our security holders unless a request is made for such delivery. We file all of our required reports and other information with the Securities and Exchange Commission (the "Commission"). The public may read and copy any materials that are filed by the Company with the Commission at the Commission's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the Commission at 1-800-SEC-0330. The statements and forms filed by us with the Commission have also been filed electronically and are available for viewing or copy on the Commission maintained Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the Commission. The Internet address for this site can be found at *www.sec.gov*.

ITEM 1A. RISK FACTORS

Risk Factors Relating To Our Business

The Company's ability to continue as a going concern is in question

The Company's auditors included an explanatory statement in their report on our consolidated financial statements for the years ended June 30, 2011 and 2010, stating that there are certain factors which raise substantial doubt about the Company's ability to continue as a going concern. These factors include a working capital deficit, negative cashflows, and accumulated losses.

Our scope of our business is currently limited to small and mid-sized private and government contracts.

The Company is a global engineering and project management service provider; however a substantial economic slowdown in these markets has led the Company to focus primarily on U.S. government contracts and subcontracts. If we cannot continue to attain new government contracts and/or new subcontracts from some larger engineering contractors, our business could be adversely affected. Furthermore, if the demand engineering and project management continues to slowdown within our market, the Company could be adversely affected.

From time to time we may be required to suspend services to commercial and private customers to meet the priority demands of governmental military contractors, which may adversely impact our marketing to commercial and private customers.

The priority needs of governmental military contractors may require that we suspend services to some or all of our contracts from the commercial and private sector. The size and level of priority of services from governmental agencies are irregular and unpredictable, and from time to time in the past, we have had to delay fulfilling contracts from our commercial and private customers until priority governmental contracts have been fulfilled. This may damage our reputation among the commercial and private sector and potential future contracts and, in turn, adversely impact our marketing to such customers and potential customers in the commercial sector.

We depend on the recruitment and retention of qualified personnel, and our failure to attract and retain such personnel could seriously harm our business.

Due to the specialized nature of our businesses, our future performance is highly dependent upon the continued services of our key engineering personnel and executive officers, the development of additional management personnel, and the recruitment and retention of new qualified engineering, manufacturing, marketing, sales, and management personnel for our operations. Competition for personnel is intense, and we may not be successful in attracting or retaining qualified personnel. In addition, key personnel may be required to receive security clearances and substantial training in order to work on government sponsored programs or perform related tasks. The loss of key employees, our inability to attract new qualified employees or adequately train employees, or the delay in hiring key personnel could impair our ability to prepare bids for new projects, fill orders, or develop new products.

Our activities are affected by the level of U.S. defense spending, and a reduction in current defense budget expenditures or changing governmental priorities could significantly reduce sales under governmental contracts.

Our revenues from the U.S. government largely result from contracts awarded by military purchasers under various defense programs. The funding of defense programs is subject to the overall U.S. governmental budget and appropriation decisions and processes, and our programs must compete for funding with nondefense programs and other defense programs in which we are not involved. U.S. governmental budget decisions, including defense spending, are based on changing governmental priorities and objectives, which are driven by numerous factors, including national and international geopolitical events and economic conditions, and are beyond our control. In recent years, the overall level of U.S. defense spending has increased for numerous reasons, including increases in funding of operations in Iraq and Afghanistan and the U.S. Department of Defense's military transformation initiatives. We cannot assure that U.S. defense spending will continue to grow, particularly in view of the recent changes in the controlling political party in Congress. Significant changes to U.S. defense spending could have long-term consequences for the market of our services. In addition, as a result of changing governmental priorities and requirements, defense spending could shift away from the current importance of military force and facility construction into new areas, and the timing of funding of force and facility construction could change. Shifts or reductions in defense spending or changes in timing could result in the reduction or elimination of, or the delay in, funding of one or more of our defense programs, which could negatively impact our results of operations and financial condition.

A large scope of our business is governed by U.S. governmental contracts, which are subject to continued appropriations by Congress and termination.

We supply engineering and project management either directly or as a subcontractor for various U.S. governmental civilian and military programs, all of which are generally subject to congressional appropriations. Congress generally appropriates funds on a fiscal year basis even though a program may extend for several years. Consequently, programs are often only partially funded initially, and additional funds are committed only as Congress makes further appropriations. U.S. governmental contracts and subcontracts under a program are subject to termination or adjustment if appropriations for such program are not available or change. In addition, U.S. governmental contracts generally contain provisions permitting partial or total termination, without prior notice, at the U.S. government's convenience as well as termination for default based on performance. Upon termination for convenience, we generally will be entitled to compensation only for services rendered and commitments completed at the time of termination. A termination arising out of our default could expose us to liability and have a negative impact on our ability to obtain future contracts and orders.

Our financial performance is highly dependent on our procurement, performance, and payment under our U.S. governmental contracts. The termination of one or more large contracts, whether due to lack of funding, for convenience, or otherwise, could materially adversely affect our business. In such an event, our losses would likely increase as we would continue to incur operating costs as we sought to procure new U.S. government contracts to offset the revenues lost as a result of any termination of our contracts. Among the factors that could materially adversely affect our federal governmental contracting business are:

- budgetary constraints affecting federal government spending generally, or defense and intelligence spending in particular, and annual changes in fiscal policies or available funding;
- changes in federal governmental programs, priorities, procurement policies, or requirements;

- new legislation, regulations, or governmental union pressures on the nature and amount of services the government may obtain from private contractors;
- federal governmental shutdowns (such as during the government's 1996 fiscal year) and other potential delays in the governmental appropriations process; and
- delays in the payment of our invoices by governmental payment offices due to problems with, or upgrades to, governmental information systems, or for other reasons.

These or other factors could cause federal governmental agencies, or prime contractors when we are acting as a subcontractor, to reduce their purchases under contracts, to exercise their right to terminate contracts, or to not exercise options to renew contracts, any of which could reduce sales, including our sales backlog, while costs continued as are sought to develop sales have a materially adverse effect on our business, financial condition, and results of operations.

We enter into fixed-price contracts that could subject us to losses in the event that we have cost overruns.

Many of our contracts are entered into on a fixed-price basis. This allows us to benefit from cost savings, but we carry the financial risk of cost overruns. If our initial estimates on project completion are incorrect, we can lose money on these contracts. In addition, some of our contracts have provisions relating to cost controls and audit rights, and if we fail to meet the terms specified in those contracts, then we may not realize their full benefits. Lower earnings caused by cost overruns and cost controls would reduce or eliminate the gross margins under our contracts.

We could be suspended or debarred from contracting with the federal government.

We could be suspended or debarred from contracting with the federal government generally or any significant agency in the intelligence community or Department of Defense for, among other things, actions or omissions that are deemed by the government to be so serious or compelling that they affect our contractual responsibilities. For example, we could be debarred for committing a fraud or criminal offense in connection with obtaining, attempting to obtain, or performing a contract or for embezzlement, fraud, forgery, falsification, or other causes identified in applicable federal acquisition regulations. In addition, our reputation or relationship with the governmental agencies could be impaired. If we were suspended or debarred, or if our relationship or reputation were impaired, our sales opportunities and revenues would be reduced and our operating loss would increase.

International and political events may adversely affect our operations.

Our revenue is derived entirely from non-United States operations, which exposes us to risks inherent in doing business in each of the countries in which we transact business. The occurrence of any of the risks described below could have a material adverse effect on our results of operations and financial condition.

Operations in countries other than the United States are subject to various risks peculiar to each country. With respect to any particular country, these risks may include:

- expropriation and nationalization of our assets in that country;
- political and economic instability;
- civil unrest, acts of terrorism, force majeure, war, or other armed conflict;
- natural disasters, including those related to earthquakes and flooding;
- inflation;
- currency fluctuations, devaluations, and conversion restrictions;

- confiscatory taxation or other adverse tax policies;
- governmental activities that limit or disrupt markets, restrict payments, or limit the movement of funds;
- governmental activities that may result in the deprivation of contract rights; and
- governmental activities that may result in the inability to obtain or retain licenses required for operation.

Due to the unsettled political conditions in many oil-producing countries and countries in which we provide governmental logistical support, our revenue and profits are subject to the adverse consequences of war, the effects of terrorism, civil unrest, strikes, currency controls, and governmental actions.

We work in international locations where there are high security risks, which could result in harm to our employees and contractors or substantial costs.

Some of our services are performed in high-risk locations where the country or location is suffering from political, social or economic issues, or war or civil unrest. In those locations where we have employees or operations, we may incur substantial costs to maintain the safety of our personnel. Despite these precautions, the safety of our personnel in these locations may continue to be at risk, and we have in the past and may in the future suffer the loss of employees and contractors.

We are subject to significant foreign exchange and currency risks that could adversely affect our operations and our ability to reinvest earnings from operations, and our ability to limit our foreign exchange risk through hedging transactions may be limited.

A sizable portion of our consolidated revenue and consolidated operating expenses are in foreign currencies. As a result, we are subject to significant risks, including:

- foreign exchange risks resulting from changes in foreign exchange rates and the implementation of exchange controls; and
- limitations on our ability to reinvest earnings from operations in one country to fund the capital needs of our operations in other countries.

In particular, we conduct business in countries that have non-traded or “soft” currencies which, because of their restricted or limited trading markets, may be difficult to exchange for “hard” currencies. The national governments in some of these countries are often able to establish the exchange rates for the local currency. As a result, it may not be possible for us to engage in hedging transactions to mitigate the risks associated with fluctuations of the particular currency. We are often required to pay all or a portion of our costs associated with a project in the local soft currency. As a result, we generally attempt to negotiate contract terms with our customer, who is often affiliated with the local government, to provide that we are paid in the local currency in amounts that match our local expenses. If we are unable to match our costs with matching revenue in the local currency, we would be exposed to the risk of an adverse change in currency exchange rates.

Risks Relating to Our Common Stock

The Company's stock price may be volatile.

The market price of the Company's common stock is likely to be highly volatile and could fluctuate widely in price in response to various factors, many of which are beyond the Company's control, including the following:

- services by the Company or its competitors;
- additions or departures of key personnel;
- the Company's ability to execute its business plan;
- operating results that fall below expectations;
- loss of any strategic relationship;
- industry developments;
- economic and other external factors; and
- period-to-period fluctuations in the Company's financial results.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of the Company's common stock.

FINRA sales practice requirements may limit a stockholder's ability to buy and sell our stock.

The Financial Industry Regulatory Authority ("FINRA") has adopted rules that relate to the application of the Commission's penny stock rules in trading our securities and require that a broker/dealer have reasonable grounds for believing that the investment is suitable for that customer, prior to recommending the investment. Prior to recommending speculative, low priced securities to their non-institutional customers, broker/dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, the FINRA believes that there is a high probability that speculative, low priced securities will not be suitable for at least some customers. The FINRA requirements make it more difficult for broker/dealers to recommend that their customers buy our common stock, which may have the effect of reducing the level of trading activity and liquidity of our common stock. Further, many brokers charge higher transactional fees for penny stock transactions. As a result, fewer broker/dealers may be willing to make a market in our common stock, reducing a shareholder's ability to resell shares of our common stock.

We incur significant expenses as a result of the Sarbanes-Oxley Act of 2002, which expenses may continue to negatively impact our financial performance.

We incur significant legal, accounting and other expenses as a result of the Sarbanes-Oxley Act of 2002, as well as related rules implemented by the Commission, which control the corporate governance practices of public companies. Compliance with these laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002, as discussed in the following risk factor, has increased our expenses, including legal and accounting costs, and made some activities more time-consuming and costly.

Our internal controls over financial reporting are not considered effective, which could result in a loss of investor confidence in our financial reports and in turn have an adverse effect on our stock price.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 we are required to furnish a report by our management on our internal controls over financial reporting. Such report must contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. For the current period ending June 30, 2010, we are unable to assert that our internal controls are effective. Accordingly, our shareholders could lose confidence in the accuracy and completeness of our financial reports, which in turn could cause our stock price to decline.

The Company's past and future capital funding needs results in dilution to existing shareholders.

During the year ended June 30, 2011 we realized funding of $175,000 from Asher Enterprises, Inc., in the form of convertible notes, $57,000 of which to date has been converted into over 4,000,000 shares of our common stock. Additionally, we will need to realize capital funding over the next year to further our business plan. We intend to raise this capital through equity offerings, debt placements or joint ventures. Should we secure a commitment to provide us with capital, such commitment may obligate us to issue shares of our common stock, warrants or create other rights to acquire our common stock. The issuances to Asher Enterprises and any new issuances of our common stock result in a dilution of our existing shareholders interests.

The Company's common stock is currently deemed to be "penny stock", which makes it more difficult for investors to sell their shares.

The Company's common stock is and will be subject to the "penny stock" rules adopted under section 15(g) of the Exchange Act. The penny stock rules apply to companies whose common stock is not listed on the NASDAQ Stock Market or other national securities exchange and trades at less than $5.00 per share or that have tangible net worth of less than $5,000,000 ($2,000,000 if the company has been operating for three or more years). These rules require, among other things, that brokers who trade penny stock to persons other than "established customers" complete certain documentation, make suitability inquiries of investors and provide investors with certain information concerning trading in the security, including a risk disclosure document and quote information under certain circumstances. Many brokers have decided not to trade penny stocks because of the requirements of the penny stock rules and, as a result, the number of broker-dealers willing to act as market makers in such securities is limited. If the Company remains subject to the penny stock rules for any significant period, it could have an adverse effect on the market, if any, for the Company's securities. If the Company's securities are subject to the penny stock rules, investors will find it more difficult to dispose of the Company's securities.

The elimination of monetary liability against the Company's directors, officers and employees under Nevada law and the existence of indemnification rights to the Company's directors, officers and employees may result in substantial expenditures by the Company and may discourage lawsuits against the Company's directors, officers and employees.

The Company's certificate of incorporation contains a specific provision that eliminates the liability of directors for monetary damages to the Company and the Company's stockholders; further, the Company is prepared to give such indemnification to its directors and officers to the extent provided by Nevada law. The Company may also have contractual indemnification obligations under its employment agreements with its executive officers. The foregoing indemnification obligations could result in the Company incurring substantial expenditures to cover the cost of settlement or damage awards against directors and officers, which the Company may be unable to recoup. These provisions and resultant costs may also discourage the Company from bringing a lawsuit against directors and officers for breaches of their fiduciary duties and may similarly discourage the filing of derivative litigation by the Company's stockholders against the Company's directors and officers even though such actions, if successful, might otherwise benefit the Company and its stockholders.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

During the year ended June 30, 2011, our principals and key consultants operated out of their individual office spaces for which we paid no rent. Our principal executive office is located at 299 S. Main Street, 13th Floor, Salt Lake City, Utah 84111. The office is located in a shared office space with a yearly rental of $588 payable on a month to month basis; we pay additional amounts to lease out additional space, as needed. Our telephone number is (801) 488-2006 and our fax number is 801-747-6836.

During the year ended June 30, 2011, we also maintained office space of approximately 1,000 square feet and approximately 10,000 square foot workshop and related buildings located at 354/74 Soi 5 Khao Pratumnak, Nongprue, Banglamung, Chonburi, Thailand 20150. This space is rented from an unrelated party at a yearly rental of $10,000, prepaid through December 2011, from which we control our projects in Southeast Asia.

Our belief is that the spaces described are adequate for our immediate needs though additional space may be required at some future time as we seek to expand our operations. Should we require additional space, we do not foresee any significant difficulties in obtaining such space.

We do not presently own any real property.

ITEM 3. LEGAL PROCEEDINGS

None.

ITEM 4. (REMOVED AND RESERVED)

Removed and reserved.

PART II

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

The Company's common stock has been quoted on the OTCQB electronic quotation system under the symbol "IDVC". These prices reflect inter-dealer prices without retail mark-up, mark-down, or commission, and may not necessarily reflect actual transactions. The following table sets forth the high and low bid prices for the common stock as reported for each quarterly period from the last two years.

High and Low Bid Prices Since Quotation on the OTCBB			
Year	Quarter Ended	High	Low
2011	June 30	$0.35	$0.06
	March 31	$0.65	$0.10
2010	December 31	$0.75	$0.25
	September 30	$0.67	$0.51
	June 30	$2.50	$0.42*
	March 31	$0.21*	$0.18*
2009	December 31	$0.18*	$0.18*
	September 30	$0.33*	$0.17*

* These prices reflect the six for one forward split effected on June 11, 2010.

The following is a summary of the material terms of the Company's capital stock. This summary is subject to and qualified by our articles of incorporation and bylaws.

Common Stock

As of June 30, 2011, the Company had 238 shareholders of record holding a total of 120,125,000 shares of fully paid and non-assessable common stock of the 500,000,000 shares of common stock, par value $0.001, authorized. The board of directors believes that the number of beneficial owners is substantially greater than the number of record holders since shares of our outstanding common stock are held in broker "street names" for the benefit of individual investors. The holders of the common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. Holders of the common stock have no preemptive rights and no right to convert their common stock into any other securities. There are no redemption or sinking fund provisions applicable to the common stock.

Preferred Stock

The Company has no authorized shares of preferred stock.

Warrants

As of June 30, 2011, the Company had no warrants to purchase shares of stock.

Stock Options

As of June 30, 2011, the Company had no stock options to purchase shares of stock.

The Company entered into an agreement with its chief executive officer that provides for a three-year term, effective August 5, 2008, that included a monthly fee and participation in a stock option plan. However, we do not have a stock option plan at this time. We have an oral agreement with our chief executive officer to provide him with options upon approval of a stock option plan

Dividends

The Company has not declared any cash dividends since inception and does not anticipate paying any dividends in the near future. The payment of dividends is within the discretion of the board of directors and will depend on our earnings, capital requirements, financial condition, and other relevant factors. There are no restrictions that currently limit the Company's ability to pay dividends on its common stock other than those generally imposed by applicable state law.

Securities Authorized For Issuance under Equity Compensation Plans

None.

Convertible Securities

As of June 30, 2011, the Company had three promissory notes with an aggregate value of $175,000 convertible into shares of the Company stock. The notes have interest rates of 8%, nine month terms, and the option to convert the outstanding balances at a 40% discount off the market price at the time of conversion.

Note Amounts	Due	Conversion Amounts	Conversion Shares	Conversion Dates	Remaining Balance
$75,000	October 27, 2011				
		$15,000	374,065	August 11, 2011	
		$14,000	397,727	August 17, 2011	
		$16,000	526,316	August 22, 2011	
		$12,000	821,918	August 31, 2011	
					$18,000
$60,000	December 15, 2012				$60,000
$40,000	March 1, 2012				$40,000
Total					**$118,000**

Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities

On January 27, 2011, March 15, 2011, and June 1, 2011 the Company issued promissory notes in the amounts of $75,000, $60,000, $40,000 respectively, to Asher Enterprises, Inc., an unrelated party, at an interest rate of 8%, with a nine month term, and an option to convert the outstanding balance into shares of the Company's common stock at a 40% discount off the market price at the time of conversion, pursuant to the exemptions from registration provided by Section 4 (2) and Regulation D of the Securities Act. Subsequent to the year ended June 30, 2011, we have issued an aggregate of 2,120,026 shares of our common stock upon receiving conversion notices by Asher Enterprises, Inc.

The Company complied with the exemption requirements of Section 4(2) of the Securities Act based on the following factors: (1) the offers were isolated private transactions by the Company which did not involve public offerings; (2) the offeree has access to the kind of information which registration would disclose; and (3) the offeree is financially sophisticated.

The Company complied with the requirements of Regulation D of the Securities Act by: (i) foregoing any general solicitation or advertising to market the securities; (ii) offering only to an accredited offeree; (iii) having not violated antifraud prohibitions with the information provided to the offeree; (iv) being available to answer questions by the offeree; and (v) providing restricted promissory notes to the offeree.

On January 17, 2011, the Company authorized the issuance of 125,000 shares of common stock to CityVac for consulting services at $0.56 per share for an aggregate of $70,000, pursuant to the exemptions from registration provided by Section 4 (2) and Regulation D of the Securities Act.

The Company complied with the exemption requirements of Section 4(2) of the Securities Act based on the following factors: (1) the issuances offer was an isolated private transaction by the Company which did not involve a public offering; (2) the offeree had access to the kind of information which registration would disclose; and (3) the offeree is financially sophisticated.

The Company complied with the requirements of Regulation D of the Securities Act by: (i) foregoing any general solicitation or advertising to market the securities; (ii) offering only to an accredited offeree; (iii) having not violated antifraud prohibitions with the information provided to the offeree; (iv) being available to answer questions by the offeree; and (v) issuing restricted securities to the offeree.

Purchases of Equity Securities made by the Issuer and Affiliated Purchasers

None.

Transfer Agent and Registrar

The contact information for our transfer agent is as follows:

Action Stock Transfer Corp.
2469 E. Fort Union Blvd, Ste 214
Salt Lake City, UT 84121
(801) 274-1088
www.actionstocktransfer.com

ITEM 6. SELECTED FINANCIAL DATA

Not applicable.

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

This *Management's Discussion and Analysis of Financial Condition and Results of Operations* and other parts of this current report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can also be identified by words such as "anticipates," "expects," "believes," "plans," "predicts," and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include but are not limited to those discussed in the subsection entitled *Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition* below. The following discussion should be read in conjunction with our financial statements and notes thereto included in this current report. Our fiscal year end is June 30. For the year ended June 30, 2011:

(i) The Company began construction on the design / build contract for the U.S. Navy's Lido Phase II Project in Indonesia that was awarded to us in September 2010. The project includes building a two-storey barrack, dining facilities, a mess hall, a kitchen, roads, parking areas, and site utilities. The project will be completed by October 2011. We also began discussions with the client to prepare for bids on subsequent phases of the Lido project on the same site.

(ii) The Company supplied the U.S. Army - 411th Contracting Support Brigade with equipment, material, transportation and advisers for the "Ankor Sentinel" training exercise in Cambodia as part of the 2010 training program of the Global Peace Operations Initiative (GPOI), implemented by the United States Pacific Command (PACOM) in accordance with one of the Company's Blank Purchase Agreements.

(iii) The Company pre-qualified for logistics and supply contract bidding for the U.S. military's joint Cobra Gold exercise in Thailand though ultimately it did not bid on any contracts related to this exercise.

(iv) The Company signed a memorandum of agreement on October 18, 2010, with the owner of an oil sands concession in Indonesia; the agreement is structured as a profit sharing arrangement that provides us with an opportunity to manage the sale or lease of the 2,000 hectare project, as well as the right to overall management of the concession; we consulted with the owner and potential third party joint venture candidates for the project during November and December 2010. To date we have been unable secure the requisite funding to begin work on this project and are currently determining whether to renew this memorandum which expires on October 18, 2011.

(v) The Company signed a memorandum of understanding on November 20, 2010, with a local developer and an international consultant to manage the development of a 9,000 unit pre-fabricated housing program for the government of Angola; the Angolan government is in the early stages of a $50 billion program to build one million pre-fabricated and system-built affordable homes across the country; we expect to be involved in this program over the next several years, in cooperation with established local companies and international consultants. To date we have been unable secure the requisite funding to begin substantive work on this project and are currently determining whether to renew and assign the memorandum to a third party. The memorandum expires on November 20, 2011.

(vi) Due to logistical constraints, the Company decided not to pursue additional projects in Africa.

(vii) The Company began contact with major U.S. construction firms to establish strategic partnerships for domestic U.S. military construction projects.

(viii) Power Track wrote off 100% of its processed material inventory and sold all of its equipment at a substantial loss; it is unlikely that Power Track will to resume quarry operations.

(ix) The Company entered into an agreement with a founding shareholder of Intelspec to convert $2,442,000 in current debt to long-term debt; the agreement provides for the debt to incur interest at 6% per annum going forward payable after a five-year period and includes a discounted prepayment option, an option for the debt holder to convert to equity, and a provision for board of director representation at the request of the debt holder.

(x) The Company identified and began the bidding process for additional projects in Thailand, East Timor, and Cambodia.

(xi) The Company appointed an individual to serve as its chief financial officer and principal accounting officer to bifurcate the duties of our executive offices and appointed an additional director to our board of directors.

Further, during the period the Company made the decision to diversify its operations and determined to address U.S. demand for alternative fuels. At which time we began researching compressed natural gas (CNG) for vehicles.

Subsequent to the period the Company entered into a memorandum of understanding with Cleanfield Energy, Inc., dated July 1, 2011 as amended on July 7, 2011. Pursuant to the MOU we expect to enter into a joint venture with the company or will acquire the company. Our right to acquire the company is granted pursuant to our providing them interim funding to cover expenses for the furtherance of our business plan of converting fleet vehicles to CNG and to provide CNG fueling points at new or existing gas stations.

We are planning on opening a conversion location with Cleanfield Energy, Inc., in the Phoenix, Arizona area and have concentrated our fueling point efforts on Colorado and Utah. Further, we are looking at building coalitions for wide-scale conversion and fueling in Virginia.

Net Losses

Net loss for the year ended June 30, 2011 was $5,876,024 as compared $175,309 for the year ended June 30, 2010. The increase in net loss over the comparable periods is primarily due the suspension of Power Track's business. This suspension had a detrimental affect on our net revenues and accordingly gross profit, our operating expenses, and our other expenses. The Company is confident that it is moving past losses associated with Power Track and that it will transition back to net income in the next twelve months based on the successful completion of project management contracts.

Net Revenues

Net revenues for the year ended June 30, 2011 decreased to $602,437 from $3,007,737 for the year ended June 30, 2010, a decrease of 80%. The decrease in net revenues over the comparable periods can be attributed to a decrease in project management contract revenues as well as a lack of equipment rentals in the current periods due to Power Track's suspension of quarry operations. The decrease in project management contract revenues is due to a gap in management contract operations after narrowly losing several bids. The Company remains in competition for several project management contracts and will realize project management contract revenue from the Lido Phase II project through October 2011. Net revenues are expected to increase as a result of the Lido Phase II project and the anticipated successful award of additional contracts over the next twelve months.

Gross Losses/Profit

Gross loss for the year ended June 30, 2011 was $275,429 as compared to a gross profit of $329,601 for the year ended June 30, 2010. The transition to gross loss in the current period is due, in part, to the state of our current project which was in its initial revenue phase at the end of the period. We expect to transition to back to gross profit over the next twelve months in step with our expectation of an increase in revenues.

Operating Expenses

Operating expenses for the year ended June 30, 2011 increased to $1,605,184 from $608,494 for the year ended June 30, 2010, an increase of 164%. Operating expenses are from general, selling and administrative expenses, salaries and wages, and depreciation and amortization expense. Over the periods general, selling and administrative expenses increased to $762,055 from $275,729. Over the periods salaries and wages increased to $318,444 from $276,692. Over the periods bad debt expense increased to $524,684 from $0. Over the periods depreciation and amortization expense decreased to $0 from $56,074. The increase in general, selling and administrative expenses over the periods is primarily due to a royalty expense paid by Power Track of $278,273, repair and maintenance expenses at our Intelspec Thailand branch of $145,581, and an investor relations expense of $115,260. We expect operating expenses to decrease in the near term as we do not expect to incur these three expenses during the year ended June 30, 2012. Depreciation and amortization expenses for the year ended June 30, 2011 and 2010 were $0 and $56,074, respectively.

Other Income/Expenses

Other expenses for the year ended June 30, 2011 were $3,995,411 compared to other income for the year ended June 30, 2010 of $103,585. The transition to expenses from income over the comparative periods is primarily due to a current period loss of $1,981,604 on the write down of Power Track' inventory (mainly processed limestone), a loss of $1,091,071 on the sale of Power Track's fixed assets (crushing and mobile earthmoving equipment, a mobile labor camp, trucks, generators, and compressors for use in Power Track's mining operations), and a write off of 1,244,703 on Power Track's fixed assets.

Liquidity and Capital Resources

The Company's financial statements have been prepared assuming that we will continue as a going concern and, accordingly, do not include adjustments relating to the recoverability and realization of assets and classification of liabilities that might be necessary should we be unable to continue operations.

As of June 30, 2011, the Company had a working capital deficit of $440,384. The Company's current and total assets were $215,843 consisting of cash, inventories, prepaid expenses and other current assets. The Company's current liabilities were $656,227 consisting of notes payable, accounts payable and accrued expenses. The Company's total liabilities were $3,065,230 consisting of current liabilities as well as long-term debt equal to $2,409,003. Stockholders deficit in the Company was $2,849,387 as of June 30, 2011.

Cash flows used in operating activities for the year ending June 30, 2011 were $2,864,418 compared to cash flows provided by operating activities of $623,595 for the year ending June 30, 2010. Cash flow used in operating activities in the current period is primarily due to net losses from Power Track's operations and an adjustment from the decrease in current debt due to its conversion into long-term debt offset by $175,000 realized from the issuance of three promissory notes each with a nine month term and holder's option to convert the outstanding balance into shares of the Company's common stock at a 40% discount to the market price at the time of conversion. The conversion from short term to long-term debt stemmed from our debt obligation to WWA Group, Inc. (a beneficial owner of our common stock) in the amount of $2,442,000 which was converted to a note for the balance bearing interest at 6% due on May 17, 2016. The new note includes a provision by which a nominee of WWA Group may hold one seat on the Company's board of directors. The Company expects to transition to cash flow provided by operations in the near term with anticipated decreases in losses and increases in revenue.

Cash flows provided by investing activities for the year ending June 30, 2011 were $412,448 as compared to cash flows used in investing activities $1,165,652 for the year ending June 30, 2010. Cash flows provided in the current period are attributable to the sale of property and equipment related to Power Track's operations. The Company expects to use cash flow in investing activities in future periods in connection with the expansion of its business or the acquisition of other related businesses.

Cash flows provided by financing activities for the year ending June 30, 2011 were $2,479,003 as compared to $471,831 for the year ending June 30, 2010. Cash flows provided in the current period are attributable to the conversion of current debt with WWA Group, Inc., into long-term debt and to a lesser extent common stock issued against services. The Company expects to realize cash flows provided by financing activities in the near term in connection with debt or equity financings.

The Company's current assets are insufficient to meet its business objectives over the next twelve (12) months. We need a minimum of $1,000,000 in debt or equity financing to finance the expansion of our business. However, we have no commitments or arrangements for the requisite financing, and our shareholders are the most likely source of loans or equity placements in the near term. Our inability to obtain additional financing would have a material adverse affect on our business operations.

We have no lines of credit or other bank financing arrangements in place.

We have no commitments for future capital expenditures that were material at the end of the period.

We have no defined benefit plans in place though we do have contractual commitment with our chief executive officer.

We have no current plans for the purchase or sale of any plant or equipment.

We have no current plans to make any changes in the number of employees.

We do not expect to pay cash dividends in the foreseeable future.

Future Company Financings

We may continue to rely on debt or equity sales to continue to fund our business operations even though the issuance of additional shares will result in dilution to our existing stockholders.

Company Reporting Obligations

The Company does not anticipate any contingency upon which it would voluntarily cease filing reports with the Securities and Exchange Commission. It is in the compelling interest of the Company to report its affairs quarterly, annually and currently, as the case may be, generally to provide accessible public information to interested parties.

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 are material to investors.

Interest Rates

Interest rates are generally controlled. The majority of our debt is owed to a related party at a fixed interest rate so fluctuations in interest rates do not impact our result of operations at this time. However, we may need to rely on bank financing or other debt instruments in the future in which case fluctuations in interest rates could have a negative impact on our results of operations.

Forward Looking Statements and Factors That May Affect Future Results and Financial Condition

The statements contained in the section titled Management's Discussion and Analysis of Financial Condition and Results of Operations and elsewhere in this annual report, with the exception of historical facts, are forward looking statements. We are ineligible to rely on the safe-harbor provision of the Private Litigation Reform Act of 1995 for forward looking statements made in this annual report. Forward-looking statements reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These statements include, but are not limited to, statements concerning:

- our financial performance;
- the sufficiency of existing capital resources;
- our ability to fund cash requirements for future operations;
- uncertainties related to the growth of our business and the acceptance of our services;
- our ability to achieve and maintain an adequate customer base to generate sufficient revenues to maintain and expand operations;
- the volatility of the stock market; and
- general economic conditions.

We wish to caution readers that our operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated, including the factors set forth in the section entitled Risk Factors included elsewhere in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward-looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other than is required by law.

Going Concern

The Company's auditors have expressed an opinion as to our ability to continue as a going concern as a result of a working capital deficit, negative cash flows, and accumulated net losses. Our ability to continue as a going concern is subject to the ability of the Company to transition to net income in 2012 and obtaining additional funding from outside sources. Management's plan to address the Company's ability to continue as a going concern includes (i) transitioning back to gross profit; (ii) decreases in expenses; (iii) financing from private placement sources; and (iv) converting outstanding debt to equity. Although the Company believes that it will be able to remain a going concern, through the methods discussed above, there can be no assurances that such methods will prove successful.

Recent Accounting Pronouncements

Please see Note 11 to our consolidated financial statements for recent accounting pronouncements.

Stock-Based Compensation

We have adopted Accounting Standards Codification Topic ("ASC") 718, Share-Based Payment, which addresses the accounting for stock-based payment transactions in which an enterprise receives employee services in exchange for (a) equity instruments of the enterprise or (b) liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments.

We account for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with ASC 505. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Our audited financial statements for the years ended June 30, 2011 and 2010 are attached hereto as F-1 through F-13.

INFRASTRUCTURE DEVELOPMENTS CORP.
June 30, 2011 and June 30, 2010

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Pinaki & Associates LLC

Certified Public Accountants

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To the Board of Directors
Infrastructure Developments Corp.
299 S. Main Street, 13th Floor
Salt Lake City
Utah 84111

We have audited the accompanying consolidated balance sheets of Infrastructure Developments Corp. and subsidiaries as of June 30, 2011 and 2010 and the related consolidated statements of income, stockholders' equity and cash flows for the years ended June 30, 2011 and 2010. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. The Company's financial statements as of June 30, 2010 and for the year then ended, were audited by other auditors whose report thereon, dated October 12, 2010, expressed an unqualified opinion on those statements. As of the date of issuance of this report, the predecessor auditors have ceased operations with respect to public entities.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Infrastructure Developments Corp. and subsidiaries as of June 30, 2011 and 2010, and the related consolidated statements of income, stockholders' equity and cash flows for the years ended June 30, 2011 and 2010, in conformity with accounting principles generally accepted in the United States of America.

/s/ Pinaki & Associates LLC.

Hayward, CA
October 7, 2011

Infrastructure Developments Corp.
Consolidated Balance Sheets

ASSETS	**As of June 30, 2011**	**As of June 30, 2010**
CURRENT ASSETS		
Cash	$ 82,973	$ 55,939
Receivables, net	-	577,471
Inventories	67,744	2,231,449
Prepaid expenses	49,073	177,391
Other current assets	16,053	218,971
Total current assets	215,843	3,261,220.16
FIXED ASSETS, Net	-	2,986,340
TOTAL ASSETS	**$ 215,843**	**$ 6,247,561**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Notes Payable	$ 421,226	$ 2,434,002
Accounts payable	27,856	598,379
Accrued expenses	207,144	258,543
Total current liabilities	656,227	3,290,924
Long-term debt	2,409,003	-
TOTAL LIABILITIES	3,065,230	3,290,924
STOCKHOLDERS' EQUITY (DEFICIT)		
Common Stock		
Authorized: 500,000,000 common shares with $0.001 par value		
Issued: 120,125,000	120,125	30,379
Additional paid-in capital	5,926,649	5,946,396
Retained earnings	(8,896,162)	(3,020,138)
Total Stockholders' Equity (Deficit)	(2,849,387)	2,956,637
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	**$ 215,843**	**$ 6,247,561**

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

Infrastructure Developments Corp.
Consolidated Statements of Operations

	Year Ended June 30, 2011	Year Ended June 30, 2010
Net revenues:		
Contract Income	$ 300,492	$ 320,093
Revenue from equipment rental	-	982,688
Project Management	301,945	1,704,956
Total net revenues	**602,437**	**3,007,737**
Cost of Goods Sold	**877,866**	**2,678,136**
Gross profit (Loss)	**(275,429)**	**329,601**
Operating expenses:		
General, selling and administrative expenses	762,055	275,729
Salaries and wages	318,444	276,692
Bad debt expense (Power Track)	524,685	-
Depreciation and amortization expense	-	56,074
Total operating expenses	**1,605,184**	**608,494**
Income (loss) from operations	**(1,880,613)**	**(278,893)**
Other income (expense):		
Interest income (expenses)	(16,577)	
Loss in inventory write down	(1,981,604)	-
Loss in sale of fixed assets	(1,091,071)	-
Write off of fixed assets	(1,244,703)	-
Other income (expense)	338,544	103,585
Total other income (expense)	**(3,995,411)**	**103,585**
Income (loss) before income tax	(5,876,024)	(175,309)
Provision for income taxes	-	-
Net Income (Loss)	**$ (5,876,024)**	**$ (175,309)**
Basic income (loss) per share	$ (0.38)	$ (0.01)
Fully diluted income (loss) per share	$ (0.38)	$ (0.01)
Basic weighted average number of shares outstanding	15,500,000	15,500,000
Fully diluted weighted average number of shares outstanding	15,500,000	15,500,000

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

Infrastructure Developments Corp.
Consolidated Statements of Stockholders' Equity

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Total
Balance, June 30, 2009	**14,000,000**	**14,000**	**5,235,273**	**(2,590,092)**	**2,659,181**
Common stock issued @ $0.487 per share for cash consideration	113,300	113	56,256		56,369
Common stock issued @ $0.40 per share for cash consideration	819,690	820	327,056		327,876
Recapitalization of equity in reverse acquisition	(932,990)	-			-
Acquisition of IDVC	6,000,000	15,446	120,405	(254,737)	(118,886)
Forgiveness of debt by former parent			207,406		207,406
Forward split (dividend) of common stock at 6 for 1, effective June 11, 2010	100,000,000	89,621	(89,621)		-
Net Loss				(175,309)	(175,309)
Balance, June 30, 2010	**120,000,000**	**120,000**	**5,856,775**	**(3,020,138)**	**2,956,637**
Common Stock issued at $0.56 per share for services	125,000	125	69,875		70,000
Net Loss				(5,876,024)	(5,876,024)
Balance, June 30, 2011	**120,125,000**	**120,125**	**5,926,650**	**(8,896,162)**	**(2,849,387)**

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

Infrastructure Developments Corp.
Consolidated Statements of Cash Flows

	Year ended June 30, 2011	Year ended June 30, 2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ (5,876,024)	$ (175,309)
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	238,117	324,546
(Gain)Loss on disposition of assets	2,335,774	-
Changes in operating Assets and Liabilities:		
Decrease (increase) in:		
Accounts receivable	577,470	240,800
Inventories	2,163,704	130,000
Prepaid expenses	128,318	(68,179)
Other current assets	202,918	(163,936)
Increase (decrease) in:		
Notes payable	(2,012,776)	106,445
Accounts payable	(570,522)	34,427
Accrued liabilities	(51,399)	194,799
Net Cash Provided (Used) in Operating Activities	**(2,864,418)**	**623,595**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	-	(1,225,652)
Proceeds from sale of Fixed Assets	412,448	60,000
Net Cash Provided (Used) by Investing Activities	**412,448**	**(1,165,652)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Common Stock issued against services	70,000	-
Stock Subscription	-	383,312
Acquisition of business, net of cash acquired	-	88,519
Increase in Long term debt	2,409,003	-
Net Cash Provided by Financing Activities	**2,479,003**	**471,831**
NET INCREASE IN CASH	27,033	(70,225)
CASH AT BEGINNING OF PERIOD	55,939	126,164
CASH AT END OF PERIOD	**$ 82,973**	**$ 55,939**

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

INFRASTRUCTURE DEVELOPMENTS CORP.
Notes to the Financial Statements
June 30, 2011 and 2010

NOTE 1 - ORGANIZATION AND HISTORY

Infrastructure Developments Corp. (the "Company"), formerly 1st Home Buy and Sell Ltd., was incorporated under the laws of the state of Nevada on August 10, 2006. The Company changed its name to "Infrastructure Developments Corp." on March 1, 2010.

The Company conducts its business through its wholly-owned subsidiaries focusing on project management in the Middle East, East Asia, and Oceania. The Company aims to fill an underserved niche in the global project spectrum. It targets specialized projects and subcontracts that are too small to attract the attention of the giant multinational firms but which still require world class engineering expertise.

On April 14, 2010, the Company and Intelspec International Inc. ("Intelspec"), a Nevada corporation, engaged in engineering, construction, and project management executed a stock exchange agreement, whereby the Company agreed to acquire 100% of the issued and outstanding shares of Intelspec in exchange for 14,000,000 shares of the Company's common stock. Because the owners of Intelspec became the principal shareholders of the Company through the transaction, Intelspec is considered the acquirer for accounting purposes and this transaction is accounted for as a reverse acquisition or recapitalization of Intelspec.

NOTE 2 – GOING CONCERN

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liabilities in the normal course of business. Accordingly, they do not include any adjustments relating to the realization of the carrying value of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company has accumulated losses and working capital and cash flows from operations are negative which raises doubt as to the validity of the going concern assumptions. These financials do not include any adjustments to the carrying value of the assets and liabilities, the reported revenues and expenses and balance sheet classifications used that would be necessary if the going concern assumption were not appropriate; such adjustments could be material.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

a. Principles of Consolidation

The consolidated financial statements herein include the operations of Intelspec and the consolidated operations of Infrastructure Development Corp. and its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

b. Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities to the Company of three months or less to be cash equivalents.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Accounts Receivable

Accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Specific reserves are estimated by management based on certain assumptions and variables, including the customer's financial condition, age of the customer's receivables, and changes in payment histories. Trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

A trade receivable is considered to be past due if any portion of the receivable balance has not been received by the contractual pay date. Interest is not charged on trade receivables that are past due.

During the year ended June 30, 2011, the Company wrote off $524,685 as bad debt from its receivable as it is considered uncollectible.

d. Inventory

Inventories consist of limestone quarry run/feed stock/aggregate to be sold, stated at the lower of cost or market. The cost is determined by specific identification method. Cost includes processing costs and other incidental expenses incurred in bringing inventories to their present location and condition. The Company records a reserve if the fair value of inventory is determined to be less than the cost.

During the year ended June 30, 2011 the Company experienced a loss of $1,981,604 from the obsolete inventory of Power Track upon closing the quarry.

e. Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation. Depreciation and amortization on capital leases and property and equipment are determined using the straight line method over the estimated useful lives (usually ten years) of the assets or terms of the leases. Expenditures for maintenance and repairs are expensed when incurred and betterments are capitalized. Gains and losses on the sale of property and equipment are reflected in operations.

During the year ended June 30, 2011 the Company wrote off $1,244,703 of its fixed asset due to the closing of the quarry

f. Revenue Recognition

Revenues from Sales and Services consist of revenues earned in the Company's activity as Project & Construction Equipment Management & Operations, sale of quarry run, aggregate, equipment rental income and misc. services provided. All Sales/Service revenue is recognized when the sale/service is complete and the Company has determined that the sale/service proceeds are collectible.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Stock Based Compensation

The Company adopted SFAS No. 123-R effective January 1, 2006 using the modified prospective method. Under this transition method, stock compensation expense includes compensation expense for all stock-based compensation awards granted on or after January 1,2006, based on the grant-date fair value estimated in accordance with the provisions of SFAS No. 123-R.

The Company issued no compensatory options to its employees during the years ended June 30, 2011 and 2010.

h. Foreign Exchange

The Company's reporting currency is the United States dollar. The Company's functional currency is also the U.S. Dollar. ("USD") Transactions denominated in foreign currencies are translated into USD and recorded at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into USD at the foreign exchange rates prevailing at the balance sheet date. Realized and unrealized foreign exchange differences arising on translation are recognized in the income statement.

i. Advertising

The Company expenses the cost of advertising as incurred. For the year ended June 30, 2011 and 2010, the Company had no advertising expenses.

j. Income Taxes

The Company accounts for income taxes using the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

k. Income per Common Share

The computation of basic earnings per common share is based on the weighted average number of shares outstanding during each year. The computation of diluted earnings per common share is based on the weighted average number of shares outstanding during the year, plus the common stock equivalents that would arise from the exercise of stock options and warrants outstanding, using the treasury stock method and the average market price per share during the year.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Impairment of Long-Lived Assets

The Company reviews long-lived assets such as property, equipment, investments and definite-lived intangibles for impairment annually and whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. As required by Statement of Financial Accounting Standards No. 144, the Company uses an estimate of the future undiscounted net cash flows of the related asset or group of assets over their remaining economic useful lives in measuring whether the assets are recoverable. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount exceeds the estimated fair value of the asset. Impairment of long-lived assets is assessed at the lowest levels for which there are identifiable cash flows that are independent of other groups of assets.

l. Impairment of Long-Lived Assets

Assets to be disposed of are reported at the lower of the carrying amount or fair value, less the estimated costs to sell. In addition, depreciation of the asset ceases. During the years ended June 30, 2011 and 2010, $1,244,703 and $0 respectively were written off from the Company's long-lived assets.

m. Concentration of Credit Risk and Significant Customers

Financial instruments, which potentially subject the Company to concentration of credit risk, consist primarily of receivables and notes receivable. In the normal course of business, the Company provides credit terms to its customers. Accordingly, the Company performs ongoing credit evaluations of its customers and maintains allowances for possible losses which, when realized, have been within the range of management's expectations.

The Company maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 4 – ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts. Accordingly, actual results could differ from those estimates.

NOTE 5 – SHORT-TERM NOTES PAYABLE AND LINES OF CREDIT

The Company has from time to time short-term borrowings from various unrelated and related entities. These advances are non-interest bearing, unsecured and due upon demand. Because of the short-term nature of the notes the Company has not imputed an interest rate.

NOTE 6 – REVERSE ACQUISITION

On April 14, 2010, the Company, Intelspec and those shareholders of Intelspec holding a majority of its outstanding shares closed a transaction pursuant to that certain Share Exchange Agreement, whereby the Company is to acquire up to 100% of the outstanding shares of Intelspec's common stock from the shareholders of Intelspec in exchange for an aggregate of 14,000,000 shares of its common stock. As a result of closing the transaction the former shareholders of Intelspec will hold approximately 70% of the Company's issued and outstanding common stock. The shares of common stock of the Company issued pursuant to the Share Exchange Agreement were issued in reliance upon the exemptions from registration provided by Section 4(2) and Regulation S of the Securities Act of 1933, as amended.

NOTE 7 – LITIGATION

The Company may become or is subject to investigations, claims or lawsuits ensuing out of the conduct of its business. The Company is currently not aware of any such items, which it believes could have a material effect on its financial position.

NOTE 8 – RELATED PARTY TRANSACTIONS

The Company had payable to related parties totaling $2,409,003 as of June 30, 2011 and $2,434,002 as of June 30, 2010. The payables had 6% annual interest effective from May 17, 2011, unsecured and were due in full within 5 year of the execution of the Note. The Note was executed on May 17, 2011.

NOTE 9 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, investments, receivables, payables, and notes payable. The carrying amount of cash, investments, receivables, and payables approximates fair value because of the short-term nature of these items. The carrying amount of long-term notes payable approximates fair value as the individual borrowings bear interest at market interest rates.

NOTE 10 – LONG TERM DEBT

On May 17, 2011 the Company had converted $2,442,000 of short term loan due to WWA Group, Inc., to long term debt payable in full within 5 years of the execution of the Note. The Note was executed on May 17, 2011. The Note carries an annual interest of 6%.

NOTE 11 – RECENT ACCOUNTING PRONOUNCEMENTS

In May 2011, the Financial Accounting Standards Board (FASB) issued an accounting standard update to provide guidance on achieving a consistent definition of and common requirements for measurement of and disclosure concerning fair value as between U.S. GAAP and International Financial Reporting Standards. This accounting standard update is effective for the Company beginning in the third quarter of fiscal 2012. The Company is currently evaluating the impact of this accounting standard update on its Consolidated Financial Statements but does not expect it will have a material impact.

NOTE 11 – RECENT ACCOUNTING PRONOUNCEMENTS - continued

In June 2011, the FASB issued an accounting standard update to provide guidance on increasing the prominence of items reported in other comprehensive income. This accounting standard update eliminates the option to present components of other comprehensive income as part of the statement of equity and requires that the total of comprehensive income, the components of net income, and the components of other comprehensive income be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements. It is also required to present on the face of the financial statements reclassification adjustments for items that are reclassified from other comprehensive income to net income in the statement(s) where the components of net income and the components of other comprehensive income are presented. This accounting standard update is effective for the Company beginning in the first quarter of fiscal 2013.

In August 2011, the FASB approved a revised accounting standard update intended to simplify how an entity tests goodwill for impairment. The amendment will allow an entity to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. An entity no longer will be required to calculate the fair value of a reporting unit unless the entity determines, based on a qualitative assessment, that it is more likely than not that its fair value is less than its carrying amount. This accounting standard update will be effective for the Company beginning in the first quarter of fiscal 2013 and early adoption is permitted. The Company is currently evaluating the impact of this accounting standard update on its Consolidated Financial Statements.

NOTE 12 – STOCKHOLDERS' EQUITY

a. Authorized

The Company is authorized to issue 500,000,000 shares of $0.001 par value common stock and 10,000,000 shares of preferred stock, par value $0.001 per share. All common stock shares have equal voting rights, are non-assessable and have one vote per share. Voting rights are not cumulative and, therefore, the holders of more than 50% of the common stock could, if they choose to do so, elect all of the directors of the Company.

b. Issued and Outstanding

On June 11, 2010, the Company effected a 6-to-1 forward split of its 20,000,000 issued and outstanding common shares, resulting in 120,000,000 common shares on a post split basis. Shares and per share amounts have been retroactively restated to reflect the 6-for-1 forward stock split.

On January 17, 2011, the Company issued 125,000 shares of common stock to an unrelated party for consulting services at $0.01 per share.

As of June 30, 2011, the Company had 120,125,000 shares of common stock issued and outstanding.

NOTE 13 – SUBSEQUENT EVENTS

In accordance with Accounting Standards Codification (ASC) topic 855-10 "Subsequent Events", the Company has evaluated subsequent events through the date which the financial statements were available to be issued. The Company has determined that the following such event warrants disclosure or recognition in the financial statements:

- On July 1, 2011, as amended on July 7, 2011 the Company entered into a memorandum of understanding with Cleanfield Energy, Inc. Pursuant to the MOU we expect to enter into a joint venture or will acquire the company. Our right to acquire the company is granted pursuant to our providing them interim funding to cover expenses for the furtherance of our business plan of converting fleet vehicles to CNG and to provide CNG fueling points at new or existing gas stations.

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

There have not been any changes in or disagreements with accountants on accounting and financial disclosure or any other matter.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this annual report, an evaluation was carried out by the Company's management, with the participation of the chief executive officer and the chief financial officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")) as of June 30, 2011. Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms, and that such information is accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, the Company's management concluded, as of the end of the period covered by this report, that the Company's disclosure controls and procedures were ineffective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Commission's rules and forms, and such information was not accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Management's Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process, under the supervision of the chief executive officer and the chief financial officer, designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with United States generally accepted accounting principles (GAAP). Internal control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the Company's assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and the board of directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Due to its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management conducted an assessment of the effectiveness of our internal control over financial reporting as of June 30, 2011, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, which assessment identified material weaknesses in internal control over financial reporting. A material weakness is a control deficiency, or a combination of deficiencies in internal control over financial reporting that creates a reasonable possibility that a material misstatement in annual or interim financial statements will not be prevented or detected on a timely basis. Since the assessment of the effectiveness of our internal control over financial reporting did identify a material weakness, management considers its internal control over financial reporting to be ineffective.

The Company identified the following material weakness: Lack of Appropriate Independent Oversight.

The board of directors has not provided an appropriate level of oversight of the Company's consolidated financial reporting and procedures for internal control over financial reporting since there are, at present, no independent directors who could provide an appropriate level of oversight, including challenging management's accounting for and reporting of transactions. While this control deficiency did not result in any audit adjustments to our 2011 or 2010 interim or annual financial statements, it could have resulted in material misstatement that might have been prevented or detected by independent oversight. Accordingly we have determined that this control deficiency constitutes a material weakness.

The Company intends to remedy the material weaknesses by forming an audit committee made up of independent directors that will oversee management.

This annual report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. We were not required to have, nor have we, engaged our independent registered public accounting firm to perform an audit of internal control over financial reporting pursuant to the rules of the Commission that permit us to provide only a management's report in this annual report.

Changes in Internal Controls over Financial Reporting

During the period ended June 30, 2011, there has been no change in internal control over financial reporting that has materially affected or is reasonably likely to materially affect our internal control over financial reporting except for our response to the inadequate segregation of duties consistent with control objectives. During the current annual period we engaged an individual to serve as chief financial officer and principal accounting officer to segregate the duties of chief executive officer with that of our chief financial officer and principal accounting officer.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

Directors and Executive Officers

The following table sets forth the names and ages of our current directors and executive officers. Our board of directors appoints our executive officers. Our directors serve until the earlier occurrence of the election of his or her successor at the next meeting of stockholders, death, resignation or removal by the board of directors. There are no family relationships among our directors, executive officers, or director nominees.

Name	***Age***	***Position(s) and Office(s)***
Thomas R. Morgan	51	Chief Executive Officer and Director
Digamber Naswa	53	Chief Financial Officer
Shawn Teigen	39	Secretary and Director
Eric Montandon	46	Director

Thomas R. Morgan – Chief Executive Officer and Director

Since April 10, 2010, Thomas R. Morgan has served as Chief Executive Officer and as a director of the Company. He has been the executive officer and a director of Intelspec since August 5, 2008.

Tom Morgan has over 20 years of experience in major project management in multicultural environments. He is a specialist in high-threat area operations, with extensive experience in Afghanistan, Iraq, Africa, and other highly challenging environments. Mr. Morgan holds an Electrical Engineering degree from Pennsylvania State University. As a field engineer for the U.S. State Department's Diplomatic Communications Service he gained extensive experience in critical security situations; he has received law enforcement and counterterrorism training and has developed cutting edge communications networks for U.S. diplomatic missions across the globe. From 1988 to 1998 he served as Director of Operations for the Radio Free Europe/Radio Liberty network, and most recently, he was Managing Director/Dubai for the Middle East Broadcasting Networks. Mr. Morgan has held responsibility for project budgets in excess of $50 million, and has achieved a remarkable record of efficient and innovative technical management in some of the most challenging environments on the planet.

During the last five years Mr. Morgan has not been an officer or director of any other public companies.

Digamber Naswa – Chief Financial Officer

Since June 14, 2011, Digamber Nawsa has served as chief financial officer and principal accounting officer.

Mr. Naswa is a science graduate from the Kurukshetra University, India. He finished his Chartered Accountancy from the Institute of Chartered Accountants of India in 1984. He spent almost 20 years serving different industries in India and the United Arab Emirates in his various capacities as accounts officer, finance manager, deputy general manager and financial controller. Mr. Naswa has worked as the chief financial officer and principal accounting officer of WWA Group, Inc. (2003 to present), the financial controller of World Wide Auctioneers, Ltd. (2002 to present), the financial controller of Trust Garment Factory, Ltd., (2000 to 2002), and the deputy general manager with Xpro India, Ltd. (A division of Cimmico Birla) (1996 to 2000).

During the last five years Mr. Naswa has been an officer and director of WWA Group, Inc. (from 2003 to present).

Shawn Teigen – Secretary and Director

Since April 10, 2010, Shawn Teigen has served as Secretary and as a director of the Company. He has been a director of Intelspec since July 15, 2008.

Shawn Teigen has been providing consulting services to early-stage businesses for the past 10 years. He is the president of an oil and gas company with operations in Wyoming. Mr. Teigen also serves on the board of directors of certain public-sector and non-profit organizations. He spent two years in Kazakhstan as a U.S. Peace Corps volunteer. Mr. Teigen holds a Master of Public Policy and a BS in Management from the University of Utah.

During the last five years Mr. Teigen has not been an officer or director of any other public companies.

Eric Montandon – Director

Since May 17, 2011, Eric Montandon has served as a director of the Company.

Mr. Montandon graduated from Arizona State University in 1988 with a Bachelor's Degree in Business Finance. After graduation he worked for Winius-Montandon, Inc., as a commercial real estate consultant and appraiser in Phoenix, Arizona until 1992. He was involved in forming Momentum Asia, Inc., a design and printing operation in Subic Bay, Philippines in 1994. Mr. Montandon operated this company as its chief executive office until the middle of 2000. Mr. Montandon joined the board of directors in of Asia8, Inc. (now a holding company with a significant interest in WWA Group, Inc.) in February 2000 and became director of WWA Group, Inc. in 2003. Since then he has expanding his roles in both Asia8, Inc. and WWA Group, Inc. to include all areas of finance, operations and administration.

During the last five years Mr. Montandon has been an officer and director of three public companies: WWA Group, Inc. (from 2003 to present) (chief executive officer and director), Asia8, Inc. (from 2000 to present) (chief executive officer, chief financial officer and director), and Net Telecommunications, Inc., formerly a telecommunications service provider (from 2000 to present) (director).

Mr. Montandon's appointment to the Company's board of directors was in connection with his nomination pursuant to a condition attached to a promissory note provided by the Company to WWA Group, Inc.

Directors

Each director serves until our next annual meeting of the stockholders or unless they resign earlier. The board of directors elects officers and their terms of office are at the discretion of the board of directors. Each of our directors serves until his or her successor is elected and qualified. Each of our officers is elected by the board of directors to a term of one (1) year and serves until his or her successor is duly elected and qualified, or until he or she is removed from office. At the present time, members of the board of directors are not compensated for their services to the board.

Compliance with Section 16(a) o f the Securities Exchange Act of 1934

Section 16(a) of the Securities Exchange Act of 1934 requires our executive officers and directors, and persons who beneficially own more than 10% of our equity securities, to file reports of ownership and changes in ownership with the Commission. Officers, directors and greater than 10% shareholders are required by Commission regulation to furnish the Company with copies of all Section 16(a) forms they file. Based solely upon a review of Forms 3, 4 and 5 furnished to the Company, the Company is aware of the following persons or entities which, during the period ended June 30, 2011, failed to file, on a timely basis, reports required by Section 16(a) of the Securities Exchange Act of 1934.

- Steven Rogers failed to file Forms 4 and/or 5.
- World Wide Auctioneers Ltd., failed to file Forms 4 and/or 5.

Family Relationships

There are no family relationships between or among the directors or executive officers

Involvement in Certain Legal Proceedings

During the past ten years there are no events that occurred related to an involvement in legal proceedings that are material to an evaluation of the ability or integrity of any of the Company's directors, persons nominated to become directors or executive officers.

Code of Ethics

The Company has adopted a Code of Ethics within the meaning of Item 406(b) of Regulation S-K of the Securities Exchange Act of 1934. The Code of Ethics applies to directors and senior officers, such as the principal executive officer, principal financial officer, controller, and persons performing similar functions. The Company has incorporated a copy of its Code of Ethics as Exhibit 14 to this Form 10-K. Further, the Company's Code of Ethics is available in print, at no charge, to any security holder who requests such information by contacting us.

Board of Directors Committees

Audit Committee

The Company intends to establish an audit committee of the board of directors, which will consist of soon-to-be-nominated independent directors. The audit committee's duties would be to recommend to the Company's board of directors the engagement of an independent registered public accounting firm to audit the Company's financial statements and to review the Company's accounting and auditing principles. The audit committee would review the scope, timing and fees for the annual audit and the results of audit examinations performed by the internal auditors and independent registered public accounting firm, including their recommendations to improve the system of accounting and internal controls. The audit committee would at all times be composed exclusively of directors who are, in the opinion of the Company's board of directors, free from any relationship which would interfere with the exercise of independent judgment as a committee member and who possess an understanding of financial statements and generally accepted accounting principles.

Compensation Committee

The Company intends to establish a compensation committee of the board of directors. The compensation committee would review and approve the Company's salary and benefits policies, including compensation of executive officers.

Directors Compensation

Directors receive no compensation for their services as directors. We do not anticipate adopting a provision for compensating directors in the foreseeable future.

ITEM 11. EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The objective of our compensation program is to provide compensation for services rendered by our executive officers in the form of a salary. We utilize this form of compensation because we believe that it is adequate to both retain and motivate our executive officers. The amount we deem appropriate to compensate our executive officers is determined in accordance with other like corporations; we have no specific formula to determine compensatory amount at this time. We have deemed that our current compensatory program and the decisions regarding compensation are easy to administer and are appropriately suited for our objectives. We may expand our compensation program to additional future employees and to include other compensatory elements.

Executive compensation for the year ended June 30, 2011 and June 30, 2010 was $180,000. The consistency in executive compensation over the comparative annual periods is attributable to the employment agreement between Intelspec and our chief executive officer dated August 5, 2008; a salary expense has been paid or accrued at a consistent monthly amount since that date. We anticipate that executive compensation will decrease in the near term due to current cash flow restrictions and the conclusion of our chief executive officer's three-year employment agreement. Our chief financial officer, appointed June 14, 2011, earned no compensation during the period ended June 30, 2011.

Summary Compensation Table

The following table provides summary information for the years ended June 30, 2011 and 2010 concerning cash and non-cash compensation paid or accrued to or on behalf of (i) the chief executive officer, (ii) the two most highly compensated executive officers other than the chief executive officer if compensated over $100,000 and (iii) additional individuals if compensated over $100,000.

Executive's Summary Compensation Table									
Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation ($)	All Other Compensation ($)	Total ($)
Thomas R. Morgan [1] CEO,CFO, PAO and Director	2011 2010	180,000 180,000	- -	- -	- -	- -	- -	- -	180,000 180,000
Garry Unger[2] Former CEO,CFO and Director	2011 2010	- -	- -	- -	- -	- -	- -	- -	- -

1. On April 14, 2010, Mr. Morgan consented to act as the Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer and a director of the Company. During the period Mr. Morgan accrued compensation of $15,000 per month pursuant to a three-year employment agreement with Intelspec made effective August 5, 2008.
2. On April 14, 2010, the Company received the resignation of Mr. Unger as the Company's CEO, CFO, and its sole-director. During his tenure Mr. Unger received no compensation for his services to the Company.

We entered into an employment agreement with our chief executive officer that provides for a three-year term, effective August 5, 2008, that includes a monthly fee and participation in a stock option plan. However, the Company currently has no option or stock award plan. At this time the Company is in negotiation with Mr. Morgan to enter into a new employment agreement.

The Company has no long-term incentive plan. The Company has no plans that provides for the payment of retirement benefits, or benefits that will be paid primarily following retirement.

The Company has no agreement that provides for payment to our executive officer at, following, or in connection with the resignation, retirement or other termination, or a change in control of Company or a change in our executive officer's responsibilities following a change in control.

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

The following table sets forth certain information concerning the ownership of the Company's 124,365,052 shares of common stock issued and outstanding as of October 5, 2011 with respect to: (i) all directors; (ii) each person known by us to be the beneficial owner of more than five percent of our common stock; and (iii) our directors and executive officers as a group. Except as otherwise indicated, each of the stockholders listed below has sole voting and investment power over the shares beneficially owned. Beneficial ownership consists of a direct interest in the shares of common stock, except as otherwise indicated.

Name and Address of Beneficial Owner[1]	*Amount of Beneficial Ownership*	*Percentage of Beneficial Ownership*
Directors and Officers		
Thomas R. Morgan 13800 Coppermine Road, 2nd Floor, Herndon, VA 20171	774,312	0.62%
Digamber Naswa 404 W. Powell Lane, Suite 303-304, Austin, TX 78753	0	0%
Shawn Teigen 163 Williams Ave., Salt Lake City, UT 84111	51,618	0.04%
Eric Montandon[2] 404 W. Powell Lane, Suite 303-304, Austin, TX 78753	25,294,218	20.33%
All executive officers and directors as a group	26,120,148	21.00%
Beneficial owners greater than 5%		
Steven Rogers Villa 13, Granada 3, Complex Al Filayah, Ras Al Khaimah, UAE	14,221,974	11.44%
World Wide Auctioneers Ltd.[2] P.O. Box 17774, Jebel Ali Free Zone, Dubai, UAE	25,294,218	20.33%

1. Under Rule 13d-3, a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares: (i) voting power, which includes the power to vote, or to direct the voting of shares; and (ii) investment power, which includes the power to dispose or direct the disposition of shares. Certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for example, upon exercise of an option) within 60 days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares outstanding is deemed to include the amount of shares beneficially owned by such person (and only such person) by reason of these acquisition rights.
2. Mr. Eric Montandon, a resident of the United Arab Emirates, has voting and dispositive control over the shares of the Company held by World Wide Auctioneers Ltd. by virtue of being the Chief Executive Officer of World Wide Auctioneers Ltd.

Changes in Control

None.

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

None of our directors or executive officers, nor any proposed nominee for election as a director, nor any person who beneficially owns, directly or indirectly, shares carrying more than 5% of the voting rights attached to all of our outstanding shares, nor any members of the immediate family (including spouse, parents, children, siblings, and in−laws) of any of the foregoing persons has any material interest, direct or indirect, in any transaction since the beginning of our last fiscal year or in any presently proposed transaction which, in either case, has or will materially affect us, except as follows:

- During the year ended June 30, 2011, the Company's sole executive officer, Thomas Morgan, was owed $180,000 pursuant to an employment agreement. His agreement terminated on August 4, 2011. At this time the Company is in negotiation with Mr. Morgan to enter into a new employment agreement.

- On May 17, 2011 the Company provided a promissory note (the "Note") to WWA Group, Inc., of which our director, Eric Montandon, is an officer and director. The Note converted $2,442,000 of a short term loan due to WWA Group, Inc., to long term debt. The Note carries an interest rate of six percent (6%) per annum to be paid in full by May 17, 2016. The Note includes a provision by which a nominee of WWA Group, Inc., may hold one seat on the Company's board of directors. WWA Group, Inc., nominated Eric Montandon and he was appointed to our board on May 17, 2011

Director Independence

Our common stock is listed on the OTCQB inter-dealer quotation system, which does not have director independence requirements. For purposes of determining director independence, we have applied the definitions set out in NASDAQ Rule 4200(a)(15). Under NASDAQ Rule 4200(a)(15), a director is not considered to be independent if he or she is also an executive officer or employee of the corporation. Accordingly, we do not consider any of our directors to be independent.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following is a summary of the fees billed to us by Pinaki & Associates LLC ("Pinaki") and Kostandinos Jerry Georgatos Certified Public Accountants ("Georgatos") for professional services rendered for the past two fiscal years:

Fee Category	***Pinaki Fiscal 2011 Fees ($)***	***Georgatos Fiscal 2010 Fees ($)***
Audit Fees	30,000	30,000
Audit-Related Fees	0	0
Tax Fees	0	0
All Other Fees	0	0

Audit Fees consist of fees billed for professional services rendered for the audit of our financial statements and review of the interim financial statements included in quarterly reports and services that are normally provided by Pinaki and Georgatos in connection with statutory and regulatory filings or engagements.

Audit Committee Pre-Approval

The Company did not have a standing audit committee at the time its respective auditors were engaged. Therefore, all services provided by Pinaki and Georgatos, as detailed above, were pre-approved by the Company's board of directors. Pinaki and Georgatos performed all work only with their permanent full time employees.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements

The following documents are filed under "*Item 8. Financial Statements and Supplementary Data*," pages F-1 through F-13, and are included as part of this Form 10-K:

Financial Statements of the Company for the years ended June 30, 2011 and 2010:

Report of Independent Registered Public Accounting Firm
Consolidated Balance Sheets
Consolidated Statements of Operations
Consolidated Statements of Changes in Stockholders' Equity
Consolidated Statements of Cash Flows
Notes to Consolidated Financial Statements

(b) Exhibits

The exhibits required to be attached by Item 601 of Regulation S-K are listed in the Index to Exhibits on page 40 of this Form 10-K, and are incorporated herein by this reference.

(c) Financial Statement Schedules

We are not filing any financial statement schedules as part of this Form 10-K because such schedules are either not applicable or the required information is included in the financial statements or notes thereto.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Infrastructure Developments Corp.	***Date***
/s/ Thomas Morgan By: Thomas Morgan Its: Chief Executive Officer and Director	October 7, 2011
/s/ Digamber Naswa By: Digamber Naswa Its: Chief Financial Officer and Principal Accounting Officer	October 7, 2011

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

	Date
/s/ Thomas Morgan Thomas Morgan Chief Executive Officer and Director	October 7, 2011
/s/ Shawn Teigen Shawn Teigen Director	October 7, 2011
/s/ Eric Montandon Eric Montandon Director	October 7, 2011

INDEX TO EXHIBITS

Number	*Description*
3.1.1*	Articles of Incorporation filed with the Nevada Secretary of State on August 10, 2006. Incorporated by reference as Exhibits to the Form SB-1 filed on May 11, 2007.
3.1.2*	Certificate of Amendment to the Articles of Incorporation filed with the Nevada Secretary of State on April 23, 2007. Incorporated by reference to the Company's Registration Statement on Form SB-1 filed with the Commission on May 11, 2007.
3.1.3*	The Certificate of Amendment to the Company's Articles of Incorporation was filed with the Secretary of State of the Nevada on March 1, 2010. Incorporated by reference to the Company's Definitive Information Statement on Schedule 14C as filed with the Commission on February 2, 2010.
3.1.4*	The Certificate of Amendment to the Company's Articles of Incorporation was filed with the Secretary of State of the Nevada on April 9, 2010. Incorporated by reference to the Company's current Report on Form 8-K as filed with the Commission on April 14, 2010.
3.2*	Bylaws. Incorporated by reference to the Company's Registration Statement on Form SB-1 filed with the Commission on May 11, 2007.
10.1*	Asset Purchase Agreement, dated July 1, 2008, between 1st Home Buy & Sell, Ltd. and DK Group N.A. N.V. Incorporated by reference to the Company's current Report on Form 8-K as filed with the Commission on July 3, 2008.
10.2*	Securities Purchase Agreement, dated July 1, 2008, between Intelspec, Intelspec LLC and Tom Morgan. Incorporated by reference to the Company's current Report on Form 8-K as filed with the Commission on April 26, 2010.
10.3*	Employment Agreement, dated August 1, 2008, between Intelspec and Tom Morgan. Incorporated by reference to the Company's current Report on Form 8-K as filed with the Commission on April 26, 2010.
10.4*	Share Exchange Agreement, dated September 2, 2008, between Intelspec and Power Track Projects, FZE. Incorporated by reference to the Company's current Report on Form 8-K as filed with the Commission on April 26, 2010.
10.5*	Split-Off Agreement, dated September 5, 2008, between 1st Home Buy & Sell, Ltd. and Pacific Coast Development Corp. Incorporated by reference to the Company's current Report on Form 8-K as filed with the Commission on September 9, 2008.
10.6*	Share Exchange Agreement dated April 1, 2010, between the Company and Intelspec. Incorporated by reference to the Company's current Report on Form 8-K as filed with the Commission on April 8, 2010.
10.7*	Promissory Note with WWA Group, Inc., dated May 17, 2011. Incorporated by reference to the Company's Form 10-Q filed with the Commission on May 23, 2011.
10.8	Security Purchase Agreement and Convertible Promissory Note with Asher Enterprises, Inc. (attached).
10.9	Memorandum of Understanding and Addendum with Cleanfield Energy, Inc. (attached).
14	Code of Ethics adopted October 6, 2011 (attached).
21*	Subsidiaries. Incorporated by reference to the Company's current Report on Form 8-K as filed with the Commission on April 26, 2010.
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (attached).
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (attached).
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (attached).
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (attached).

* Incorporated by reference to previous filings of the Company.

Exhibit 10.8

SECURITIES PURCHASE AGREEMENT

This SECURITIES PURCHASE AGREEMENT (the "Agreement"), dated as of June 1, 2011, by and between INFRASTRUCTURE DEVELOPMENTS CORP., a Nevada corporation, with headquarters located at 299 South Main Street - 13th Floor, Salt Lake City, UT 84111 (the "Company"), and ASHER ENTERPRISES, INC., a Delaware corporation, with its address at 1 Linden Place, Suite 207, Great Neck, NY 11021 (the "Buyer").

WHEREAS:

A. The Company and the Buyer are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by the rules and regulations as promulgated by the United States Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "1933 Act");

B. Buyer desires to purchase and the Company desires to issue and sell, upon the terms and conditions set forth in this Agreement an 8% convertible note of the Company, in the form attached hereto as Exhibit A, in the aggregate principal amount of $40,000.00 (together with any note(s) issued in replacement thereof or as a dividend thereon or otherwise with respect thereto in accordance with the terms thereof, the "Note"), convertible into shares of common stock, $0.001 par value per share, of the Company (the "Common Stock"), upon the terms and subject to the limitations and conditions set forth in such Note.

C. The Buyer wishes to purchase, upon the terms and conditions stated in this Agreement, such principal amount of Note as is set forth immediately below its name on the signature pages hereto; and

NOW THEREFORE, the Company and the Buyer severally (and not jointly) hereby agree as follows:

1. Purchase and Sale of Note.

a. Purchase of Note. On the Closing Date (as defined below), the Company shall issue and sell to the Buyer and the Buyer agrees to purchase from the Company such principal amount of Note as is set forth immediately below the Buyer's name on the signature pages hereto.

b. Form of Payment. On the Closing Date (as defined below), (i) the Buyer shall pay the purchase price for the Note to be issued and sold to it at the Closing (as defined below) (the "Purchase Price") by wire transfer of immediately available funds to the Company, in accordance with the Company's written wiring instructions, against delivery of the Note in the principal amount equal to the Purchase Price as is set forth immediately below the Buyer's name on the signature pages hereto, and (ii) the Company shall deliver such duly executed Note on behalf of the Company, to the Buyer, against delivery of such Purchase Price.

c. Closing Date. Subject to the satisfaction (or written waiver) of the conditions thereto set forth in Section 6 and Section 7 below, the date and time of the issuance and sale of the Note pursuant to this Agreement (the "Closing Date") shall be 12:00 noon, Eastern Standard Time on or about June 3, 2011, or such other mutually agreed upon time. The closing of the transactions contemplated by this Agreement (the "Closing") shall occur on the Closing Date at such location as may be agreed to by the parties.

2. Buyer's Representations and Warranties. The Buyer represents and warrants to the Company that:

a. Investment Purpose. As of the date hereof, the Buyer is purchasing the Note and the shares of Common Stock issuable upon conversion of or otherwise pursuant to the Note (including, without limitation, such additional shares of Common Stock, if any, as are issuable (i) on account of interest on the Note, (ii) as a result of the events described in Sections 1.3 and 1.4(g) of the Note or (iii) in payment of the Standard Liquidated Damages Amount (as defined in Section 2(f) below) pursuant to this Agreement, such shares of Common Stock being collectively referred to herein as the "Conversion Shares" and, collectively with the Note, the "Securities") for its own account and not with a present view towards the public sale or distribution thereof, except pursuant to sales registered or exempted from registration under the 1933 Act; provided, however, that by making the representations herein, the Buyer does not agree to hold any of the Securities for any minimum or other specific term and reserves the right to dispose of the Securities at any time in accordance with or pursuant to a registration statement or an exemption under the 1933 Act.

b. Accredited Investor Status. The Buyer is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D (an "Accredited Investor").

c. Reliance on Exemptions. The Buyer understands that the Securities are being offered and sold to it in reliance upon specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying upon the truth and accuracy of, and the Buyer's compliance with, the representations, warranties, agreements, acknowledgments and understandings of the Buyer set forth herein in order to determine the availability of such exemptions and the eligibility of the Buyer to acquire the Securities.

d. Information. The Buyer and its advisors, if any, have been, and for so long as the Note remain outstanding will continue to be, furnished with all materials relating to the business, finances and operations of the Company and materials relating to the offer and sale of the Securities which have been requested by the Buyer or its advisors. The Buyer and its advisors, if any, have been, and for so long as the Note remain outstanding will continue to be, afforded the opportunity to ask questions of the Company. Notwithstanding the foregoing, the Company has not disclosed to the Buyer any material nonpublic information and will not disclose such information unless such information is disclosed to the public prior to or promptly following such disclosure to the Buyer. Neither such inquiries nor any other due diligence investigation conducted by Buyer or any of its advisors or representatives shall modify, amend or affect Buyer's right to rely on the Company's representations and warranties contained in Section 3 below. The Buyer understands that its investment in the Securities involves a significant degree of risk. The Buyer is not aware of any facts that may constitute a breach of any of the Company's representations and warranties made herein.

e. Governmental Review. The Buyer understands that no United States federal or state agency or any other government or governmental agency has passed upon or made any recommendation or endorsement of the Securities.

f. Transfer or Re-sale. The Buyer understands that (i) the sale or re-sale of the Securities has not been and is not being registered under the 1933 Act or any applicable state securities laws, and the Securities may not be transferred unless (a) the Securities are sold pursuant to an effective registration statement under the 1933 Act, (b) the Buyer shall have delivered to the Company, at the cost of the Buyer, an opinion of counsel that shall be in form, substance and scope customary for opinions of counsel in comparable transactions to the effect that the Securities to be sold or transferred may be sold or transferred pursuant to an exemption from such registration, which opinion shall be accepted by the Company, (c) the Securities are sold or transferred to an "affiliate" (as defined in Rule 144 promulgated under the 1933 Act (or a successor rule) ("Rule 144")) of the Buyer who agrees to sell or otherwise transfer the Securities only in accordance with this Section 2(f) and who is an Accredited Investor, (d) the Securities are sold pursuant to Rule 144, or (e) the Securities are sold pursuant to Regulation S under the 1933 Act (or a successor rule) ("Regulation S"), and the Buyer shall have delivered to the Company, at the cost of the Buyer, an opinion of counsel that shall be in form, substance and scope customary for opinions of counsel in corporate transactions, which opinion shall be accepted by the Company; (ii) any sale of such Securities made in reliance on Rule 144 may be made only in accordance with the terms of said Rule and further, if said Rule is not applicable, any re-sale of such Securities under circumstances in which the seller (or the person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the 1933 Act) may require compliance with some other exemption under the 1933 Act or the rules and regulations of the SEC thereunder; and (iii) neither the Company nor any other person is under any obligation to register such Securities under the 1933 Act or any state securities laws or to comply with the terms and conditions of any exemption thereunder (in each case). Notwithstanding the foregoing or anything else contained herein to the contrary, the Securities may be pledged as collateral in connection with a bona fide margin account or other lending arrangement.

g. Legends. The Buyer understands that the Note and, until such time as the Conversion Shares have been registered under the 1933 Act may be sold pursuant to Rule 144 or Regulation S without any restriction as to the number of securities as of a particular date that can then be immediately sold, the Conversion Shares may bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of the certificates for such Securities):

> "NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES."

The legend set forth above shall be removed and the Company shall issue a certificate without such legend to the holder of any Security upon which it is stamped, if, unless otherwise required by applicable state securities laws, (a) such Security is registered for sale under an effective registration statement filed under the 1933 Act or otherwise may be sold pursuant to Rule 144 or Regulation S without any restriction as to the number of securities as of a particular date that can then be immediately sold, or (b) such holder provides the Company with an opinion of counsel, in form, substance and scope customary for opinions of counsel in comparable transactions, to the effect that a public sale or transfer of such Security may be made without registration under the 1933 Act, which opinion shall be accepted by the Company so that the sale or transfer is effected. The Buyer agrees to sell all Securities, including those represented by a certificate(s) from which the legend has been removed, in compliance with applicable prospectus delivery requirements, if any. In the event that the Company does not accept the opinion of counsel provided by the Buyer with respect to the transfer of Securities pursuant to an exemption from registration, such as Rule 144 or Regulation S, at the Deadline, it will be considered an Event of Default pursuant to Section 3.2 of the Note.

h. Authorization; Enforcement. This Agreement has been duly and validly authorized. This Agreement has been duly executed and delivered on behalf of the Buyer, and this Agreement constitutes a valid and binding agreement of the Buyer enforceable in accordance with its terms.

i. Residency. The Buyer is a resident of the jurisdiction set forth immediately below the Buyer's name on the signature pages hereto.

3. Representations and Warranties of the Company. The Company represents and warrants to the Buyer that:

a. Organization and Qualification. The Company and each of its Subsidiaries (as defined below), if any, is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated, with full power and authority (corporate and other) to own, lease, use and operate its properties and to carry on its business as and where now owned, leased, used, operated and conducted. Schedule 3(a) sets forth a list of all of the Subsidiaries of the Company and the jurisdiction in which each is incorporated. The Company and each of its Subsidiaries is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which its ownership or use of property or the nature of the business conducted by it makes such qualification necessary except where the failure to be so qualified or in good standing would not have a Material Adverse Effect. "Material Adverse Effect" means any material adverse effect on the business, operations, assets, financial condition or prospects of the Company or its Subsidiaries, if any, taken as a whole, or on the transactions contemplated hereby or by the agreements or instruments to be entered into in connection herewith. "Subsidiaries" means any corporation or other organization, whether incorporated or unincorporated, in which the Company owns, directly or indirectly, any equity or other ownership interest.

b. Authorization; Enforcement. (i) The Company has all requisite corporate power and authority to enter into and perform this Agreement, the Note and to consummate the transactions contemplated hereby and thereby and to issue the Securities, in accordance with the terms hereof and thereof, (ii) the execution and delivery of this Agreement, the Note by the Company and the consummation by it of the transactions contemplated hereby and thereby (including without limitation, the issuance of the Note and the issuance and reservation for issuance of the Conversion Shares issuable upon conversion or exercise thereof) have been duly authorized by the Company's Board of Directors and no further consent or authorization of the Company, its Board of Directors, or its shareholders is required, (iii) this Agreement has been duly executed and delivered by the Company by its authorized representative, and such authorized representative is the true and official representative with authority to sign this Agreement and the other documents executed in connection herewith and bind the Company accordingly, and (iv) this Agreement constitutes, and upon execution and delivery by the Company of the Note, each of such instruments will constitute, a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms.

c. Capitalization. As of the date hereof, the authorized capital stock of the Company consists of: (i) 500,000,000 shares of Common Stock, $0.001 par value per share, of which 120,000,000 shares are issued and outstanding; and (ii) there are no authorized shares of Preferred Stock; no shares are reserved for issuance pursuant to the Company's stock option plans, no shares are reserved for issuance pursuant to securities (other than the Note and a prior convertible promissory note in favor of the Buyer dated March 15, 2011 in the amount of $60,000.00 for which 1,500,000 shares of Common Stock are presently reserved) exercisable for, or convertible into or exchangeable for shares of Common Stock and 1,639,344 shares are reserved for issuance upon conversion of the Note. All of such outstanding shares of capital stock are, or upon issuance will be, duly authorized, validly issued, fully paid and non-assessable. No shares of capital stock of the Company are subject to preemptive rights or any other similar rights of the shareholders of the Company or any liens or encumbrances imposed through the actions or failure to act of the Company. As of the effective date of this Agreement,

(i) there are no outstanding options, warrants, scrip, rights to subscribe for, puts, calls, rights of first refusal, agreements, understandings, claims or other commitments or rights of any character whatsoever relating to, or securities or rights convertible into or exchangeable for any shares of capital stock of the Company or any of its Subsidiaries, or arrangements by which the Company or any of its Subsidiaries is or may become bound to issue additional shares of capital stock of the Company or any of its Subsidiaries, (ii) there are no agreements or arrangements under which the Company or any of its Subsidiaries is obligated to register the sale of any of its or their securities under the 1933 Act and (iii) there are no anti-dilution or price adjustment provisions contained in any security issued by the Company (or in any agreement providing rights to security holders) that will be triggered by the issuance of the Note or the Conversion Shares. The Company has furnished to the Buyer true and correct copies of the Company's Certificate of Incorporation as in effect on the date hereof ("Certificate of Incorporation"), the Company's By-laws, as in effect on the date hereof (the "By-laws"), and the terms of all securities convertible into or exercisable for Common Stock of the Company and the material rights of the holders thereof in respect thereto. The Company shall provide the Buyer with a written update of this representation signed by the Company's Chief Executive on behalf of the Company as of the Closing Date.

d. Issuance of Shares. The Conversion Shares are duly authorized and reserved for issuance and, upon conversion of the Note in accordance with its respective terms, will be validly issued, fully paid and non-assessable, and free from all taxes, liens, claims and encumbrances with respect to the issue thereof and shall not be subject to preemptive rights or other similar rights of shareholders of the Company and will not impose personal liability upon the holder thereof.

e. Acknowledgment of Dilution. The Company understands and acknowledges the potentially dilutive effect to the Common Stock upon the issuance of the Conversion Shares upon conversion of the Note. The Company further acknowledges that its obligation to issue Conversion Shares upon conversion of the Note in accordance with this Agreement, the Note is absolute and unconditional regardless of the dilutive effect that such issuance may have on the ownership interests of other shareholders of the Company.

f. No Conflicts. The execution, delivery and performance of this Agreement, the Note by the Company and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance and reservation for issuance of the Conversion Shares) will not (i) conflict with or result in a violation of any provision of the Certificate of Incorporation or By-laws, or (ii) violate or conflict with, or result in a breach of any provision of, or constitute a default (or an event which with notice or lapse of time or both could become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture, patent, patent license or instrument to which the Company or any of its Subsidiaries is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws and regulations and regulations of any self-regulatory organizations to which the Company or its securities are subject) applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected (except for such conflicts, defaults, terminations, amendments, accelerations, cancellations and violations as would not, individually or in the aggregate, have a Material Adverse Effect).

Neither the Company nor any of its Subsidiaries is in violation of its Certificate of Incorporation, By-laws or other organizational documents and neither the Company nor any of its Subsidiaries is in default (and no event has occurred which with notice or lapse of time or both could put the Company or any of its Subsidiaries in default) under, and neither the Company nor any of its Subsidiaries has taken any action or failed to take any action that would give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any of its Subsidiaries is a party or by which any property or assets of the Company or any of its Subsidiaries is bound or affected, except for possible defaults as would not, individually or in the aggregate, have a Material Adverse Effect. The businesses of the Company and its Subsidiaries, if any, are not being conducted, and shall not be conducted so long as the Buyer owns any of the Securities, in violation of any law, ordinance or regulation of any governmental entity. Except as specifically contemplated by this Agreement and as required under the 1933 Act and any applicable state securities laws, the Company is not required to obtain any consent, authorization or order of, or make any filing or registration with, any court, governmental agency, regulatory agency, self regulatory organization or stock market or any third party in order for it to execute, deliver or perform any of its obligations under this Agreement, the Note in accordance with the terms hereof or thereof or to issue and sell the Note in accordance with the terms hereof and to issue the Conversion Shares upon conversion of the Note. All consents, authorizations, orders, filings and registrations which the Company is required to obtain pursuant to the preceding sentence have been obtained or effected on or prior to the date hereof. The Company is not in violation of the listing requirements of the Over-the-Counter Bulletin Board (the "OTCBB") and does not reasonably anticipate that the Common Stock will be delisted by the OTCBB in the foreseeable future. The Company and its Subsidiaries are unaware of any facts or circumstances which might give rise to any of the foregoing.

g. SEC Documents; Financial Statements. The Company has timely filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC pursuant to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "1934 Act") (all of the foregoing filed prior to the date hereof and all exhibits included therein and financial statements and schedules thereto and documents (other than exhibits to such documents) incorporated by reference therein, being hereinafter referred to herein as the "SEC Documents"). Upon written request the Company will deliver to the Buyer true and complete copies of the SEC Documents, except for such exhibits and incorporated documents. As of their respective dates, the SEC Documents complied in all material respects with the requirements of the 1934 Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. None of the statements made in any such SEC Documents is, or has been, required to be amended or updated under applicable law (except for such statements as have been amended or updated in subsequent filings prior the date hereof). As of their respective dates, the financial statements of the Company included in the SEC Documents complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. Such financial statements have been prepared in accordance with United States generally accepted accounting principles, consistently applied, during the periods involved and fairly present in all material respects the consolidated financial position of the Company and its consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments). Except as set forth in the financial statements of the Company included in the SEC Documents, the Company has no liabilities, contingent or otherwise, other than (i) liabilities incurred in the ordinary course of business subsequent to March 31, 2011, and (ii) obligations under contracts and commitments incurred in the ordinary course of business and not required under generally accepted accounting principles to be reflected in such financial statements, which, individually or in the aggregate, are not material to the financial condition or operating results of the Company. The Company is subject to the reporting requirements of the 1934 Act.

h. Absence of Certain Changes. Since March 31, 2011, there has been no material adverse change and no material adverse development in the assets, liabilities, business, properties, operations, financial condition, results of operations, prospects or 1934 Act reporting status of the Company or any of its Subsidiaries.

i. Absence of Litigation. There is no action, suit, claim, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the Company or any of its Subsidiaries, threatened against or affecting the Company or any of its Subsidiaries, or their officers or directors in their capacity as such, that could have a Material Adverse Effect. Schedule 3(i) contains a complete list and summary description of any pending or, to the knowledge of the Company, threatened proceeding against or affecting the Company or any of its Subsidiaries, without regard to whether it would have a Material Adverse Effect. The Company and its Subsidiaries are unaware of any facts or circumstances which might give rise to any of the foregoing.

j. Patents, Copyrights, etc. The Company and each of its Subsidiaries owns or possesses the requisite licenses or rights to use all patents, patent applications, patent rights, inventions, know-how, trade secrets, trademarks, trademark applications, service marks, service names, trade names and copyrights ("Intellectual Property") necessary to enable it to conduct its business as now operated (and, as presently contemplated to be operated in the future); there is no claim or action by any person pertaining to, or proceeding pending, or to the Company's knowledge threatened, which challenges the right of the Company or of a Subsidiary with respect to any Intellectual Property necessary to enable it to conduct its business as now operated (and, as presently contemplated to be operated in the future); to the best of the Company's knowledge, the Company's or its Subsidiaries' current and intended products, services and processes do not infringe on any Intellectual Property or other rights held by any person; and the Company is unaware of any facts or circumstances which might give rise to any of the foregoing. The Company and each of its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of their Intellectual Property.

k. No Materially Adverse Contracts, Etc. Neither the Company nor any of its Subsidiaries is subject to any charter, corporate or other legal restriction, or any judgment, decree, order, rule or regulation which in the judgment of the Company's officers has or is expected in the future to have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries is a party to any contract or agreement which in the judgment of the Company's officers has or is expected to have a Material Adverse Effect.

l. Tax Status. The Company and each of its Subsidiaries has made or filed all federal, state and foreign income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject (unless and only to the extent that the Company and each of its Subsidiaries has set aside on its books provisions reasonably adequate for the payment of all unpaid and unreported taxes) and has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and has set aside on its books provisions reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company know of no basis for any such claim. The Company has not executed a waiver with respect to the statute of limitations relating to the assessment or collection of any foreign, federal, state or local tax. None of the Company's tax returns is presently being audited by any taxing authority.

m. Certain Transactions. Except for arm's length transactions pursuant to which the Company or any of its Subsidiaries makes payments in the ordinary course of business upon terms no less favorable than the Company or any of its Subsidiaries could obtain from third parties and other than the grant of stock options disclosed on Schedule 3(c), none of the officers, directors, or employees of the Company is presently a party to any transaction with the Company or any of its Subsidiaries (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any corporation, partnership, trust or other entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner.

n. Disclosure. All information relating to or concerning the Company or any of its Subsidiaries set forth in this Agreement and provided to the Buyer pursuant to Section 2(d) hereof and otherwise in connection with the transactions contemplated hereby is true and correct in all material respects and the Company has not omitted to state any material fact necessary in order to make the statements made herein or therein, in light of the circumstances under which they were made, not misleading. No event or circumstance has occurred or exists with respect to the Company or any of its Subsidiaries or its or their business, properties, prospects, operations or financial conditions, which, under applicable law, rule or regulation, requires public disclosure or announcement by the Company but which has not been so publicly announced or disclosed (assuming for this purpose that the Company's reports filed under the 1934 Act are being incorporated into an effective registration statement filed by the Company under the 1933 Act).

o. Acknowledgment Regarding Buyer' Purchase of Securities. The Company acknowledges and agrees that the Buyer is acting solely in the capacity of arm's length purchasers with respect to this Agreement and the transactions contemplated hereby. The Company further acknowledges that the Buyer is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to this Agreement and the transactions contemplated hereby and any statement made by the Buyer or any of its respective representatives or agents in connection with this Agreement and the transactions contemplated hereby is not advice or a recommendation and is merely incidental to the Buyer' purchase of the Securities. The Company further represents to the Buyer that the Company's decision to enter into this Agreement has been based solely on the independent evaluation of the Company and its representatives.

p. No Integrated Offering. Neither the Company, nor any of its affiliates, nor any person acting on its or their behalf, has directly or indirectly made any offers or sales in any security or solicited any offers to buy any security under circumstances that would require registration under the 1933 Act of the issuance of the Securities to the Buyer. The issuance of the Securities to the Buyer will not be integrated with any other issuance of the Company's securities (past, current or future) for purposes of any shareholder approval provisions applicable to the Company or its securities.

q. No Brokers. The Company has taken no action which would give rise to any claim by any person for brokerage commissions, transaction fees or similar payments relating to this Agreement or the transactions contemplated hereby.

r. Permits; Compliance. The Company and each of its Subsidiaries is in possession of all franchises, grants, authorizations, licenses, permits, easements, variances, exemptions, consents, certificates, approvals and orders necessary to own, lease and operate its properties and to carry on its business as it is now being conducted (collectively, the "Company Permits"), and there is no action pending or, to the knowledge of the Company, threatened regarding suspension or cancellation of any of the Company Permits. Neither the Company nor any of its Subsidiaries is in conflict with, or in default or violation of, any of the Company Permits, except for any such conflicts, defaults or violations which, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. Since March 31, 2011, neither the Company nor any of its Subsidiaries has received any notification with respect to possible conflicts, defaults or violations of applicable laws, except for notices relating to possible conflicts, defaults or violations, which conflicts, defaults or violations would not have a Material Adverse Effect.

s. Environmental Matters.

(i) There are, to the Company's knowledge, with respect to the Company or any of its Subsidiaries or any predecessor of the Company, no past or present violations of Environmental Laws (as defined below), releases of any material into the environment, actions, activities, circumstances, conditions, events, incidents, or contractual obligations which may give rise to any common law environmental liability or any liability under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 or similar federal, state, local or foreign laws and neither the Company nor any of its Subsidiaries has received any notice with respect to any of the foregoing, nor is any action pending or, to the Company's knowledge, threatened in connection with any of the foregoing. The term "Environmental Laws" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants contaminants, or toxic or hazardous substances or wastes (collectively, "Hazardous Materials") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

(ii) Other than those that are or were stored, used or disposed of in compliance with applicable law, no Hazardous Materials are contained on or about any real property currently owned, leased or used by the Company or any of its Subsidiaries, and no Hazardous Materials were released on or about any real property previously owned, leased or used by the Company or any of its Subsidiaries during the period the property was owned, leased or used by the Company or any of its Subsidiaries, except in the normal course of the Company's or any of its Subsidiaries' business.

(iii) There are no underground storage tanks on or under any real property owned, leased or used by the Company or any of its Subsidiaries that are not in compliance with applicable law.

t. Title to Property. The Company and its Subsidiaries have good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them which is material to the business of the Company and its Subsidiaries, in each case free and clear of all liens, encumbrances and defects except such as are described in Schedule 3(t) or such as would not have a Material Adverse Effect. Any real property and facilities held under lease by the Company and its Subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as would not have a Material Adverse Effect.

u. Insurance. The Company and each of its Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company and its Subsidiaries are engaged. Neither the Company nor any such Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect. Upon written request the Company will provide to the Buyer true and correct copies of all policies relating to directors' and officers' liability coverage, errors and omissions coverage, and commercial general liability coverage.

v. Internal Accounting Controls. The Company and each of its Subsidiaries maintain a system of internal accounting controls sufficient, in the judgment of the Company's board of directors, to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

w. Foreign Corrupt Practices. Neither the Company, nor any of its Subsidiaries, nor any director, officer, agent, employee or other person acting on behalf of the Company or any Subsidiary has, in the course of his actions for, or on behalf of, the Company, used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

x. Solvency. The Company (after giving effect to the transactions contemplated by this Agreement) is solvent (i.e., its assets have a fair market value in excess of the amount required to pay its probable liabilities on its existing debts as they become absolute and matured) and currently the Company has no information that would lead it to reasonably conclude that the Company would not, after giving effect to the transaction contemplated by this Agreement, have the ability to, nor does it intend to take any action that would impair its ability to, pay its debts from time to time incurred in connection therewith as such debts mature. The Company did not receive a qualified opinion from its auditors with respect to its most recent fiscal year end and, after giving effect to the transactions contemplated by this Agreement, does not anticipate or know of any basis upon which its auditors might issue a qualified opinion in respect of its current fiscal year.

y. No Investment Company. The Company is not, and upon the issuance and sale of the Securities as contemplated by this Agreement will not be an "investment company" required to be registered under the Investment Company Act of 1940 (an "Investment Company"). The Company is not controlled by an Investment Company.

z. Breach of Representations and Warranties by the Company. If the Company breaches any of the representations or warranties set forth in this Section 3, and in addition to any other remedies available to the Buyer pursuant to this Agreement, it will be considered an Event of default under Section 3.4 of the Note.

4. COVENANTS.

a. Best Efforts. The parties shall use their best efforts to satisfy timely each of the conditions described in Section 6 and 7 of this Agreement.

b. Form D; Blue Sky Laws. The Company agrees to file a Form D with respect to the Securities as required under Regulation D and to provide a copy thereof to the Buyer promptly after such filing. The Company shall, on or before the Closing Date, take such action as the Company shall reasonably determine is necessary to qualify the Securities for sale to the Buyer at the applicable closing pursuant to this Agreement under applicable securities or "blue sky" laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to the Buyer on or prior to the Closing Date.

c. Use of Proceeds. The Company shall use the proceeds for general working capital purposes.

d. Right of First Refusal. Unless it shall have first delivered to the Buyer, at least seventy two (72) hours prior to the closing of such Future Offering (as defined herein), written notice describing the proposed Future Offering, including the terms and conditions thereof and proposed definitive documentation to be entered into in connection therewith, and providing the Buyer an option during the seventy two (72) hour period following delivery of such notice to purchase the securities being offered in the Future Offering on the same terms as contemplated by such Future Offering (the limitations referred to in this sentence and the preceding sentence are collectively referred to as the "Right of First Refusal") (and subject to the exceptions described below), the Company will not conduct any equity financing (including debt with an equity component) ("Future Offerings") during the period beginning on the Closing Date and ending twelve (12) months following the Closing Date. In the event the terms and conditions of a proposed Future Offering are amended in any respect after delivery of the notice to the Buyer concerning the proposed Future Offering, the Company shall deliver a new notice to the Buyer describing the amended terms and conditions of the proposed Future Offering and the Buyer thereafter shall have an option during the seventy two (72) hour period following delivery of such new notice to purchase its pro rata share of the securities being offered on the same terms as contemplated by such proposed Future Offering, as amended. The foregoing sentence shall apply to successive amendments to the terms and conditions of any proposed Future Offering. The Right of First Refusal shall not apply to any transaction involving (i) issuances of securities in a firm commitment underwritten public offering (excluding a continuous offering pursuant to Rule 415 under the 1933 Act) or (ii) issuances of securities as consideration for a merger, consolidation or purchase of assets, or in connection with any strategic partnership or joint venture (the primary purpose of which is not to raise equity capital), or in connection with the disposition or acquisition of a business, product or license by the Company. The Right of First Refusal also shall not apply to the issuance of securities upon exercise or conversion of the Company's options, warrants or other convertible securities outstanding as of the date hereof or to the grant of additional options or warrants, or the issuance of additional securities, under any Company stock option or restricted stock plan approved by the shareholders of the Company.

e. Expenses. At the Closing, the Company shall reimburse Buyer for expenses incurred by them in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the other agreements to be executed in connection herewith ("Documents"), including, without limitation, reasonable attorneys' and consultants' fees and expenses, transfer agent fees, fees for stock quotation services, fees relating to any amendments or modifications of the Documents or any consents or waivers of provisions in the Documents, fees for the preparation of opinions of counsel, escrow fees, and costs of restructuring the transactions contemplated by the Documents. When possible, the Company must pay these fees directly, otherwise the Company must make immediate payment for reimbursement to the Buyer for all fees and expenses immediately upon written notice by the Buyer or the submission of an invoice by the Buyer. The Company's obligation with respect to this transaction is to reimburse Buyer' expenses shall be $2,500.

f. Financial Information. Upon written request the Company agrees to send or make available the following reports to the Buyer until the Buyer transfers, assigns, or sells all of the Securities: (i) within ten (10) days after the filing with the SEC, a copy of its Annual Report on Form 10-K its Quarterly Reports on Form 10-Q and any Current Reports on Form 8-K; (ii) within one (1) day after release, copies of all press releases issued by the Company or any of its Subsidiaries; and (iii) contemporaneously with the making available or giving to the shareholders of the Company, copies of any notices or other information the Company makes available or gives to such shareholders.

g. [INTENTIONALLY DELETED]

h. Listing. The Company shall promptly secure the listing of the Conversion Shares upon each national securities exchange or automated quotation system, if any, upon which shares of Common Stock are then listed (subject to official notice of issuance) and, so long as the Buyer owns any of the Securities, shall maintain, so long as any other shares of Common Stock shall be so listed, such listing of all Conversion Shares from time to time issuable upon conversion of the Note. The Company will obtain and, so long as the Buyer owns any of the Securities, maintain the listing and trading of its Common Stock on the OTCBB or any equivalent replacement exchange, the Nasdaq National Market ("Nasdaq"), the Nasdaq SmallCap Market ("Nasdaq SmallCap"), the New York Stock Exchange ("NYSE"), or the American Stock Exchange ("AMEX") and will comply in all respects with the Company's reporting, filing and other obligations under the bylaws or rules of the Financial Industry Regulatory Authority ("FINRA") and such exchanges, as applicable. The Company shall promptly provide to the Buyer copies of any notices it receives from the OTCBB and any other exchanges or quotation systems on which the Common Stock is then listed regarding the continued eligibility of the Common Stock for listing on such exchanges and quotation systems.

i. Corporate Existence. So long as the Buyer beneficially owns any Note, the Company shall maintain its corporate existence and shall not sell all or substantially all of the Company's assets, except in the event of a merger or consolidation or sale of all or substantially all of the Company's assets, where the surviving or successor entity in such transaction (i) assumes the Company's obligations hereunder and under the agreements and instruments entered into in connection herewith and (ii) is a publicly traded corporation whose Common Stock is listed for trading on the OTCBB, Nasdaq, Nasdaq SmallCap, NYSE or AMEX.

j. No Integration. The Company shall not make any offers or sales of any security (other than the Securities) under circumstances that would require registration of the Securities being offered or sold hereunder under the 1933 Act or cause the offering of the Securities to be integrated with any other offering of securities by the Company for the purpose of any stockholder approval provision applicable to the Company or its securities.

k. Breach of Covenants. If the Company breaches any of the covenants set forth in this Section 4, and in addition to any other remedies available to the Buyer pursuant to this Agreement, it will be considered an event of default under Section 3.4 of the Note.

l. Failure to Comply with the 1934 Act. So long as the Buyer beneficially owns the Note, the Company shall comply with the reporting requirements of the 1934 Act; and the Company shall continue to be subject to the reporting requirements of the 1934 Act.

m. Trading Activities. Neither the Buyer nor its affiliates has an open short position in the common stock of the Company and the Buyer agree that it shall not, and that it will cause its affiliates not to, engage in any short sales of or hedging transactions with respect to the common stock of the Company.

5. Transfer Agent Instructions. The Company shall issue irrevocable instructions to its transfer agent to issue certificates, registered in the name of the Buyer or its nominee, for the Conversion Shares in such amounts as specified from time to time by the Buyer to the Company upon conversion of the Note in accordance with the terms thereof (the "Irrevocable Transfer Agent Instructions"). In the event that the Borrower proposes to replace its transfer agent, the Borrower shall provide, prior to the effective date of such replacement, a fully executed Irrevocable Transfer Agent Instructions in a form as initially delivered pursuant to the Purchase Agreement (including but not limited to the provision to irrevocably reserve shares of Common Stock in the Reserved Amount) signed by the successor transfer agent to Borrower and the Borrower. Prior to registration of the Conversion Shares under the 1933 Act or the date on which the Conversion Shares may be sold pursuant to Rule 144 without any restriction as to the number of Securities as of a particular date that can then be immediately sold, all such certificates shall bear the restrictive legend specified in Section 2(g) of this Agreement. The Company warrants that: (i) no instruction other than the Irrevocable Transfer Agent Instructions referred to in this Section 5, and stop transfer instructions to give effect to Section 2(f) hereof (in the case of the Conversion Shares, prior to registration of the Conversion Shares under the 1933 Act or the date on which the Conversion Shares may be sold pursuant to Rule 144 without any restriction as to the number of Securities as of a particular date that can then be immediately sold), will be given by the Company to its transfer agent and that the Securities shall otherwise be freely transferable on the books and records of the Company as and to the extent provided in this Agreement and the Note; (ii) it will not direct its transfer agent not to transfer or delay, impair, and/or hinder its transfer agent in transferring (or issuing)(electronically or in certificated form) any certificate for Conversion Shares to be issued to the Buyer upon conversion of or otherwise pursuant to the Note as and when required by the Note and this Agreement; and (iii) it will not fail to remove (or directs its transfer agent not to remove or impairs, delays, and/or hinders its transfer agent from removing) any restrictive legend (or to withdraw any stop transfer instructions in respect thereof) on any certificate for any Conversion Shares issued to the Buyer upon conversion of or otherwise pursuant to the Note as and when required by the Note and this Agreement. Nothing in this Section shall affect in any way the Buyer's obligations and agreement set forth in Section 2(g) hereof to comply with all applicable prospectus delivery requirements, if any, upon re-sale of the Securities. If the Buyer provides the Company, at the cost of the Buyer, with (i) an opinion of counsel in form, substance and scope customary for opinions in comparable transactions, to the effect that a public sale or transfer of such Securities may be made without registration under the 1933 Act and such sale or transfer is effected or (ii) the Buyer provides reasonable assurances that the Securities can be sold pursuant to Rule 144, the Company shall permit the transfer, and, in the case of the Conversion Shares, promptly instruct its transfer agent to issue one or more certificates, free from restrictive legend, in such name and in such denominations as specified by the Buyer. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Buyer, by vitiating the intent and purpose of the transactions contemplated hereby. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Section 5 may be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Section, that the Buyer shall be entitled, in addition to all other available remedies, to an injunction restraining any breach and requiring immediate transfer, without the necessity of showing economic loss and without any bond or other security being required.

6. Conditions to the Company's Obligation to Sell. The obligation of the Company hereunder to issue and sell the Note to the Buyer at the Closing is subject to the satisfaction, at or before the Closing Date of each of the following conditions thereto, provided that these conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion:

a. The Buyer shall have executed this Agreement and delivered the same to the Company.

b. The Buyer shall have delivered the Purchase Price in accordance with Section 1(b) above.

c. The representations and warranties of the Buyer shall be true and correct in all material respects as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties that speak as of a specific date), and the Buyer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Buyer at or prior to the Closing Date.

d. No litigation, statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by or in any court or governmental authority of competent jurisdiction or any self-regulatory organization having authority over the matters contemplated hereby which prohibits the consummation of any of the transactions contemplated by this Agreement.

7. Conditions to The Buyer's Obligation to Purchase. The obligation of the Buyer hereunder to purchase the Note at the Closing is subject to the satisfaction, at or before the Closing Date of each of the following conditions, provided that these conditions are for the Buyer's sole benefit and may be waived by the Buyer at any time in its sole discretion:

a. The Company shall have executed this Agreement and delivered the same to the Buyer.

b. The Company shall have delivered to the Buyer the duly executed Note (in such denominations as the Buyer shall request) in accordance with Section 1(b) above.

c. The Irrevocable Transfer Agent Instructions, in form and substance satisfactory to a majority-in-interest of the Buyer, shall have been delivered to and acknowledged in writing by the Company's Transfer Agent.

d. The representations and warranties of the Company shall be true and correct in all material respects as of the date when made and as of the Closing Date as though made at such time (except for representations and warranties that speak as of a specific date) and the Company shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Company at or prior to the Closing Date. The Buyer shall have received a certificate or certificates, executed by the chief executive officer of the Company, dated as of the Closing Date, to the foregoing effect and as to such other matters as may be reasonably requested by the Buyer including, but not limited to certificates with respect to the Company's Certificate of Incorporation, By-laws and Board of Directors' resolutions relating to the transactions contemplated hereby.

e. No litigation, statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by or in any court or governmental authority of competent jurisdiction or any self-regulatory organization having authority over the matters contemplated hereby which prohibits the consummation of any of the transactions contemplated by this Agreement.

f. No event shall have occurred which could reasonably be expected to have a Material Adverse Effect on the Company including but not limited to a change in the 1934 Act reporting status of the Company or the failure of the Company to be timely in its 1934 Act reporting obligations.

g. The Conversion Shares shall have been authorized for quotation on the OTCBB and trading in the Common Stock on the OTCBB shall not have been suspended by the SEC or the OTCBB.

h. The Buyer shall have received an officer's certificate described in Section 3(c) above, dated as of the Closing Date.

8. Governing Law; Miscellaneous.

a. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Agreement shall be brought only in the state courts of New York or in the federal courts located in the state and county of Nassau. The parties to this Agreement hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens. The Company and Buyer waive trial by jury. The prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs. In the event that any provision of this Agreement or any other agreement delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of any agreement. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Agreement or any other Transaction Document by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

b. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party.

c. Headings. The headings of this Agreement are for convenience of reference only and shall not form part of, or affect the interpretation of, this Agreement.

d. Severability. In the event that any provision of this Agreement is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any provision hereof which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

e. Entire Agreement; Amendments. This Agreement and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, neither the Company nor the Buyer makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be waived or amended other than by an instrument in writing signed by the majority in interest of the Buyer.

f. Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be in writing and, unless otherwise specified herein, shall be (i) personally served, (ii) deposited in the mail, registered or certified, return receipt requested, postage prepaid, (iii) delivered by reputable air courier service with charges prepaid, or (iv) transmitted by hand delivery, telegram, or facsimile, addressed as set forth below or to such other address as such party shall have specified most recently by written notice. Any notice or other communication required or permitted to be given hereunder shall be deemed effective (a) upon hand delivery or delivery by facsimile, with accurate confirmation generated by the transmitting facsimile machine, at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the second business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur. The addresses for such communications shall be:

If to the Company, to:

INFRASTRUCTURE DEVELOPMENTS CORP.
299 South Main Street - 13th Floor
Salt Lake City, UT 84111
Attn: THOMAS R. MORGAN, Chief Executive Officer
facsimile: [enter fax number]

With a copy by fax only to (which copy shall not constitute notice):

[enter name of law firm]
Attn: [attorney name]
[enter address line 1]
[enter city, state, zip]
facsimile: [enter fax number]

If to the Buyer:

ASHER ENTERPRISES, INC.
1 Linden Pl., Suite 207
Great Neck, NY. 11021
Attn: Curt Kramer, President
facsimile: 516-498-9894

With a copy by fax only to (which copy shall not constitute notice):

Naidich Wurman Birnbaum & Maday LLP
80 Cuttermill Road, Suite 410
Great Neck, NY 11021
Attn: Bernard S. Feldman, Esq.
facsimile: 516-466-3555

Each party shall provide notice to the other party of any change in address.

g. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns. Neither the Company nor the Buyer shall assign this Agreement or any rights or obligations hereunder without the prior written consent of the other. Notwithstanding the foregoing, subject to Section 2(f), the Buyer may assign its rights hereunder to any person that purchases Securities in a private transaction from the Buyer or to any of its "affiliates," as that term is defined under the 1934 Act, without the consent of the Company.

h. Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

i. Survival. The representations and warranties of the Company and the agreements and covenants set forth in this Agreement shall survive the closing hereunder notwithstanding any due diligence investigation conducted by or on behalf of the Buyer. The Company agrees to indemnify and hold harmless the Buyer and all their officers, directors, employees and agents for loss or damage arising as a result of or related to any breach or alleged breach by the Company of any of its representations, warranties and covenants set forth in this Agreement or any of its covenants and obligations under this Agreement, including advancement of expenses as they are incurred.

j. Publicity. The Company, and the Buyer shall have the right to review a reasonable period of time before issuance of any press releases, SEC, OTCBB or FINRA filings, or any other public statements with respect to the transactions contemplated hereby; provided, however, that the Company shall be entitled, without the prior approval of the Buyer, to make any press release or SEC, OTCBB (or other applicable trading market) or FINRA filings with respect to such transactions as is required by applicable law and regulations (although the Buyer shall be consulted by the Company in connection with any such press release prior to its release and shall be provided with a copy thereof and be given an opportunity to comment thereon).

k. Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

l. No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

m. Remedies. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Buyer by vitiating the intent and purpose of the transaction contemplated hereby. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Agreement will be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Agreement, that the Buyer shall be entitled, in addition to all other available remedies at law or in equity, and in addition to the penalties assessable herein, to an injunction or injunctions restraining, preventing or curing any breach of this Agreement and to enforce specifically the terms and provisions hereof, without the necessity of showing economic loss and without any bond or other security being required.

IN WITNESS WHEREOF, the undersigned Buyer and the Company have caused this Agreement to be duly executed as of the date first above written.

INFRASTRUCTURE DEVELOPMENTS CORP.

By: /s/ Thomas R. Morgan
THOMAS R. MORGAN
Chief Executive Officer

ASHER ENTERPRISES, INC.

By: /s/ Curt Kramer
Name: Curt Kramer
Title: President

1 Linden Pl., Suite 207
Great Neck, NY. 11021

AGGREGATE SUBSCRIPTION AMOUNT:

Aggregate Principal Amount of Note: $40,000.00

Aggregate Purchase Price: $40,000.00

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

Principal Amount: $40,000.00 Issue Date: June 1, 2011
Purchase Price: $40,000.00

CONVERTIBLE PROMISSORY NOTE

FOR VALUE RECEIVED, INFRASTRUCTURE DEVELOPMENTS CORP., a Nevada corporation (hereinafter called the "Borrower"), hereby promises to pay to the order of ASHER ENTERPRISES, INC., a Delaware corporation, or registered assigns (the "Holder") the sum of $40,000.00 together with any interest as set forth herein, on March 5, 2012 (the "Maturity Date"), and to pay interest on the unpaid principal balance hereof at the rate of eight percent (8%) (the "Interest Rate") per annum from the date hereof (the "Issue Date") until the same becomes due and payable, whether at maturity or upon acceleration or by prepayment or otherwise. This Note may not be prepaid in whole or in part except as otherwise explicitly set forth herein. Any amount of principal or interest on this Note which is not paid when due shall bear interest at the rate of twenty two percent (22%) per annum from the due date thereof until the same is paid ("Default Interest"). Interest shall commence accruing on the date that the Note is fully paid and shall be computed on the basis of a 365-day year and the actual number of days elapsed. All payments due hereunder (to the extent not converted into common stock, $0.001 par value per share (the "Common Stock") in accordance with the terms hereof) shall be made in lawful money of the United States of America. All payments shall be made at such address as the Holder shall hereafter give to the Borrower by written notice made in accordance with the provisions of this Note. Whenever any amount expressed to be due by the terms of this Note is due on any day which is not a business day, the same shall instead be due on the next succeeding day which is a business day and, in the case of any interest payment date which is not the date on which this Note is paid in full, the extension of the due date thereof shall not be taken into account for purposes of determining the amount of interest due on such date. As used in this Note, the term "business day" shall mean any day other than a Saturday, Sunday or a day on which commercial banks in the city of New York, New York are authorized or required by law or executive order to remain closed. Each capitalized term used herein, and not otherwise defined, shall have the meaning ascribed thereto in that certain Securities Purchase Agreement dated the date hereof, pursuant to which this Note was originally issued (the "Purchase Agreement").

This Note is free from all taxes, liens, claims and encumbrances with respect to the issue thereof and shall not be subject to preemptive rights or other similar rights of shareholders of the Borrower and will not impose personal liability upon the holder thereof.

The following terms shall apply to this Note:

ARTICLE I. CONVERSION RIGHTS

1.1 Conversion Right. The Holder shall have the right from time to time, and at any time during the period beginning on the date which is one hundred eighty (180) days following the date of this Note and ending on the later of: (i) the Maturity Date and (ii) the date of payment of the Default Amount (as defined in Article III) pursuant to Section 1.6(a) or Article III, each in respect of the remaining outstanding principal amount of this Note to convert all or any part of the outstanding and unpaid principal amount of this Note into fully paid and non-assessable shares of Common Stock, as such Common Stock exists on the Issue Date, or any shares of capital stock or other securities of the Borrower into which such Common Stock shall hereafter be changed or reclassified at the conversion price (the "Conversion Price") determined as provided herein (a "Conversion"); provided, however, that in no event shall the Holder be entitled to convert any portion of this Note in excess of that portion of this Note upon conversion of which the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the Notes or the unexercised or unconverted portion of any other security of the Borrower subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (2) the number of shares of Common Stock issuable upon the conversion of the portion of this Note with respect to which the determination of this proviso is being made, would result in beneficial ownership by the Holder and its affiliates of more than 4.99% of the outstanding shares of Common Stock. For purposes of the proviso to the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Regulations 13D-G thereunder, except as otherwise provided in clause (1) of such proviso, provided, further, however, that the limitations on conversion may be waived by the Holder upon, at the election of the Holder, not less than 61 days' prior notice to the Borrower, and the provisions of the conversion limitation shall continue to apply until such 61st day (or such later date, as determined by the Holder, as may be specified in such notice of waiver). The number of shares of Common Stock to be issued upon each conversion of this Note shall be determined by dividing the Conversion Amount (as defined below) by the applicable Conversion Price then in effect on the date specified in the notice of conversion, in the form attached hereto as Exhibit A (the "Notice of Conversion"), delivered to the Borrower by the Holder in accordance with Section 1.4 below; provided that the Notice of Conversion is submitted by facsimile or e-mail (or by other means resulting in, or reasonably expected to result in, notice) to the Borrower before 6:00 p.m., New York, New York time on such conversion date (the "Conversion Date"). The term "Conversion Amount" means, with respect to any conversion of this Note, the sum of (1) the principal amount of this Note to be converted in such conversion plus (2) at the Borrower's option, accrued and unpaid interest, if any, on such principal amount at the interest rates provided in this Note to the Conversion Date, plus (3) at the Borrower's option, Default Interest, if any, on the amounts referred to in the immediately preceding clauses (1) and/or (2) plus (4) at the Holder's option, any amounts owed to the Holder pursuant to Sections 1.3 and 1.4(g) hereof.

1.2 Conversion Price.

(a) Calculation of Conversion Price. The conversion price (the "Conversion Price") shall equal the Variable Conversion Price (as defined herein) (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower's securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events). The "Variable Conversion Price" shall mean 60% multiplied by the Market Price (as defined herein) (representing a discount rate of 40%). "Market Price" means the average of the lowest three (3) Trading Prices (as defined below) for the Common Stock during the ten (10) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date. "Trading Price" means, for any security as of any date, the closing bid price on the Over-the-Counter Bulletin Board, or applicable trading market (the "OTCBB") as reported by a reliable reporting service ("Reporting Service") designated by the Holder (i.e. Bloomberg) or, if the OTCBB is not the principal trading market for such security, the closing bid price of such security on the principal securities exchange or trading market where such security is listed or traded or, if no closing bid price of such security is available in any of the foregoing manners, the average of the closing bid prices of any market makers for such security that are listed in the "pink sheets" by the National Quotation Bureau, Inc. If the Trading Price cannot be calculated for such security on such date in the manner provided above, the Trading Price shall be the fair market value as mutually determined by the Borrower and the holders of a majority in interest of the Notes being converted for which the calculation of the Trading Price is required in order to determine the Conversion Price of such Notes. "Trading Day" shall mean any day on which the Common
Stock is tradable for any period on the OTCBB, or on the principal securities exchange or other securities market on which the Common Stock is then being traded.

(b) Conversion Price During Major Announcements. Notwithstanding anything contained in Section 1.2(a) to the contrary, in the event the Borrower (i) makes a public announcement that it intends to consolidate or merge with any other corporation (other than a merger in which the Borrower is the surviving or continuing corporation and its capital stock is unchanged) or sell or transfer all or substantially all of the assets of the Borrower or (ii) any person, group or entity (including the Borrower) publicly announces a tender offer to purchase 50% or more of the Borrower's Common Stock (or any other takeover scheme) (the date of the announcement referred to in clause (i) or (ii) is hereinafter referred to as the "Announcement Date"), then the Conversion Price shall, effective upon the Announcement Date and continuing through the Adjusted Conversion Price Termination Date (as defined below), be equal to the lower of (x) the Conversion Price which would have been applicable for a Conversion occurring on the Announcement Date and (y) the Conversion Price that would otherwise be in effect. From and after the Adjusted Conversion Price Termination Date, the Conversion Price shall be
determined as set forth in this Section 1.2(a). For purposes hereof, "Adjusted Conversion Price Termination Date" shall mean, with respect to any proposed transaction or tender offer (or takeover scheme) for which a public announcement as contemplated by this Section 1.2(b) has been made, the date upon which the Borrower (in the case of clause (i) above) or the person, group or entity (in the case of clause (ii) above) consummates or publicly announces the termination or abandonment of the proposed transaction or tender offer (or takeover scheme) which caused this Section 1.2(b) to become operative.

1.3 Authorized Shares. The Borrower covenants that during the period the conversion right exists, the Borrower will reserve from its authorized and unissued Common Stock a sufficient number of shares, free from preemptive rights, to provide for the issuance of Common Stock upon the full conversion of this Note issued pursuant to the Purchase Agreement. The Borrower is required at all times to have authorized and reserved five times the number of shares that is actually issuable upon full conversion of the Note (based on the Conversion Price of the Notes in effect from time to time)(the "Reserved Amount"). The Reserved Amount shall be increased from time to time in accordance with the Borrower's obligations pursuant to Section 4(g) of the Purchase Agreement. The Borrower represents that upon issuance, such shares will be duly and validly issued, fully paid and non-assessable. In addition, if the Borrower shall issue any securities or make any change to its capital structure which would change the number of shares of Common Stock into which the Notes shall be convertible at the then current Conversion Price, the Borrower shall at the same time make proper provision so that thereafter there shall be a sufficient number of shares of Common Stock authorized and reserved, free from preemptive rights, for conversion of the outstanding Notes. The Borrower (i) acknowledges that it has irrevocably instructed its transfer agent to issue certificates for the Common Stock issuable upon conversion of this Note, and (ii) agrees that its issuance of this Note shall constitute full authority to its officers and agents who are charged with the duty of executing stock certificates to execute and issue the necessary certificates for shares of Common Stock in accordance with the terms and conditions of this Note.

If, at any time the Borrower does not maintain the Reserved Amount it will be considered an Event of Default under Section 3.2 of the Note.

1.4 Method of Conversion.

(a) Mechanics of Conversion. Subject to Section 1.1, this Note may be converted by the Holder in whole or in part at any time from time to time after the Issue Date, by (A) submitting to the Borrower a Notice of Conversion (by facsimile, e-mail or other reasonable means of communication dispatched on the Conversion Date prior to 6:00 p.m., New York, New York time) and (B) subject to Section 1.4(b), surrendering this Note at the principal office of the Borrower.

(b) Surrender of Note Upon Conversion. Notwithstanding anything to the contrary set forth herein, upon conversion of this Note in accordance with the terms hereof, the Holder shall not be required to physically surrender this Note to the Borrower unless the entire unpaid principal amount of this Note is so converted. The Holder and the Borrower shall maintain records showing the principal amount so converted and the dates of such conversions or shall use such other method, reasonably satisfactory to the Holder and the Borrower, so as not to require physical surrender of this Note upon each such conversion. In the event of any dispute or discrepancy, such records of the Borrower shall, prima facie, be controlling and determinative in the absence of manifest error. Notwithstanding the foregoing, if any portion of this Note is converted as aforesaid, the Holder may not transfer this Note unless the Holder first physically surrenders this Note to the Borrower, whereupon the Borrower will forthwith issue and deliver upon the order of the Holder a new Note of like tenor, registered as the Holder (upon payment by the Holder of any applicable transfer taxes) may request, representing in the aggregate the remaining unpaid principal amount of this Note. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note represented by this Note may be less than the amount stated on the face hereof.

(c) Payment of Taxes. The Borrower shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of shares of Common Stock or other securities or property on conversion of this Note in a name other than that of the Holder (or in street name), and the Borrower shall not be required to issue or deliver any such shares or other securities or property unless and until the person or persons (other than the Holder or the custodian in whose street name such shares are to be held for the Holder's account) requesting the issuance thereof shall have paid to the Borrower the amount of any such tax or shall have established to the satisfaction of the Borrower that such tax has been paid.

(d) Delivery of Common Stock Upon Conversion. Upon receipt by the Borrower from the Holder of a facsimile transmission or e-mail (or other reasonable means of communication) of a Notice of Conversion meeting the requirements for conversion as provided in this Section 1.4, the Borrower shall issue and deliver or cause to be issued and delivered to or upon the order of the Holder certificates for the Common Stock issuable upon such conversion within three (3) business days after such receipt (but in any event the fifth (5th) business day being hereinafter referred to as the "Deadline") (and, solely in the case of conversion of the entire unpaid principal amount hereof, surrender of this Note) in accordance with the terms hereof and the Purchase Agreement.

(e) Obligation of Borrower to Deliver Common Stock. Upon receipt by the Borrower of a Notice of Conversion, the Holder shall be deemed to be the holder of record of the Common Stock issuable upon such conversion, the outstanding principal amount and the amount of accrued and unpaid interest on this Note shall be reduced to reflect such conversion, and, unless the Borrower defaults on its obligations under this Article I, all rights with respect to the portion of this Note being so converted shall forthwith terminate except the right to receive the Common Stock or other securities, cash or other assets, as herein provided, on such conversion. If the Holder shall have given a Notice of Conversion as provided herein, the Borrower's obligation to issue and deliver the certificates for Common Stock shall be absolute and unconditional, irrespective of the absence of any action by the Holder to enforce the same, any waiver or consent with respect to any provision thereof, the recovery of any judgment against any person or any action to enforce the same, any failure or delay in the enforcement of any other obligation of the Borrower to the holder of record, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder of any obligation to the Borrower, and irrespective of any other circumstance which might otherwise limit such obligation of the Borrower to the Holder in connection with such conversion. The Conversion Date specified in the Notice of Conversion shall be the Conversion Date so long as the Notice of Conversion is received by the Borrower before 6:00 p.m., New York, New York time, on such date.

(f) Delivery of Common Stock by Electronic Transfer. In lieu of delivering physical certificates representing the Common Stock issuable upon conversion, provided the Borrower is participating in the Depository Trust Company ("DTC") Fast Automated Securities Transfer ("FAST") program, upon request of the Holder and its compliance with the provisions contained in Section 1.1 and in this Section 1.4, the Borrower shall use its best efforts to cause its transfer agent to electronically transmit the Common Stock issuable upon conversion to the Holder by crediting the account of Holder's Prime Broker with DTC through its Deposit Withdrawal Agent Commission ("DWAC") system.

(g) Failure to Deliver Common Stock Prior to Deadline. Without in any way limiting the Holder's right to pursue other remedies, including actual damages and/or equitable relief, the parties agree that if delivery of the Common Stock issuable upon conversion of this Note is not delivered by the Deadline (other than a failure due to the circumstances described in Section 1.3 above, which failure shall be governed by such Section) the Borrower shall pay to the Holder $2,000 per day in cash, for each day beyond the Deadline that the Borrower fails to deliver such Common Stock. Such cash amount shall be paid to Holder by the fifth day of the month following the month in which it has accrued or, at the option of the Holder (by written notice to the Borrower by the first day of the month following the month in which it has accrued), shall be added to the principal amount of this Note, in which event interest shall accrue thereon in accordance with the terms of this Note and such additional principal amount shall be convertible into Common Stock in accordance with the terms of this Note. The Borrower agrees that the right to convert is a valuable right to the Holder. The damages resulting from a failure, attempt to frustrate, interference with such conversion right are difficult if not impossible to qualify. Accordingly the parties acknowledge that the liquidated damages provision contained in this Section 1.4(g) are justified

1.5 Concerning the Shares. The shares of Common Stock issuable upon conversion of this Note may not be sold or transferred unless (i) such shares are sold pursuant to an effective registration statement under the Act or (ii) the Borrower or its transfer agent shall have been furnished with an opinion of counsel (which opinion shall be in form, substance and scope customary for opinions of counsel in comparable transactions) to the effect that the shares to be sold or transferred may be sold or transferred pursuant to an exemption from such registration or (iii) such shares are sold or transferred pursuant to Rule 144 under the Act (or a successor rule) ("Rule 144") or (iv) such shares are transferred to an "affiliate" (as defined in Rule 144) of the Borrower who agrees to sell or otherwise transfer the shares only in accordance with this Section 1.5 and who is an Accredited Investor (as defined in the Purchase Agreement). Except as otherwise provided in the Purchase Agreement (and subject to the removal provisions set forth below), until such time as the shares of Common Stock issuable upon conversion of this Note have been registered under the Act or otherwise may be sold pursuant to Rule 144 without any restriction as to the number of securities as of a particular date that can then be immediately sold, each certificate for shares of Common Stock issuable upon conversion of this Note that has not been so included in an effective registration statement or that has not been sold pursuant to an effective registration statement or an exemption that permits removal of the legend, shall bear a legend substantially in the following form, as appropriate:

> "NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES."

The legend set forth above shall be removed and the Borrower shall issue to the Holder a new certificate therefore free of any transfer legend if (i) the Borrower or its transfer agent shall have received an opinion of counsel, in form, substance and scope customary for opinions of counsel in comparable transactions, to the effect that a public sale or transfer of such Common Stock may be made without registration under the Act, which opinion shall be accepted by the Company so that the sale or transfer is effected or (ii) in the case of the Common Stock issuable upon conversion of this Note, such security is registered for sale by the Holder under an effective registration statement filed under the Act or otherwise may be sold pursuant to Rule 144 without any restriction as to the number of securities as of a particular date that can then be immediately sold. In the event that the Company does not accept the opinion of counsel provided by the Buyer with respect to the transfer of Securities pursuant to an exemption from registration, such as Rule 144 or Regulation S, at the Deadline, it will be considered an Event of Default pursuant to Section 3.2 of the Note.

1.6 Effect of Certain Events.

(a) Effect of Merger, Consolidation, Etc. At the option of the Holder, the sale, conveyance or disposition of all or substantially all of the assets of the Borrower, the effectuation by the Borrower of a transaction or series of related transactions in which more than 50% of the voting power of the Borrower is disposed of, or the consolidation, merger or other business combination of the Borrower with or into any other Person (as defined below) or Persons when the Borrower is not the survivor shall either: (i) be deemed to be an Event of Default (as defined in Article III) pursuant to which the Borrower shall be required to pay to the Holder upon the consummation of and as a condition to such transaction an amount equal to the Default Amount (as defined in Article III) or (ii) be treated pursuant to Section 1.6(b) hereof. "Person" shall mean any individual, corporation, limited liability company, partnership, association, trust or other entity or organization.

(b) Adjustment Due to Merger, Consolidation, Etc. If, at any time when this Note is issued and outstanding and prior to conversion of all of the Notes, there shall be any merger, consolidation, exchange of shares, recapitalization, reorganization, or other similar event, as a result of which shares of Common Stock of the Borrower shall be changed into the same or a different number of shares of another class or classes of stock or securities of the Borrower or another entity, or in case of any sale or conveyance of all or substantially all of the assets of the Borrower other than in connection with a plan of complete liquidation of the Borrower, then the Holder of this Note shall thereafter have the right to receive upon conversion of this Note, upon the basis and upon the terms and conditions specified herein and in lieu of the shares of Common Stock immediately theretofore issuable upon conversion, such stock, securities or assets which the Holder would have been entitled to receive in such transaction had this Note been converted in full immediately prior to such transaction (without regard to any limitations on conversion set forth herein), and in any such case appropriate provisions shall be made with respect to the rights and interests of the Holder of this Note to the end that the provisions hereof (including, without limitation, provisions for adjustment of the Conversion Price and of the number of shares issuable upon conversion of the Note) shall thereafter be applicable, as nearly as may be practicable in relation to any securities or assets thereafter deliverable upon the conversion hereof. The Borrower shall not affect any transaction described in this Section 1.6(b) unless (a) it first gives, to the extent practicable, thirty (30) days prior written notice (but in any event at least fifteen (15) days prior written notice) of the record date of the special meeting of shareholders to approve, or if there is no such record date, the consummation of, such merger, consolidation, exchange of shares, recapitalization, reorganization or other similar event or sale of assets (during which time the Holder shall be entitled to convert this Note) and (b) the resulting successor or acquiring entity (if not the Borrower) assumes by written instrument the obligations of this Section 1.6(b). The above provisions shall similarly apply to successive consolidations, mergers, sales, transfers or share exchanges.

(c) Adjustment Due to Distribution. If the Borrower shall declare or make any distribution of its assets (or rights to acquire its assets) to holders of Common Stock as a dividend, stock repurchase, by way of return of capital or otherwise (including any dividend or distribution to the Borrower's shareholders in cash or shares (or rights to acquire shares) of capital stock of a subsidiary (i.e., a spin-off)) (a "Distribution"), then the Holder of this Note shall be entitled, upon any conversion of this Note after the date of record for determining shareholders entitled to such Distribution, to receive the amount of such assets which would have been payable to the Holder with respect to the shares of Common Stock issuable upon such conversion had such Holder been the holder of such shares of Common Stock on the record date for the determination of shareholders entitled to such Distribution.

(d) Adjustment Due to Dilutive Issuance. If, at any time when any Notes are issued and outstanding, the Borrower issues or sells, or in accordance with this Section 1.6(d) hereof is deemed to have issued or sold, any shares of Common Stock for no consideration or for a consideration per share (before deduction of reasonable expenses or commissions or underwriting discounts or allowances in connection therewith) less than the Conversion Price in effect on the date of such issuance (or deemed issuance) of such shares of Common Stock (a "Dilutive Issuance"), then immediately upon the Dilutive Issuance, the Conversion Price will be reduced to the amount of the consideration per share received by the Borrower in such Dilutive Issuance.

The Borrower shall be deemed to have issued or sold shares of Common Stock if the Borrower in any manner issues or grants any warrants, rights or options (not including employee stock option plans), whether or not immediately exercisable, to subscribe for or to purchase Common Stock or other securities convertible into or exchangeable for Common Stock ("Convertible Securities") (such warrants, rights and options to purchase Common Stock or Convertible Securities are hereinafter referred to as "Options") and the price per share for which Common Stock is issuable upon the exercise of such Options is less than the Conversion Price then in effect, then the Conversion Price shall be equal to such price per share. For purposes of the preceding sentence, the "price per share for which Common Stock is issuable upon the exercise of such Options" is determined by dividing (i) the total amount, if any, received or receivable by the Borrower as consideration for the issuance or granting of all such Options, plus the minimum aggregate amount of additional consideration, if any, payable to the Borrower upon the exercise of all such Options, plus, in the case of Convertible Securities issuable upon the exercise of such Options, the minimum aggregate amount of additional consideration payable upon the conversion or exchange thereof at the time such Convertible Securities first become convertible or exchangeable, by (ii) the maximum total number of shares of Common Stock issuable upon the exercise of all such Options (assuming full conversion of Convertible Securities, if applicable). No further adjustment to the Conversion Price will be made upon the actual issuance of such Common Stock upon the exercise of such Options or upon the conversion or exchange of Convertible Securities issuable upon exercise of such Options.

Additionally, the Borrower shall be deemed to have issued or sold shares of Common Stock if the Borrower in any manner issues or sells any Convertible Securities, whether or not immediately convertible (other than where the same are issuable upon the exercise of Options), and the price per share for which Common Stock is issuable upon such conversion or exchange is less than the Conversion Price then in effect, then the Conversion Price shall be equal to such price per share. For the purposes of the preceding sentence, the "price per share for which Common Stock is issuable upon such conversion or exchange" is determined by dividing (i) the total amount, if any, received or receivable by the Borrower as consideration for the issuance or sale of all such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Borrower upon the conversion or exchange thereof at the time such Convertible Securities first become convertible or exchangeable, by (ii) the maximum total number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities. No further adjustment to the Conversion Price will be made upon the actual issuance of such Common Stock upon conversion or exchange of such Convertible Securities.

(e) Purchase Rights. If, at any time when any Notes are issued and outstanding, the Borrower issues any convertible securities or rights to purchase stock, warrants, securities or other property (the "Purchase Rights") pro rata to the record holders of any class of Common Stock, then the Holder of this Note will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which such Holder could have acquired if such Holder had held the number of shares of Common Stock acquirable upon complete conversion of this Note (without regard to any limitations on conversion contained herein) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

(f) Notice of Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price as a result of the events described in this Section 1.6, the Borrower, at its expense, shall promptly compute such adjustment or readjustment and prepare and furnish to the Holder a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Borrower shall, upon the written request at any time of the Holder, furnish to such Holder a like certificate setting forth (i) such adjustment or readjustment, (ii) the Conversion Price at the time in effect and (iii) the number of shares of Common Stock and the amount, if any, of other securities or property which at the time would be received upon conversion of the Note.

1.7 Trading Market Limitations. Unless permitted by the applicable rules and regulations of the principal securities market on which the Common Stock is then listed or traded, in no event shall the Borrower issue upon conversion of or otherwise pursuant to this Note and the other Notes issued pursuant to the Purchase Agreement more than the maximum number of shares of Common Stock that the Borrower can issue pursuant to any rule of the principal United States securities market on which the Common Stock is then traded (the "Maximum Share Amount"), which shall be 4.99% of the total shares outstanding on the Closing Date (as defined in the Purchase Agreement), subject to equitable adjustment from time to time for stock splits, stock dividends, combinations, capital reorganizations and similar events relating to the Common Stock occurring after the date hereof. Once the Maximum Share Amount has been issued, if the Borrower fails to eliminate any prohibitions under applicable law or the rules or regulations of any stock exchange, interdealer quotation system or other self-regulatory organization with jurisdiction over the Borrower or any of its securities on the Borrower's ability to issue shares of Common Stock in excess of the Maximum Share Amount, in lieu of any further right to convert this Note, this will be considered an Event of Default under Section 3.3 of the Note.

1.8 Status as Shareholder. Upon submission of a Notice of Conversion by a Holder, (i) the shares covered thereby (other than the shares, if any, which cannot be issued because their issuance would exceed such Holder's allocated portion of the Reserved Amount or Maximum Share Amount) shall be deemed converted into shares of Common Stock and (ii) the Holder's rights as a Holder of such converted portion of this Note shall cease and terminate, excepting only the right to receive certificates for such shares of Common Stock and to any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Borrower to comply with the terms of this Note. Notwithstanding the foregoing, if a Holder has not received certificates for all shares of Common Stock prior to the tenth (10th) business day after the expiration of the Deadline with respect to a conversion of any portion of this Note for any reason, then (unless the Holder otherwise elects to retain its status as a holder of Common Stock by so notifying the Borrower) the Holder shall regain the rights of a Holder of this Note with respect to such unconverted portions of this Note and the Borrower shall, as soon as practicable, return such unconverted Note to the Holder or, if the Note has not been surrendered, adjust its records to reflect that such portion of this Note has not been converted. In all cases, the Holder shall retain all of its rights and remedies (including, without limitation, (i) the right to receive Conversion Default Payments pursuant to Section 1.3 to the extent required thereby for such Conversion Default and any subsequent Conversion Default and (ii) the right to have the Conversion Price with respect to subsequent conversions determined in accordance with Section 1.3) for the Borrower's failure to convert this Note.

1.9 Prepayment. Notwithstanding anything to the contrary contained in this Note, so long as the Borrower has not received a Notice of Conversion from the Holder, then at any time during the period beginning on the Issue Date and ending on the date which is ninety (90) days following the issue date, the Borrower shall have the right, exercisable on not less than three (3) Trading Days prior written notice to the Holder of the Note to prepay the outstanding Note (principal and accrued interest), in full, in accordance with this Section 1.9. Any notice of prepayment hereunder (an "Optional Prepayment Notice") shall be delivered to the Holder of the Note at its registered addresses and shall state: (1) that the Borrower is exercising its right to prepay the Note, and (2) the date of prepayment which shall be not more than three (3) Trading Days from the date of the Optional Prepayment Notice. On the date fixed for prepayment (the "Optional Prepayment Date"), the Borrower shall make payment of the Optional Prepayment Amount (as defined below) to or upon the order of the Holder as specified by the Holder in writing to the Borrower at least one (1) business day prior to the Optional Prepayment Date. If the Borrower exercises its right to prepay the Note, the Borrower shall make payment to the Holder of an amount in cash (the "Optional Prepayment Amount") equal to 150%, multiplied by the sum of: (w) the then outstanding principal amount of this Note plus (x) accrued and unpaid interest on the unpaid principal amount of this Note to the Optional Prepayment Date plus (y) Default Interest, if any, on the amounts referred to in clauses (w) and (x) plus (z) any amounts owed to the Holder pursuant to Sections 1.3 and 1.4(g) hereof. If the Borrower delivers an Optional Prepayment Notice and fails to pay the Optional Prepayment Amount due to the Holder of the Note within two (2) business days following the Optional Prepayment Date, the Borrower shall forever forfeit its right to prepay the Note pursuant to this Section 1.9.

Notwithstanding any to the contrary stated elsewhere herein, at any time during the period beginning on the ninety-first (91) day from the issue date and ending one hundred eighty (180) days following the issue date, the Borrower shall have the right, exercisable on not less than three (3) Trading Days prior written notice to the Holder of the Note to prepay the outstanding Note (principal and accrued interest), in full, in accordance with this Section 1.9. Any notice of prepayment hereunder (an "Optional Prepayment Notice") shall be delivered to the Holder of the Note at its registered addresses and shall state: (1) that the Borrower is exercising its right to prepay the Note, and (2) the date of prepayment which shall be not more than three (3) Trading Days from the date of the Optional Prepayment Notice. On the date fixed for prepayment (the "Optional Prepayment Date"), the Borrower shall make payment of the Second Optional Prepayment Amount (as defined below) to or upon the order of the Holder as specified by the Holder in writing to the Borrower at least one (1) business day prior to the Optional Prepayment Date. If the Borrower exercises its right to prepay the Note, the Borrower shall make payment to the Holder of an amount in cash (the "Second Optional Prepayment Amount") equal to 175%, multiplied by the sum of: (w) the then outstanding principal amount of this Note plus (x) accrued and unpaid interest on the unpaid principal amount of this Note to the Optional Prepayment Date plus (y) Default Interest, if any, on the amounts referred to in clauses (w) and (x) plus (z) any amounts owed to the Holder pursuant to Sections 1.3 and 1.4(g) hereof. If the Borrower delivers an Optional Prepayment Notice and fails to pay the Second Optional Prepayment Amount due to the Holder of the Note within two (2) business days following the Optional Prepayment Date, the Borrower shall forever forfeit its right to prepay the Note pursuant to this Section 1.9.

After the expiration of one hundred eighty (180) following the date of the Note, the Borrower shall have no right of prepayment.

ARTICLE II. CERTAIN COVENANTS

2.1 Distributions on Capital Stock. So long as the Borrower shall have any obligation under this Note, the Borrower shall not without the Holder's written consent (a) pay, declare or set apart for such payment, any dividend or other distribution (whether in cash, property or other securities) on shares of capital stock other than dividends on shares of Common Stock solely in the form of additional shares of Common Stock or (b) directly or indirectly or through any subsidiary make any other payment or distribution in respect of its capital stock except for distributions pursuant to any shareholders' rights plan which is approved by a majority of the Borrower's disinterested directors.

2.2 Restriction on Stock Repurchases. So long as the Borrower shall have any obligation under this Note, the Borrower shall not without the Holder's written consent redeem, repurchase or otherwise acquire (whether for cash or in exchange for property or other securities or otherwise) in any one transaction or series of related transactions any shares of capital stock of the Borrower or any warrants, rights or options to purchase or acquire any such shares.

2.3 Borrowings. So long as the Borrower shall have any obligation under this Note, the Borrower shall not, without the Holder's written consent, create, incur, assume guarantee, endorse, contingently agree to purchase or otherwise become liable upon the obligation of any person, firm, partnership, joint venture or corporation, except by the endorsement of negotiable instruments for deposit or collection, or suffer to exist any liability for borrowed money, except (a) borrowings in existence or committed on the date hereof and of which the Borrower has informed Holder in writing prior to the date hereof, (b) indebtedness to trade creditors or financial institutions incurred in the ordinary course of business or (c) borrowings, the proceeds of which shall be used to repay this Note.

2.4 Sale of Assets. So long as the Borrower shall have any obligation under this Note, the Borrower shall not, without the Holder's written consent, sell, lease or otherwise dispose of any significant portion of its assets outside the ordinary course of business. Any consent to the disposition of any assets may be conditioned on a specified use of the proceeds of disposition.

2.5 Advances and Loans. So long as the Borrower shall have any obligation under this Note, the Borrower shall not, without the Holder's written consent, lend money, give credit or make advances to any person, firm, joint venture or corporation, including, without limitation, officers, directors, employees, subsidiaries and affiliates of the Borrower, except loans, credits or advances (a) in existence or committed on the date hereof and which the Borrower has informed Holder in writing prior to the date hereof, (b) made in the ordinary course of business or (c) not in excess of $100,000.

ARTICLE III. EVENTS OF DEFAULT

If any of the following events of default (each, an "Event of Default") shall occur:

3.1 Failure to Pay Principal or Interest. The Borrower fails to pay the principal hereof or interest thereon when due on this Note, whether at maturity, upon acceleration or otherwise.

3.2 Conversion and the Shares. The Borrower fails to issue shares of Common Stock to the Holder (or announces or threatens in writing that it will not honor its obligation to do so) upon exercise by the Holder of the conversion rights of the Holder in accordance with the terms of this Note, fails to transfer or cause its transfer agent to transfer (issue) (electronically or in certificated form) any certificate for shares of Common Stock issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note, the Borrower directs its transfer agent not to transfer or delays, impairs, and/or hinders its transfer agent in transferring (or issuing) (electronically or in certificated form) any certificate for shares of Common Stock to be issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note, or fails to remove (or directs its transfer agent not to remove or impairs, delays, and/or hinders its transfer agent from removing) any restrictive legend (or to withdraw any stop transfer instructions in respect thereof) on any certificate for any shares of Common Stock issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note (or makes any written announcement, statement or threat that it does not intend to honor the obligations described in this paragraph) and any such failure shall continue uncured (or any written announcement, statement or threat not to honor its obligations shall not be rescinded in writing) for three (3) business days after the Holder shall have delivered a Notice of Conversion.

3.3 Breach of Covenants. The Borrower breaches any material covenant or other material term or condition contained in this Note and any collateral documents including but not limited to the Purchase Agreement and such breach continues for a period of ten (10) days after written notice thereof to the Borrower from the Holder.

3.4 Breach of Representations and Warranties. Any representation or warranty of the Borrower made herein or in any agreement, statement or certificate given in writing pursuant hereto or in connection herewith (including, without limitation, the Purchase Agreement), shall be false or misleading in any material respect when made and the breach of which has (or with the passage of time will have) a material adverse effect on the rights of the Holder with respect to this Note or the Purchase Agreement.

3.5 Receiver or Trustee. The Borrower or any subsidiary of the Borrower shall make an assignment for the benefit of creditors, or apply for or consent to the appointment of a receiver or trustee for it or for a substantial part of its property or business, or such a receiver or trustee shall otherwise be appointed.

3.6 Judgments. Any money judgment, writ or similar process shall be entered or filed against the Borrower or any subsidiary of the Borrower or any of its property or other assets for more than $50,000, and shall remain unvacated, unbonded or unstayed for a period of twenty (20) days unless otherwise consented to by the Holder, which consent will not be unreasonably withheld.

3.7 Bankruptcy. Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings, voluntary or involuntary, for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against the Borrower or any subsidiary of the Borrower.

3.8 Delisting of Common Stock. The Borrower shall fail to maintain the listing of the Common Stock on at least one of the OTCBB or an equivalent replacement exchange, the Nasdaq National Market, the Nasdaq SmallCap Market, the New York Stock Exchange, or the American Stock Exchange.

3.9 Failure to Comply with the Exchange Act. The Borrower shall fail to comply with the reporting requirements of the Exchange Act; and/or the Borrower shall cease to be subject to the reporting requirements of the Exchange Act.

3.10 Liquidation. Any dissolution, liquidation, or winding up of Borrower or any substantial portion of its business.

3.11 Cessation of Operations. Any cessation of operations by Borrower or Borrower admits it is otherwise generally unable to pay its debts as such debts become due, provided, however, that any disclosure of the Borrower's ability to continue as a "going concern" shall not be an admission that the Borrower cannot pay its debts as they become due.

3.12 Maintenance of Assets. The failure by Borrower to maintain any material intellectual property rights, personal, real property or other assets which are necessary to conduct its business (whether now or in the future).

3.13 Financial Statement Restatement. The restatement of any financial statements filed by the Borrower with the SEC for any date or period from two years prior to the Issue Date of this Note and until this Note is no longer outstanding, if the result of such restatement would, by comparison to the unrestated financial statement, have constituted a material adverse effect on the rights of the Holder with respect to this Note or the Purchase Agreement.

3.14 Reverse Splits. The Borrower effectuates a reverse split of its Common Stock without twenty (20) days prior written notice to the Holder.

3.15 Replacement of Transfer Agent. In the event that the Borrower proposes to replace its transfer agent, the Borrower fails to provide, prior to the effective date of such replacement, a fully executed Irrevocable Transfer Agent Instructions in a form as initially delivered pursuant to the Purchase Agreement (including but not limited to the provision to irrevocably reserve shares of Common Stock in the Reserved Amount) signed by the successor transfer agent to Borrower and the Borrower.

3.16 Cross-Default. Notwithstanding anything to the contrary contained in this Note or the other related or companion documents, a breach or default by the Borrower of any covenant or other term or condition contained in any of the Other Agreements, after the passage of all applicable notice and cure or grace periods, shall, at the option of the Borrower, be considered a default under this Note and the Other Agreements, in which event the Holder shall be entitled (but in no event required) to apply all rights and remedies of the Holder under the terms of this Note and the Other Agreements by reason of a default under said Other Agreement or hereunder. "Other Agreements" means, collectively, all agreements and instruments between, among or by: (1) the Borrower, and, or for the benefit of, (2) the Holder and any affiliate of the Holder, including, without limitation, promissory notes; provided, however, the term "Other Agreements" shall not include the related or companion documents to this Note. Each of the loan transactions will be cross-defaulted with each other loan transaction and with all other existing and future debt of Borrower to the Holder.

Upon the occurrence and during the continuation of any Event of Default specified in Section 3.1 (solely with respect to failure to pay the principal hereof or interest thereon when due at the Maturity Date), the Note shall become immediately due and payable and the Borrower shall pay to the Holder, in full satisfaction of its obligations hereunder, an amount equal to the Default Sum (as defined herein). UPON THE OCCURRENCE AND DURING THE CONTINUATION OF ANY EVENT OF DEFAULT SPECIFIED IN SECTION 3.2, THE NOTE SHALL BECOME IMMEDIATELY DUE AND PAYABLE AND THE BORROWER SHALL PAY TO THE HOLDER, IN FULL SATISFACTION OF ITS OBLIGATIONS HEREUNDER, AN AMOUNT EQUAL TO: (Y) THE DEFAULT SUM (AS DEFINED HEREIN); MULTIPLIED BY (Z) TWO (2). Upon the occurrence and during the continuation of any Event of Default specified in Sections 3.1 (solely with respect to failure to pay the principal hereof or interest thereon when due on this Note upon a Trading Market Prepayment Event pursuant to Section 1.7 or upon acceleration), 3.3, 3.4, 3.6, 3.8, 3.9, 3.11, 3.12, 3.13, 3.14, and/or 3. 15 exercisable through the delivery of written notice to the Borrower by such Holders (the "Default Notice"), and upon the occurrence of an Event of Default specified the remaining sections of Articles III (other than failure to pay the principal hereof or interest thereon at the Maturity Date specified in Section 3,1 hereof), the Note shall become immediately due and payable and the Borrower shall pay to the Holder, in full satisfaction of its obligations hereunder, an amount equal to the greater of (i) 150% times the sum of (w) the then outstanding principal amount of this Note plus (x) accrued and unpaid interest on the unpaid principal amount of this Note to the date of payment (the "Mandatory Prepayment Date") plus (y) Default Interest, if any, on the amounts referred to in clauses (w) and/or (x) plus (z) any amounts owed to the Holder pursuant to Sections 1.3 and 1.4(g) hereof (the then outstanding principal amount of this Note to the date of payment plus the amounts referred to in clauses (x), (y) and (z) shall collectively be known as the "Default Sum") or (ii) the "parity value" of the Default Sum to be prepaid, where parity value means (a) the highest number of shares of Common Stock issuable upon conversion of or otherwise pursuant to such Default Sum in accordance with Article I, treating the Trading Day immediately preceding the Mandatory Prepayment Date as the "Conversion Date" for purposes of determining the lowest applicable Conversion Price, unless the Default Event arises as a result of a breach in respect of a specific Conversion Date in which case such Conversion Date shall be the Conversion Date), multiplied by (b) the highest Closing Price for the Common Stock during the period beginning on the date of first occurrence of the Event of Default and ending one day prior to the Mandatory Prepayment Date (the "Default Amount") and all other amounts payable hereunder shall immediately become due and payable, all without demand, presentment or notice, all of which hereby are expressly waived, together with all costs, including, without limitation, legal fees and expenses, of collection, and the Holder shall be entitled to exercise all other rights and remedies available at law or in equity.

If the Borrower fails to pay the Default Amount within five (5) business days of written notice that such amount is due and payable, then the Holder shall have the right at any time, so long as the Borrower remains in default (and so long and to the extent that there are sufficient authorized shares), to require the Borrower, upon written notice, to immediately issue, in lieu of the Default Amount, the number of shares of Common Stock of the Borrower equal to the Default Amount divided by the Conversion Price then in effect.

ARTICLE IV. MISCELLANEOUS

4.1 Failure or Indulgence Not Waiver. No failure or delay on the part of the Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privileges. All rights and remedies existing hereunder are cumulative to, and not exclusive of, any rights or remedies otherwise available.

4.2 Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be in writing and, unless otherwise specified herein, shall be (i) personally served, (ii) deposited in the mail, registered or certified, return receipt requested, postage prepaid, (iii) delivered by reputable air courier service with charges prepaid, or (iv) transmitted by hand delivery, telegram, or facsimile, addressed as set forth below or to such other address as such party shall have specified most recently by written notice. Any notice or other communication required or permitted to be given hereunder shall be deemed effective (a) upon hand delivery or delivery by facsimile, with accurate confirmation generated by the transmitting facsimile machine, at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the second business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur. The addresses for such communications shall be:

If to the Borrower, to:
INFRASTRUCTURE DEVELOPMENTS CORP.
299 South Main Street - 13th Floor
Salt Lake City, UT 84111
Attn: THOMAS R. MORGAN, Chief Executive Officer
facsimile:

With a copy by fax only to (which copy shall not constitute notice):
[enter name of law firm]
Attn: [attorney name]
[enter address line 1]
[enter city, state, zip]
facsimile: [enter fax number]

If to the Holder:
ASHER ENTERPRISES, INC.
1 Linden Pl., Suite 207
Great Neck, NY. 11021
Attn: Curt Kramer, President
facsimile: 516-498-9894

With a copy by fax only to (which copy shall not constitute notice):
Naidich Wurman Birnbaum & Maday, LLP
80 Cuttermill Road, Suite 410
Great Neck, NY 11021
Attn: Bernard S. Feldman, Esq.
facsimile: 516-466-3555

4.3 Amendments. This Note and any provision hereof may only be amended by an instrument in writing signed by the Borrower and the Holder. The term "Note" and all reference thereto, as used throughout this instrument, shall mean this instrument (and the other Notes issued pursuant to the Purchase Agreement) as originally executed, or if later amended or supplemented, then as so amended or supplemented.

4.4 Assignability. This Note shall be binding upon the Borrower and its successors and assigns, and shall inure to be the benefit of the Holder and its successors and assigns. Each transferee of this Note must be an "accredited investor" (as defined in Rule 501(a) of the 1933 Act). Notwithstanding anything in this Note to the contrary, this Note may be pledged as collateral in connection with a bona fide margin account or other lending arrangement.

4.5 Cost of Collection. If default is made in the payment of this Note, the Borrower shall pay the Holder hereof costs of collection, including reasonable attorneys' fees.

4.6 Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Note shall be brought only in the state courts of New York or in the federal courts located in the state and county of Nassau. The parties to this Note hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens. The Borrower and Holder waive trial by jury. The prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs. In the event that any provision of this Note or any other agreement delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of any agreement. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Agreement or any other Transaction Document by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

4.7 Certain Amounts. Whenever pursuant to this Note the Borrower is required to pay an amount in excess of the outstanding principal amount (or the portion thereof required to be paid at that time) plus accrued and unpaid interest plus Default Interest on such interest, the Borrower and the Holder agree that the actual damages to the Holder from the receipt of cash payment on this Note may be difficult to determine and the amount to be so paid by the Borrower represents stipulated damages and not a penalty and is intended to compensate the Holder in part for loss of the opportunity to convert this Note and to earn a return from the sale of shares of Common Stock acquired upon conversion of this Note at a price in excess of the price paid for such shares pursuant to this Note. The Borrower and the Holder hereby agree that such amount of stipulated damages is not plainly disproportionate to the possible loss to the Holder from the receipt of a cash payment without the opportunity to convert this Note into shares of Common Stock.

4.8 Purchase Agreement. By its acceptance of this Note, each party agrees to be bound by the applicable terms of the Purchase Agreement.

4.9 Notice of Corporate Events. Except as otherwise provided below, the Holder of this Note shall have no rights as a Holder of Common Stock unless and only to the extent that it converts this Note into Common Stock. The Borrower shall provide the Holder with prior notification of any meeting of the Borrower's shareholders (and copies of proxy materials and other information sent to shareholders). In the event of any taking by the Borrower of a record of its shareholders for the purpose of determining shareholders who are entitled to receive payment of any dividend or other distribution, any right to subscribe for, purchase or otherwise acquire (including by way of merger, consolidation, reclassification or recapitalization) any share of any class or any other securities or property, or to receive any other right, or for the purpose of determining shareholders who are entitled to vote in connection with any proposed sale, lease or conveyance of all or substantially all of the assets of the Borrower or any proposed liquidation, dissolution or winding up of the Borrower, the Borrower shall mail a notice to the Holder, at least twenty (20) days prior to the record date specified therein (or thirty (30) days prior to the consummation of the transaction or event, whichever is earlier), of the date on which any such record is to be taken for the purpose of such dividend, distribution, right or other event, and a brief statement regarding the amount and character of such dividend, distribution, right or other event to the extent known at such time. The Borrower shall make a public announcement of any event requiring notification to the Holder hereunder substantially simultaneously with the notification to the Holder in accordance with the terms of this Section 4.9.

4.10 Remedies. The Borrower acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder, by vitiating the intent and purpose of the transaction contemplated hereby. Accordingly, the Borrower acknowledges that the remedy at law for a breach of its obligations under this Note will be inadequate and agrees, in the event of a breach or threatened breach by the Borrower of the provisions of this Note, that the Holder shall be entitled, in addition to all other available remedies at law or in equity, and in addition to the penalties assessable herein, to an injunction or injunctions restraining, preventing or curing any breach of this Note and to enforce specifically the terms and provisions thereof, without the necessity of showing economic loss and without any bond or other security being required.

IN WITNESS WHEREOF, Borrower has caused this Note to be signed in its name by its duly authorized officer this June 1, 2011.

INFRASTRUCTURE DEVELOPMENTS CORP.

By: /s/ Thomas R. Morgan
THOMAS R. MORGAN
Chief Executive Officer

EXHIBIT A: NOTICE OF CONVERSION

The undersigned hereby elects to convert $_____ principal amount of the Note (defined below) into that number of shares of Common Stock to be issued pursuant to the conversion of the Note ("Common Stock") as set forth below, of INFRASTRUCTURE DEVELOPMENTS CORP., a Nevada corporation (the "Borrower") according to the conditions of the convertible note of the Borrower dated as of June 1, 2011 (the "Note"), as of the date written below. No fee will be charged to the Holder for any conversion, except for transfer taxes, if any.

Box Checked as to applicable instructions:

[ ] The Borrower shall electronically transmit the Common Stock issuable pursuant to this Notice of Conversion to the account of the undersigned or its nominee with DTC through its Deposit Withdrawal Agent Commission system ("DWAC Transfer").

Name of DTC Prime Broker:
Account Number:

[ ] The undersigned hereby requests that the Borrower issue a certificate or certificates for the number of shares of Common Stock set forth below (which numbers are based on the Holder's calculation attached hereto) in the name(s) specified immediately below or, if additional space is necessary, on an attachment hereto:

ASHER ENTERPRISES, INC.
1 Linden Pl., Suite 207
Great Neck, NY. 11021
Attention: Certificate Delivery
(516) 498-9890

Date of Conversion: _____
Applicable Conversion Price: $_____
Number of Shares of Common Stock to be Issued
Pursuant to Conversion of the Notes: _____
Amount of Principal Balance Due remaining
Under the Note after this conversion: _____

ASHER ENTERPRISES, INC.
By:_____
Name: Curt Kramer
Title: President
Date: _____
1 Linden Pl., Suite 207
Great Neck, NY. 11021

Exhibit 10.9

Memorandum of Understanding

Between

Cleanfield Energy, Inc.

And

Infrastructure Developments Corp.

Concerning Cooperation in a Strategic Partnership to Develop Compressed Natural Gas (CNG) Refueling Stations and Related Infrastructure

I. Purpose

The purpose of this Memorandum of Understanding (MOU) is to identify a framework and partnership between Cleanfield Energy, Inc. ("CEI") and Infrastructure Developments Corp. ("IDVC"), hereinafter referred to as the Parties, to strengthen coordination of efforts to develop, own and manage Compressed Natural Gas (CNG) refueling stations and the associated infrastructure, as well as perform due diligence to determine the viability of investment into, including investing in the development, operation and ownership of other alternative fuel(s), their applications, production and distribution. The purpose of the business mentioned above is:

(1) to increase efforts on a local, state, and national scale in order to reduce harmful emissions, including Greenhouse Gases (GHG), thereby increasing the quality of life of the local citizenry and protecting our environment,

(2) to enhance the U.S. Energy Security by reducing our dependence on foreign oil imports, and,

(3) to create fiscally responsible programs that save municipal, state, school system, transit authority and private fleet operations substantial monies as a result of conversion from petroleum-based fuels to CNG and other alternative fuels, helping to transition America to a low carbon economy.

(4) to generate a reasonable profit for the stakeholders of both parties, though focused pursuit of the business plan, without jeopardizing the integrity of the above purposes.

II. Legal Authority

CEI enters into this MOU under the authority of general and specific rights and purposes as described in CEI's Articles of Incorporation. IDVC enters into this MOU under authority of its general and specific rights and purposes referenced in its Articles of Incorporation.

III. Background

IDVC has expressed the intent to partner with CEI to develop, own and operate Compressed Natural Gas (CNG) refueling stations to be located initially in the Western U.S, specifically in the states of Arizona, Utah, Colorado, and Oregon. CEI plans to utilize its relationships with local, state, federal and industry participants to gain entrance into the markets associated within the geographical area mentioned herein, including supplier and end-user customers, as well as other relationships and expertise provided by CEI. In addition, CEI plans to utilize the expertise, financial status, contacts and general expertise of IDVC to co-invest, provide capital for investment, consultancy and engineering expertise, development and construction and other assets and resources in the CNG infrastructure projects and other energy related projects. IDVC is currently involved in infrastructure projects and has the experience and expertise to assist CEI in its energy related projects.

IV. Activities

Specific activities covered under this MOU include, but are not limited to:

A. Evaluate energy systems and technology management solutions that meet the objectives of providing clean energy and reduce America's dependence on foreign oil, and work collaboratively to identify a strategy for the deployment and development of the processes necessary to achieve the goals mentioned above.

B. Maximize CEI's access to IDVC's technical expertise and assistance through cooperation in the deployment of methodologies used in the development of CNG and other alternative fuel(s) distribution facilities.

Technology areas may include, but are not limited to, environmental remediation, energy efficiency, renewable energy, alternative fuels, efficient transportation technologies, and fueling infrastructure, storage, waste-to-energy, and related areas.

C. Expand cooperation related to energy management practices and knowledge exchange, working to ensure compliance with defined and statutory goals and objectives, particularly in the area of GHG reductions, and encourage the sharing of data, including, but not limited to data on internal energy management projects and technical assistance projects.

D. Develop joint initiatives for energy related technology and development of mutual interest.

E. Develop human capital within CEI and IDVC through teaching and education, training and knowledge exchange practices.

F. Encourage professional exchanges and formal liaison relationships between all CEI and IDVC components including, but not limited to, headquarters, applications related to software, financing, development, construction, emission calculations, funding sources, transportation, etc.

G. Collaborate on issues related to strategic needs, business modeling and methodology, licensing, regulatory, integration of technologies with other industrial applications, development of strategic alliances, governmental incentives and research, and general business expansion modeling, and more.

V. Implementation

CEI and IDVC intend to develop and conduct cooperative activities related to identified high priority energy strategic needs, where such cooperation contributes to the efficiency, productivity, and overall success of the activity.

The Parties intend for the activities to be executed under the MOU to be established by a joint CEI/IDVC Executive Committee.

The Executive Committee may establish working groups of the Parties' employees to perform and execute necessary activities contemplated by this MOU at their discretion. The Executive Committee and its working groups may make consensus recommendations based on their collaboration.

The Executive Committee will determine an appropriate regular meeting schedule, not be less than four times annually. Co-Chairs may be appointed by each Party hereto and shall be responsible for the development and distribution of agendas, presentations, and minutes of each meeting. Action items will be clearly identified and tracked in the minutes.

The Co-Chairs for any reporting to the appropriate designated Parties' Officers and will outline accomplishments, issues, redirections, and change assessments. The reporting will be coordinated by the Co-Chairs as appropriate.

The Co-Chairs will be responsible for any reports or presentations that are requested by other organizations, subject to the necessary review of each Party.

VI. Funding

Each Party intends to coordinate their individual funding and resource decisions in order to maximize the benefits of cooperation under this MOU. Any transfer of funds or sharing of resources between the parties will be pursuant to a separate or pre-existing agreement.

VII. General

Work under this MOU will be jointly planned and monitored by CEI and IDVC. In the event any activity undertaken by the Parties to implement the purposes of this MOU involves access to and sharing or transfer of technology subject to patents or other intellectual property rights, such access and sharing or transfer will be provided on terms which recognize and are consistent with the adequate and effective protection of intellectual property rights.

This MOU is strictly for internal management purposes for each of the Parties. It is not legally enforceable and shall not be construed to create any legal obligation on the part of either party. This MOU shall not be construed to provide a private right or cause of action for or by any person or entity.

This MOU in no way restricts either of the Parties from participating in any activity with public or private agencies, organizations, or individuals, provided that neither party engages in activities similar to those described above that might be considered competitive with or counter- productive to this MOU. All agreements herein are subject to, and will be carried out in compliance with all Federal and State applicable laws, regulations and other legal requirements.

This MOU is neither a fiscal nor funds obligation document. Nothing in this MOU authorizes or is intended to obligate the Parties to expend, exchange, or reimburse funds, services, or supplies, or transfer or receive anything of value.

VIII. Contacts/Designated Representatives

Jim Kisselburg
Cleanfield Energy, Inc.
1418 N. Scottsdale Rd., Suite 542,
Scottsdale AZ 85257

Eric Montandon, Director
Infrastructure Developments Corp
299 South Main, 13th Floor
Salt Lake City, Utah 84111

IX. Duration of Agreement

This MOU is effective on the date of the final signature and will remain in effect until it is terminated by mutual agreement of the Parties or by either Party providing ninety days written notice to the other. This MOU may be modified at any time by written agreement of the Parties. Nothing in this MOU shall be interpreted to limit or otherwise affect any authorities, powers, rights, or privileges accorded to CEI or IDVC or any of the officers, employees, or organizational units under any statute, rule, regulation, contract, or agreement.

Agreed:

/s/ Eric Montandon
Eric Montandon Date: July 1, 2011
Infrastructure Developments Corp.

/s/ Jim Kisselburg
Jim Kisselburg Date: July 1, 2011
Cleanfield Energy, Inc.

Exhibit 10.9

July 7, 2011

Jim Kisselburg
CEO
Cleanfield Energy, Inc.
Scottsdale AZ

REF: Expanded MOU terms between IDVC and CEI

Jim,

As per our original MOU, both parties were to be responsible for their own funding to pursue our collaborated effort to build CNG filing stations.

We are willing to provide interim funding to CEI, to be used for minor expenses to further our business plan, based on an as needed budget up to $2,000 per month.

In return for this, we require:

1. Right of first refusal to acquire all or part of CEI, or form a more comprehensive joint venture, during the period of time that we are providing funding. Terms to be negotiated.
2. Exclusive rights to collaborate with CEI in the pursuit of the business plan, during the period of time when we are providing funding.

Terms of the ROFR and exclusive rights clause will require you to disclose all details of any discussions you are undertaking with other parties, prior to finalizing negotiations or making any commitments on behalf of CEI.

All funding provided to CEI from IDVC will be booked as short term loans, with 0 interest payable, for the time being. The loans can be converted to equity or long terms loans at a later date, upon mutual agreement.

Please sign below if you are in agreement with these terms.

Regards,

/s/ Eric Montandon
Eric Montandon
Director

/s/ Jim Kisselburg
Accepted: Jim Kisselburg
CEO

INFRASTRUCTURE DEVELOPMENT CORP. (the "Company")
CODE OF ETHICS FOR SENIOR OFFICERS

PREFACE

Senior officers such as the principal executive officer, principal financial officer, controller, officers of the Company or its subsidiaries, and persons performing similar functions ("Senior Officers") hold an important and elevated role in corporate governance. They are vested with both the responsibility and authority to protect, balance, and preserve the interests of all of the Company's stakeholders, including stockholders, clients, employees, suppliers, and citizens of the communities in which business is conducted. Senior Officers fulfill this responsibility by prescribing and enforcing the policies and procedures employed in the operation of the Company's financial organization, and by demonstrating the following:

I. HONEST AND ETHICAL CONDUCT

Senior Officers will exhibit and promote the highest standards of honest and ethical conduct through the establishment and operation of policies and procedures that:

- Encourage and reward professional integrity in all aspects of the financial organization, by eliminating inhibitions and barriers to responsible behavior, such as coercion, fear of reprisal, or alienation from the financial organization or the enterprise itself.
- Prohibit and eliminate the appearance or occurrence of conflicts between what is in the best interest of the enterprise and what could result in material personal gain for a member of the organization, including Senior Officers.
- Company directors, officers and employees have an obligation to promote the best interests of the Company at all times. They should avoid any action which may involve a conflict of interest with the Company. Directors, officers and employees should not have any undisclosed, unapproved financial or other business relationships with suppliers, customers or competitors that might impair the independence of any judgment they may need to make on behalf of the Company. Conflicts of interest would also arise if a director, officer or employee, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company.
- Where conflicts of interest arise, directors, officers and employees must provide full disclosure of the circumstances and abstain from any related decision making process.
- Directors, officers and employees must also avoid apparent conflicts of interest, which occur where a reasonable observer might assume there is a conflict of interest and, therefore, a loss of objectivity in their dealings on behalf of the Company.
- Provide a mechanism for members of the finance organization to inform senior management of deviations in practice from policies and procedures governing honest and ethical behavior.
- If any employee has knowledge or is suspicious of non-compliance with any provision of this Code or is concerned whether circumstances could lead to a violation of this Code, he or she should discuss the situation with one or more members of the Audit Committee or in the absence of an Audit Committee with the Company's Board of Directors. The Company will not allow any retaliation against a director, officer or employee who acts in good faith in reporting any such violation or suspected violation.
- If directors or executive officers have knowledge or are suspicious of any non-compliance with any provision of this Code or are concerned whether circumstances could lead to a violation of this Code, they should discuss the situation with the Audit Committee or in the absence of an Audit Committee with the Board of Directors of the Company.

- Demonstrate their personal support for such policies and procedures through periodic communication reinforcing these ethical standards throughout the Company.

II. FINANCIAL RECORDS AND PERIODIC REPORTS

Senior Officers will establish and manage the Company's transaction and reporting systems and procedures to ensure that:

- The Company complies with its obligations to disclose all material information in accordance with all applicable securities laws.
- All employees comply with the Company's Internal Disclosure Controls and Procedures Guidelines and all other financial and disclosure controls and procedures.
- Business transactions are properly authorized and completely and accurately recorded on the Company's books and records in accordance with Generally Accepted Accounting Principles (GAAP) and established Company financial policy.
- The retention or proper disposal of Company records shall be in accordance with established Company financial policies and applicable legal and regulatory requirements.
- Periodic financial communications and reports will be delivered in a manner that facilitates the highest degree of clarity of content and meaning so that readers and users will quickly and accurately determine their significance and consequence.
- Any Senior Officer in possession of material information must not disclose such information before its public disclosure and must take steps to ensure that the Company complies with its timely disclosure obligations.

III. COMPLIANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS

Senior Officers will establish and maintain mechanisms to:

- Educate appropriate employees of the Company about any federal, state or local statute, regulation or administrative procedure that affects the operation of the finance and accounting organization and the Company generally.
- Monitor the compliance of the Company with any applicable federal, state or local statute, regulation or administrative rule.
- Identify, report and correct in a swift and certain manner, any detected deviations from applicable federal, state or local stature or regulation.
- If a law conflicts with a provision of this Code, Senior Officers must comply with the law; however, if a local custom or policy conflicts with a provision of this Code, Senior Officers must comply with the Code.

IV. ACCOUNTABILITY FOR ADHERENCE TO THE CODE

All directors and Senior Officers are responsible for abiding by this Code. This includes individuals responsible for the failure to exercise proper supervision and to detect and report a violation by their subordinates. Discipline may, when appropriate, include dismissal.

V. AMENDMENTS AND WAIVERS

This Code of Ethics may be amended, and compliance with it may be waived, only with the approval of the Audit Committee or in the absence of an Audit Committee by the Board of Directors.

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas Morgan certify that:

1. I have reviewed this report on Form 10-K of Infrastructure Developments Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in the Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: October 7, 2011

/s/ Thomas Morgan
Thomas Morgan
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Digamber Naswa certify that:

1. I have reviewed this report on Form 10-K of Infrastructure Developments Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in the Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: October 7, 2011

/s/ Digamber Naswa
Digamber Naswa
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 USC. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the report on Form 10-K of Infrastructure Developments Corp., for the annual period ended June 30, 2011, as filed with the Securities and Exchange Commission on the date hereof, I, Thomas Morgan, do hereby certify, pursuant to 18 USC. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) This report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in this report fairly represents, in all material respects, the financial condition of the registrant at the end of the period covered by this report and results of operations of the registrant for the period covered by this report.

Date: October 7, 2011

/s/ Thomas Morgan
Thomas Morgan
Chief Executive Officer

This certification accompanies this report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the registrant for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the registrant and will be retained by the registrant and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 USC. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the report on Form 10-K of Infrastructure Developments Corp., for the annual period ended June 30, 2011, as filed with the Securities and Exchange Commission on the date hereof, I, Digamber Naswa, do hereby certify, pursuant to 18 USC. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(3) This report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(4) The information contained in this report fairly represents, in all material respects, the financial condition of the registrant at the end of the period covered by this report and results of operations of the registrant for the period covered by this report.

Date: October 7, 2011

/s/ Digamber Naswa
Digamber Naswa
Chief Financial Officer

This certification accompanies this report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the registrant for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the registrant and will be retained by the registrant and furnished to the Securities and Exchange Commission or its staff upon request.