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

FORM 10-Q/A

Amendment No. 1

[X] Quarterly report pursuant section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended December 31, 2016

[ ] Transition report pursuant section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _______________ to _______________

Commission file number 333-198828

Life Clips, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Wyoming	**3861**	**46-2378100**
(State or Other Jurisdiction of Incorporation or Organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification No.)*

18851 NE 29th Ave, Suite 700
Aventura, FL 33180Phone: (800) 292-8991
(Address and telephone number of registrant's principal executive offices and principal place of business)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] 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 [X] No [ ]

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. (check one)

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	**Outstanding at March 9, 2017**
Common Stock, $0.001 par value per share	96,832,582

LIFE CLIPS, INC.
FORM 10-Q FOR THE QUARTER ENDED DECEMBER 31, 2016
TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Life Clips, Inc. and Subsidiary (F/K/A Blue Sky Media Corporation)
Balance Sheets

	December 31, 2016 (Unaudited)	June 30, 2016 (Audited)
ASSETS		
Current assets		
Cash	$ 13,717	$ 469,233
Due from related party		
Total current assets	13,717	469,233
Other Current Assets		
Accounts Receivable	5,486	-
Inventory	29,705	-
Other Current Assets	8,128	-
Deposit	-	240,000
Investment - Batterfly Energy LTD	32,500	-
Total other current assets	75,819	240,000
Fixed Assets		
Developed Software	14,625	-
Total Fixed Assets	14,625	-
Total asset	$ 104,161	$ 709,233
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities		
Accounts Payable	226,363	162,759
Accrued Expense and Interest Payable	136,806	48,476
Note Payable (net of discount of $180,097 and $681,047, respectively)	195,067	108,953
Note Payable - Batteryfly Energy LTD	500,000	-
Payroll Tax Liabilities	18,350	8,195
Derivative Liabilities	3,072,564	1,518,085
Total Current Liabilities	4,149,150	1,846,468
Long Term Liabilities		
Derivative Liability - Convertible Notes Payable	231,624	18,625,104
Convertible Notes Payable (Net of debt discount of $1,393,152 and $908,466, respectively)	975,267	334,112
Total Long Term Liabilities	1,206,891	18,959,216
Total Liabilities	$ 5,356,041	$ 20,805,684
Shareholders' deficit		
Preferred stock, ($0.001 par value; 20,000,000 shares authorized, no shares were issued and outstanding).	-	-
Common stock, ($0.001 par value; 320,000,000 shares authorized, 89,799,478 and 53,332,576 shares issued and outstanding as of December 31, 2016 and June 30, 2016, respectively).	89,800	53,333
Additional paid in capital	11,574,791	304,666
Accumulated deficit	(16,916,471)	(20,454,450)
Total shareholders' deficit	(5,251,880)	(20,096,451)
Total liabilities and shareholders' deficit	$ 104,161	$ 709,233

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

Life Clips, Inc. and Subsidiary (F/K/A Blue Sky Media Corporation)
Statements of Operations
For the Three and Six Months ended December 31, 2016 and 2015
(Unaudited)

	For the three month period ended December 31, 2016	For the three month period ended December 31, 2015	For the six month period ended December 31, 2016	For the six month period ended December 31, 2015
Revenues				
Revenues	$ 12,855	$ -	$ 86,176	$ -
Cost of goods sold	8,781	-	54,269	-
Gross profit	4,074	-	31,907	-
Operating costs:				
Compensation paid with stock	-	10,150	-	10,150
Finance Costs	15,000	33,935	51,000	33,935
Payroll Expense	83,782	57,712	158,727	57,712
Product Development Expense	3,257	23,360	4,191	23,360
Professional Fees	53,927	5,699	1,813,192	5,699
Licensing Fees	137,000		137,000	-
Marketing Expense	-	-	-	-
Software Fees and Support	1,090	-	2,876	-
Travel	11,076	8,635	18,855	15,338
Other general and administrative expenses	20,347	12,818	51,081	55,397
Total operating costs	325,479	152,309	2,236,922	201,591
(Loss) from operations	(321,405)	(152,309)	(2,205,015)	(201,591)
Other income (expense)				
Interest expense	(47,787)	-	(92,019)	(8,649)
Amortization of Debt Discount	(715,460)	(98,738)	(1,131,979)	(130,488)
Loss on Derivative	565,449	(4,703,452)	13,157,878	(4,703,452)
Loss on Acquisition of Batterfly Energy LTD	-	-	(6,191,000)	-
Total Other Income (Expense)	(197,798)	(4,802,190)	5,742,880	(4,842,589)
(Loss) before income taxes	(519,203)	(4,954,499)	3,537,865	(5,044,180)
Provision for income taxes	-	-	-	-
Net (loss)	$ (519,203)	$ (4,954,499)	$ 3,537,865	$ (5,044,180)
Basic earnings per share	**	**	0.05	**
Weighted average number of common shares outstanding	77,749,592	53,263,276	70,976,591	51,702,948

**Less than $0.01

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

Life Clips, Inc. and Subsidiary (F/K/A Blue Sky Media Corporation)
Statement of Cash Flows
For the Six Months Ended
(Unaudited)

	December 31, 2016	December 31, 2015
Cash flows from operating activities:		
Net (loss)	$ 3,537,865	$ (5,044,180)
Common Stock Compensation	1,634,758	10,150
Accounts Receivable	(5,486)	
Inventory	(29,705)	(42,500)
Deposit	240,000	
Other Current Assets	(8,128)	2,712
Changes in derivative liabilities	(13,157,878)	4,703,452
Amortization of Debt discount	1,131,979	130,488
Loss on Batterfly acquisition	6,191,000	
Adjustments to reconcile Net Income to Net Cash provided by operations:		
Accounts Payable	63,604	
Accrued expense and interest payable	(516,555)	913
Payroll tax liabilities	10,155	9,042
Net cash (used in) operating activities	(908,391)	(229,923)
Cash flows from investing activities:		
Investment - Batterfly Energy Ltd	(32,500)	
Developed software	(14,625)	(88,957)
Net cash (used in) provided by investing activities	(47,125)	(88,957)
Cash flows from financing activities:		
Repurchase of common stock		(345,000)
Proceed from convertible notes payables	500,000	867,577
Net cash provided by financing activities	500,000	522,577
Net cash increased in cash	(455,516)	203,697
Cash at beginning of period	469,233	2,644
Cash at end of period	$ 13,717	$ 206,341
Supplemental Disclosures of cash flow information:		
Cash paid for:		
Interest	$ -	$ -
Income taxes	$ -	$ -
NON-CASH TRANSACTIONS AFFECTING OPERATING, INVESTING AND FINANCING ACTIVITIES		
Value of common shares issued as payment of debt	$ 366,112	$ 65,000
Value of common shares issued for acquisition of Batterfly Energy LTD	$ 5,091,000	$ 5,091,000
Issuance of Common Stock for Acquisition of Batterfly Energy LTD	$ 5,091,000	$ -
Issuance of Common Stock for Convertible Note Payable	$ 1,925,369	$ -
Notes Payable	$ 500,000	$ -

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

Life Clips, Inc.
(f/k/a Blue Sky Media Corp)
Footnotes to Financial Statements December 31, 2016

NOTE 1. ORGANIZATION AND OPERATIONS

Business and basis of presentation – Life Clips, Inc. (the "Company") was incorporated under the laws of Wyoming on March 20, 2013 as Blue Sky Media Corporation. On November 3, 2015, the Company changed its name to Life Clips, Inc. to more accurately reflect its business after a merger set forth below.

The Company was in the business of developing, production and distributing motion pictures. The Company entered into a merger and exchange agreement on October 2nd, 2015. Klear Kapture was in the business of developing state-of-the-art body/action cameras.

On October 2, 2015, the Company completed a stock merger and exchange agreement with Klear Kapture, Inc. ("Klear Kapture"). Pursuant to the terms of the Share Exchange Agreement, the Company agreed to issue 380,037,120 shares of its unregistered common stock to the shareholders of Klear Kapture in exchange for 10,000 shares of its common stock, representing 100% of its issued and outstanding common stock. As part of the Share Exchange, the Company purchased 107,261,000 shares of our common stock from its former executive officers and directors for a price of $345,000. Upon the effective date of the transaction, Klear Kapture became a wholly owned subsidiary of Life Clips.

The Company acquired Batterfly Energy in July 2016. Batterfly manufactures the Mobeego® brand emergency cell phone battery. The Mobeego provides an extra 20-40% shot of power to a cell phone without having to be tethered or charged. The batteries have a 10-year shelf life. The Company realized the packaging that was inherited did not convey the message properly and is in the process of re-packaging the product.

On September 22, 2016 the Company entered into a partnership license agreement with HP. The agreement allows Life Clips to design, manufacture and sell HP branded action cameras, 360 cameras, dash cameras and still cameras. The agreement also calls for accessory sales and the building of an online cloud repository to store, edit and share user created videos and pictures.

The Agreement called for the Company to no longer sell the Life Clips branded cameras or accessories to eliminate channel conflict or confusion. Therefore, the Company will focus its efforts on creating best in class HP branded products and accessories.

In January 2017, Robert Gruder, CEO and Robert Finnigan, President resigned from Life Clips. In January 2017, Victoria Rudman took on the role of CFO. In February 2017 Huey Long joined as CEO and in March 2017 William Singer was named the Executive Vice President of Sales.

Life Clips is restructuring to become a global consumer electronics company focused on developing hardware and accessories for mobility through the Mobeego brand and Digital Imaging Products through the Hewlett Packard (HP) brand. We are developing the design, sourcing, logistics and sales operations to quickly increase our sales of our existing products and put us in a position to launch new product in 2017.

The company will continue to focus on the development of mobile power and imaging products. We are immediately increasing our sales efforts on our unique products that are already available such as the Mobeego one-time charger for mobile devices. This device allows you to use your smartphone, tablet or any mobile device up to 4 hours on a single emergency charge. Once your done you simply dispose of the recyclable battery.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and cash equivalents – For financial statement presentation purposes, the Company considers all short term investments with a maturity date of three months or less to be cash equivalents.

Income Tax – The Company accounts for income taxes under ASC 740 "Income Taxes" which codified SFAS 109, "Accounting for Income Taxes." under the asset and liability method of ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements 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. Under ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

Basic and Diluted Net Income (Loss) Per Share – The Company computes net income (loss) per share in accordance with ASC 260 "Earnings Per Share" which codified SFAS No. 128. "Earnings per Share." ASC 260 requires presentation of both basic and diluted earnings per share (EPS) on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares of common stock outstanding during the period. If applicable, diluted earnings per share assume the conversion, exercise or issuance of all common stock instruments such as options, warrants and convertible securities, unless the effect is to reduce a loss or increase earnings per share. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive.

Intangible Asset – The Company is developing software. The development cost through December 31, 2016 has totaled $14,625. The software has an infinite useful life and will be tested annually for impairment.

Fair Value of Financial Instruments

The Company measures assets and liabilities at fair value based on an expected exit price as defined by the authoritative guidance on fair value measurements, which represents the amount that would be received on the sale of an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability. The authoritative guidance on fair value measurements establishes a consistent framework for measuring fair value on either a recurring or nonrecurring basis whereby inputs, used in valuation techniques, are assigned a hierarchical level.

The following are the hierarchical levels of inputs to measure fair value:

- Level 1 – Observable inputs that reflect quoted market prices in active markets for identical assets or liabilities.
- Level 2 – Inputs reflect quoted prices for identical assets or liabilities in markets that are not active; quoted prices for similar assets or liabilities in active markets; inputs other than quoted prices that are observable for the assets or liabilities; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – Unobservable inputs reflecting the Company's assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.

The carrying amounts of the Company's financial assets and liabilities, such as cash, prepaid expenses, other current assets, accounts payable & accrued expenses, certain notes payable and notes payable – related party, approximate their fair values because of the short maturity of these instruments.

The Company accounts for its derivative liabilities, at fair value, on a recurring basis under level 3. See Note 8.

Embedded Conversion Features

The Company evaluates embedded conversion features within convertible debt under ASC 815 “Derivatives and Hedging” to determine whether the embedded conversion feature(s) should be bifurcated from the host instrument and accounted for as a derivative at fair value with changes in fair value recorded in earnings. If the conversion feature does not require derivative treatment under ASC 815, the instrument is evaluated under ASC 470-20 “Debt with Conversion and Other Options” for consideration of any beneficial conversion feature.

Derivative Financial Instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. The Company evaluates all of its financial instruments, including stock purchase warrants, to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported as charges or credits to income.

For option-based simple derivative financial instruments, the Company uses the Black-Scholes option-pricing model to value the derivative instruments at inception and subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period.

Debt Issue Costs and Debt Discount

The Company may record debt issue costs and/or debt discounts in connection with raising funds through the issuance of debt. These costs may be paid in the form of cash, or equity (such as warrants). These costs are amortized to interest expense over the life of the debt. If a conversion of the underlying debt occurs, a proportionate share of the unamortized amounts is immediately expensed.

<u>Stock based compensation</u> – ASC 718 “Compensation Stock Compensation” codified SFAS No. 123 prescribes accounting and reporting standards for all stock based compensation plans payments award to employees, including employee stock options, restricted stock, employee stock purchase plans and stock appreciation rights, which may be classified as either equity or liabilities. The Company should determine if a present obligation to settle the share based payment transaction in cash or other assets exists. A present obligation to settle in cash or other assets exists if: (a) the option to settle by issuing equity instruments lacks commercial substance or (b) the present obligation is implied because of an entity’s past practices or stated policies. If a present obligation exists, the transaction should be recognized as a liability; otherwise, the transaction should be recognized as equity.

The Company accounts for stock based compensation issued to nonemployees and consultants in accordance with the provisions of ASC 50550 “Equity Based Payments to Non-Employees” which codified SFAS 123 and the Emerging Issues Task Force consensus in Issue No. 9618, “Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring or in Conjunction with Selling, Goods or Services”. Measurement of share based payment transactions with nonemployees shall be based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share based payment transaction should be determined at the earlier of performance commitment date or performance completion date.

<u>Common Stock</u> – On December 15, 2015, the Company filed Articles of Amendment to authorize 320,000,000 shares of common stock, to change the par value to $0.001 and to execute a 11:1 forward stock split. All common stock and per share data for the period presented in this Quarterly Report on Form 10-K have been adjusted to give effect to the forward stock split.

<u>Preferred Stock</u> – On December 15, 2015, the Company filed Articles of Amendment to authorize 20,000,000 shares of preferred stock, par value $0.001.

<u>Recognition of Revenues</u> – The Company recognizes revenue in accordance with Staff Accounting Bulletin No. 104, “Revenue Recognition in Financial Statements”. This statement established that revenue can be recognized when persuasive evidence of an arrangement exists, the services have been delivered, all significant contractual obligations have been satisfied, the fee is fixed or determinable and collection is reasonably assured.

Subsequent Events – The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements are issued.

Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them on EDGAR.

Recent Pronouncements – The Company reviewed all recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the AICPA, and the SEC and they did not or are not believed by management to have a material impact on the Company's present or future financial statements.

NOTE 3. UNCERTAINTY OF ABILITY TO CONTINUE AS A GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. As reflected in the accompanying financial statements, the Company has minimal revenues, net accumulated losses since inception and a shareholders' deficit of $(16,916,471). These factors raise doubt about its ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on management funding operating costs and the successful production and sales release of the Life Clips camera. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 4. RELATED PARTY TRANSACTIONS

At December 31, 2016 and June 30, 2016, there were no related party transactions.

NOTE 5. INTANGIBLE ASSETS

The Company is developing software. The development cost for the period ended December 31 2016 is $14,625. The software has an infinite useful life and will be tested annually for impairment.

	December 31, 2016	June 30, 2016
Software	$ 14,625	$ 646,980
Less: Impairment Charges		(646,980)
Less: Accumulated Amortization	—	—
Software - net	$ -14,625-	$ -0-

NOTE 6. NOTES PAYABLE

On July 14, 2016 the Company issued a $30,000 promissory note to NUWA Group, LLC. The promissory note is a standard, non-convertible note. The effective interest rate is 5.00% per annum, calculated yearly not in advance. The note is to be repaid in full on October 14, 2016. Note proceeds are to be used for operating expenses.

Pursuant to the Stock Purchase Agreement by and among Batterfly Energy, LTD and the Company, on July 11, 2016 the Company issued a $500,000 Promissory Note and Stock Pledge Agreement to the former shareholders of Batterfly Energy, LTD. The promissory note is a standard, non-convertible note. The effective interest rate is 1.00% with a default interest rate of 10.00%. The note is to be repaid in two (2) payments, $250,000 on October 11, 2016 and the balance due on February 13, 2017.

At December 31, 2016 and June 30, 2016 the Company had notes payable in the amount of $530,000 and $0, respectively.

NOTE 7. CONVERTIBLE DEBT AND WARRANTS

The Company has recorded derivative liabilities associated with convertible debt instruments and warrants, as more fully discussed at Note 8.

(A) Convertible Debt

On October 2, 2015, the Company completed an offering of its 3.85% Convertible Promissory Notes (the "3.85% Notes") in the aggregate principal amount of $617,578 and on December 7, 2015 the Company completed an offering of its 10% Convertible Promissory Notes (the "10% Notes") in the aggregate principal amount of $250,000 (the "10% Notes", and together with the 3.85% Notes, each a "Note" and collectively, the "Notes"), as applicable, with certain "accredited investors" (the "Investors"), as defined under Regulation D, Rule 501 of the Securities Act. The entire principal amount of the Notes remaining outstanding at December 31, 2016 was $417,588, such amount being exclusive of securities converted into the Notes separate from the offering of the Notes. Pursuant to the offering of the Notes, the Company received $617,578 and $250,000 in net proceeds on October 2, 2015 and December 7, 2015, respectively.

In addition to the terms customarily included in such instruments, the Notes began accruing interest on the date that each Investor submitted the principal balance of such Investor's Note, with the interest thereon becoming due and payable on the two-year anniversary of said date. Upon a default of the Notes, the interest rate will increase to 18%. The principal balance of each Note and all unpaid interest will become due and payable twenty-four (24) months after the date of issuance. The Notes may be prepaid with or without a penalty depending on the date of the prepayment. The principal and interest under the 3.85% Notes are converted at $ $0.026. The principal and interest under the 10% Notes are convertible into shares of the Company's common stock at 75% times the Volume Weighted Average Price for a 5 days period prior to the conversion date as quoted on the OTC market and pursuant to the terms of a Security Purchase Agreement, dated as of October 2, 2015 and December 7, 2015, as applicable, by and between the Company and each Investor.

In connection with the Notes Offering, the Company entered into Registration Rights Agreements, each dated as of October 2, 2015 and December 7, 2015 and each by and between us and each of the Investors.

The company entered into convertible notes with eleven third party accredited investors from December 2015 to December 2016. In addition to the terms customarily included in such instruments, the Notes began accruing interest on the date that each Investor submitted the principal balance of such Investor's Note, with the interest thereon becoming due and payable on terms specified in said date (see below). Interest rates range from 5% to 10% and are due at various dates from August 2016 to March 2018. These notes are convertible at any time by the investor, prior to the note principal and interest being repaid at rates ranging from $0.006 to $0.033 per share, subject to change due to a ratchet feature contained in most of the notes.

Issue Date	Maturity Date	Interest rate	Interest rate (default)	Principal
10/2/2015	10/2/2017	3.85%	18%	617,578.00
12/7/2015	11/30/2017	10.00%	10%	250,000.00
2/4/2016	8/4/2016	5.00%	na	15,000.00
4/26/2016	3/30/2018	10.00%	18%	25,000.00
4/26/2016	3/30/2018	10.00%	18%	50,000.00
4/27/2016	3/30/2018	10.00%	18%	300,000.00
5/13/2016	5/13/2017	10.00%	22%	700,000.00
6/14/2016	5/30/2017	10.00%	18%	75,000.00
7/21/2016	3/30/2017	10.00%	10%	75,000.00
8/23/2016	2/23/2017	10.00%	18%	15,000.00
9/22/2016	4/22/2017	10.00%	22%	225,000.00
10/18/2016	7/18/2017	10.00%	18%	150,000.00
Total Convertible Notes				2,497,578.00

(B) Terms of Debt

The debt carries interest between 3.85% and 10%, and is due in October 2017 through March 2018.

All convertible debt in connection with the Notes Offering are convertible at $0.026 and $0.033/share (on December 31, 2016), however, the Notes include a "ratchet feature", which allows for a lower offering price based on market prices.

(C) Future Commitments

At December 31, 2016, the Company has outstanding convertible debt of $1,920,088 which is payable within the next fifteen months.

(D) Warrants

The Company issued six warrants dated from February to July 2016. Four of the warrants are related to consulting agreements and two are related to convertible note holders. All warrants issued through December 31, 2016 were accounted for as derivative liabilities, as the warrants were not held on reserve at and therefore tainted. See Note 8. Two warrants issued were exercised during the period ended September, 2016. The details are:

Purpose of Warrant Issuance	Issue Date	Number Shares Common Stock		Warrant Exercise Price	Period Warrants Exercisable
Consulting Services	2/22/2016	2,600,000	$	0.001	2/22/2016 to 2/22/2019
Exercised	9/9/2016	(2,600,000)			
Website design and Digital Locker app development	3/10/2016	1,916,500	$	0.001	3/10/2016 to 3/10/2019
Exercised	9/20/2016	(1,916,500)			
Investor Incentive	4/27/2016	625,000	$	0.400	4/27/2016 to (not defined)
Investor Incentive	5/13/2016	350,000	$	0.400	5/13/2016 to 5/13/2019
Consulting Services	7/29/2016	525,000	$	0.001	7/29/2016 to 7/29/2021
Consulting Services	7/29/2016	225,000	$	0.001	7/29/2016 to 7/29/2021
Total		1,725,000			

NOTE 8. DERIVATIVE LIABILITIES

The Company identified conversion features embedded within convertible debt and warrants issued in the period ended December 31, 2016. The Company has determined that the features associated with the embedded conversion option, in the form a ratchet provision, should be accounted for at fair value, as a derivative liability, as the Company cannot determine if a sufficient number of shares would be available to settle all potential future conversion and warrant transactions.

As a result of the application of ASC No. 815, the fair value of the ratchet feature related to convertible debt and warrants is summarized as follow:

		December 31, 2016		June 30, 2016
Carried forward from the prior period ended	$	20,143,189	$	
Fair value at the commitment date - convertible debt	$	613,957	$	6,142,583
Fair value at the commitment date - warrants		359,163		1,541,236
Fair value mark to market adjustment - convertible debt		(14,405,830)		10,641,842
Fair value mark to market adjustment - warrants		(2,062,007)		1,817,529
Reclassified to additional paid in capital		(1,344,284)		
Totals	$	3,304,188	$	20,143,189

The fair value at the commitment and re-measurement dates for the Company's derivative liabilities were based upon the following management assumptions as December 31, 2016:

	Commitment Date	Re-measurement Date
Expected dividends	0%	0%
Expected volatility	220%	243%
Expected term	0.5 to 5 years	0.00-4.58 years
Risk free interest rate	0.39%-1.14%	0.62%- 1.93%

NOTE 9. CONVERTIBLE DEBT - NET

The Company recorded the debt discount to the extent of the gross proceeds raised, and expensed immediately the remaining fair value of the derivative liability, as it exceeded the gross proceeds of the note.

The Company recorded debt discount of $315,598 as of December 31, 2016 and $2,076,912 for the year ended June 30, 2016.

Accumulated amortization of debt discount amounted to $1,619,379 as of December 31, 2016 and $487,399 for the year ended June 30, 2016. The Company recorded amortization expense of the debt issuance cost of $1,131,979 as of December 31, 2016 and $487,399 for the year ended June 30, 2016.

		December 31, 2016	June 30, 2016
Balance Prior Year		443,065	85,000
Proceeds	$	465,000	2,032,578
Repayments		(581,112)	(85,000)
Less: gross Debt Discount recorded		(318,598)	(2,076,912)
Add: Amortization of Debt Discount		1,131,979	487,399
Less Current portion		(195,067)	(108,953)
Long-Term Convertible Debt	$	945,267	334,112

NOTE 10. EQUITY

For the six-month period ended December 31, 2016 36,466,902 shares of common stock were issued bringing the total shares issued and outstanding to 89,799,478.

On October 2, 2015 (the "Effective Date") the Company entered into and closed on a merger and exchange agreement (the "Share Exchange Agreement") with Klear Kapture in an effort to expand its current line of business. Klear Kapture has developed a body camera and an auditable software solution suitable for use by law enforcement that it intends to produce, market and sell. Following the closing of the Share Exchange Agreement, we intend to continue Klear Kapture's historical business and proposed business and have entered into a services agreement with our former executive officers and directors to operate our film marketing, distribution and production video and APP development businesses pursuant to the terms of a Services Agreement dated October 2, 2015 (the "Services Agreement"). However, we no longer intend to operate the pre-transaction business of the Company.

Pursuant to a consulting agreement with a non-related third party, we issued 3,190,000 shares on October 2, 2015 for a price of approximately $0.00318 per share (an aggregate of $10,150), which was recorded as consulting services.

On December 15, 2015, the Company filed Articles of Amendment to authorize 320,000,000 shares of common stock, par value $0.001 per share, to authorize 20,000,000 share of preferred stock, par value $0.001 per share, and to execute a 11:1 forward stock split. All common stock and per share date for the period presented in this Annual Report on Form 10-K has been adjusted to give effect to the forward stock split.

Pursuant to the terms of the Share Exchange Agreement, as of the Effective Date, we agreed to issue 38,037,120 shares of our unregistered common stock to the shareholders of Klear Kapture in exchange for 10,000 shares of its common stock, representing 100% of its issued and outstanding common stock in the Share Exchange. As part of the Share Exchange, we purchased 107,261,000 shares of our common stock from our former executive officers and directors for a price of approximately $ 0.00318 per share (an aggregate of $345,000). Upon the Effective Date, Klear Kapture became a wholly owned subsidiary of our company and our pro-forma shares of common stock outstanding giving effect to the repurchase of shares from our former executive officers and directors is 53,343,620. Robert Gruder who was appointed as our Chief Executive Officer and a Director in connection with the Share Exchange received 30,296,563 shares of our common stock in exchange for 7,965 shares of Klear Kapture's common stock he previously owned. Mr. Gruder's ownership of our common stock at the exchange date represented approximately 56.8% of our issued and outstanding shares of common stock. At September 30, 2016 Mr. Gruder's ownership of our common stock represents approximately 30.8% of our issued and outstanding shares.

On April 20, 2016, the company adopted the Life Clips, Inc. 2016 Stock and Incentive Plan under which the Company may issue nonqualified stock options, incentive stock options, stock appreciation rights, restricted stock grants and units, performance units and awards of cash. A maximum of 20,000,000 shares of common stock may be issued under the plan, representing in excess of 35% of the number of the Company's currently outstanding shares. Awards under the plan will be made at the discretion of the Board of Directors, although no awards have been made to date. Accordingly, the Company cannot currently determine the amount of awards that will be made under the plan.

The Company has issued six warrants dated from February to July 2016. Four of the warrants are related to consulting agreements and two are related to convertible note holders. See Note 7 (D) for details:

On August 31, 2016, the company issued 2,593,247 shares of its common stock to NUWA Group LLC in a cashless warrant exchange pursuant to the terms of a business consulting agreement dated February 22, 2016. The share price at the effective date was $0.365 and the warrant for 2,600,000 shares was exercisable at $0.001 per share for total increase in Common Stock of $2,593.25 and in Additional Paid In Capital of $943,941.91.

On September 9, 2016, the company issued 2,500,000 shares of its common stock to Long Side Ventures LLC in exchange for $65,000.00 of the purchaser's convertible note payable. The original issuance date of the $ 151,072.71 note payable was October 2, 2015. The exercise price of the note was stated at $0.026 per common share. The proceeds reduced Convertible Notes Payable $65,000.00.

On September 20, 2016, the company issued 1,910,511 shares of its common stock to Binary Ventures, Inc. in a cashless warrant exchange pursuant to the terms of a business consulting agreement dated March 10, 2016. The share price at the effective date was $0.221 and the warrant for 1,916,500 shares was exercisable at $0.001 per share for total increase in Common Stock of $1,910.51 and in Additional Paid In Capital of $420,312.42.

On October 24, 2016, the company issued 1,807,229 shares of its common stock to Susannah Forest 2011 Revocable Trust in exchange for $150,000.00 of the purchaser's convertible note payable. The original issuance date of the $ 250,000.00 note payable was December 7, 2015. The exercise price of the note was stated at 75% of the volume weighted average price of the Company's common stock for a 5-day period prior to the conversion date, subject to certain minimum and maximum conversion prices. The proceeds reduced Convertible Notes Payable $150,000.00.

On October 26, 2016, the company issued 3,534,706 shares of its common stock to Bezalel Partners, LLC in exchange for $60,090.00 of the purchaser's convertible note payable. The original issuance date of the $ 164,359.76 note payable was October 2, 2015. The exercise price of the note was stated at $0.017. The proceeds reduced Convertible Notes Payable $60,090.00.

On November 29, 2016, the company issued 268,102 shares of its common stock to R&T Sports Marketing, Inc. in exchange for $25,000.00 of the purchaser's convertible note payable. The original issuance date of the $ 25,000.00 note payable was April 26, 2016. The exercise price of the note was stated at 75% of the volume weighted average price of the Company's common stock for a 5-day period prior to the conversion date, subject to certain minimum and maximum conversion prices. The proceeds reduced Convertible Notes Payable $25,000.00.

On December 6, 2016, the company issued 157,895 shares of its common stock to Atlanta Capital Partners, LLC in exchange for $15,000.00 of the purchaser's convertible note payable. The original issuance date of the $ 15,000.00 note payable was August 23, 2016. The exercise price of the note was stated at 75% of the volume weighted average price of the Company's common stock for a 5-day period prior to the conversion date. The proceeds reduced Convertible Notes Payable $15,000.00.

On December 7, 2016, the company issued 2,900,000 shares of its common stock to Taconic Group, LLC in exchange for $75,400.00 of the purchaser's convertible note payable. The original issuance date of the $ 151,072.71 note payable was October 2, 2015. The exercise price of the note was stated at $0.026 per common share. The proceeds reduced Convertible Notes Payable $75,400.00.

On December 7, 2016, the company issued 3,731,343 shares of its common stock to Edgestone Associates, Inc. in exchange for $37,500.00 of the purchaser's convertible note payable. The original issuance date of the $ 700,000.00 note payable was May 13, 2016. The exercise price of the note was stated at 50% multiplied by the Market Price, defined as the lowest Trading Price for the Common Stock during the twenty (20) Trading Day period ending on the last complete Trading Day prior to the Conversion Date. The proceeds reduced Convertible Notes Payable $37,500.00.

On December 8, 2016, the company issued 1,346,221 shares of its common stock to Summit Trading Partners, LLC in exchange for $50,000.00 of the purchaser's convertible note payable. The original issuance date of the $ 50,000.00 note payable was April 26, 2016. The exercise price of the note was stated at 75% of the volume weighted average price of the Company's common stock for a 5-day period prior to the conversion date, subject to certain minimum and maximum conversion prices. The proceeds reduced Convertible Notes Payable $50,000.00.

On December 15, 2016, the company issued 4,017,648 shares of its common stock to Bezalel Partners, LLC in exchange for $68,300.00 of the purchaser's convertible note payable. The original issuance date of the $ 164,359.76 note payable was October 2, 2015. The exercise price of the note was stated at $0.017. The proceeds reduced Convertible Notes Payable $68,300.00.

On December 26, 2016, the company issued 1,200,000 shares of its common stock to Taconic Group, LLC in exchange for $31,200.00 of the purchaser's convertible note payable. The original issuance date of the $ 151,072.71 note payable was October 2, 2015. The exercise price of the note was stated at $0.026 per common share. The proceeds reduced Convertible Notes Payable $31,200.00.

NOTE 11. SUBSEQUENT EVENTS

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The company will evaluate subsequent events through the date of the issuance of the financial statements.

On January 11, 2017, the Company received a default notice related to the Company's Batterfly acquisition. On July 11, 2016 the Company entered into a Stock Purchase Agreement (the "Agreement") with the sellers of Batterfly Energy, Ltd. Pursuant to the agreement, and the related Promissory Note (the "Note"), the Company was to make an initial payment of $500,000 to the Batterfly sellers, with $250,000 being due on October 6, 2016 and $250,000 being due on February 13, 2017. The default letter states that the Company failed to pay the initial $250,000 payment on October 6, 2016, which began to accrue interest of 11% from October 6, 2016. In addition, the default notice states that the Company owes $20,000 in aggregate to two of the Batterfly shareholders related to consulting fees associated with the Batterfly acquisition. Finally, the default notice states that a payment of $250,000, as well as an additional payment of $20,000 must be paid by January 23, 2017. The Company is currently deciding how to proceed and respond to the default notice.

On February 9, 2017 2,553,104 shares were issued in a conversion of a convertible note payable.

On February 9, 2017 4,480,000 shares were issued in a conversion of a convertible note payable.

On February 2, 2017, in connection with Huey Long's engagement as the Chief Executive Officer of the Company, the Company granted to Mr. Long a total of 15,500,000 shares of the Company's unregistered common stock, par value $0.001 per share (the "Common Stock") via two stock grants, one for 15,000,000 shares of unregistered Common Stock and one for 500,000 shares of unregistered Common Stock. 3,750,000 shares of Common Stock in the first grant will vest on August 2, 2017 and 3,750,000 shares of Common Stock in the first grant will vest on February 2, 2018. The balance of 7,500,000 shares of Common Stock will thereafter vest pro rata over the following 12 months. The 500,000 shares in the second grant will vest shall vest on the Company achieving positive cash flow and meeting such other goals as determined by the Board.

On various dates in February 2017, the Company entered into agreements with five third parties to issue up to a total of $450,000 of convertible promissory notes (the "Notes"). $15,000 in principal amount of Notes were issued to memorialize funds that had previously been provided to the Company, and the balance were, or are to be, issued for new funds being loaned to the Company. $135,000 of principal amount of Notes were issued at the initial closings in February, and $100,000 of principal amount of Notes were expected to be issued on March 1, 2017, but were not in fact issued and are currently expected to be issued shortly. The balance of the Notes are expected to be issued on April 3, 2017 ($100,000), May 1, 2017 ($50,000) and June 1, 2017 ($50,000). The Notes were issued pursuant to an exemption available under Section 4(a)(2) of the Securities Act of 1933, as amended, and Rule 506 of Regulation D thereunder.

The Notes carry interest of 10% per year, and are due and payable 1 year from the issuance date. The Company may prepay any amount outstanding under the Notes at a 50% premium, subject to the acceptance of the prepayment by the applicable noteholder.

Noteholders :
Edgestone Associates, Inc.
Longside Ventures, LLC
Summit Trading, Inc.
Susannah Forest
Taconic Group, LLC

Each noteholder has the right to convert the principal and accrued interest under the applicable Note into shares of common stock of the Company, at a conversion price equal to 50% multiplied by the lowest trading price for the common stock on the OTC Marketplace (or whichever market on which the common stock is trading) during the 20 trading-day period ending on the last complete trading day prior to the date of conversion. The Notes also provide that if the Company enters into any subsequent issuances of notes, etc., in which any third party has a conversion right at a lower price, or has a longer look-back period, then the conversion price and/or look-back period, as applicable, under the Notes will be adjusted to match those terms. The conversion is subject to a limitation that the holder may not covert the Note if doing so would result in such holder having beneficial ownership of more than 4.99% of the outstanding shares of common stock, provided that this limitation is waivable by the holder.

The conversion price subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Company relating to the Company's securities or the securities of any subsidiary of the Company, combinations, recapitalizations, reclassifications, extraordinary distributions and similar events.

As long as the Company has any obligations under the Notes, the Company may not, without the consent of each of the noteholders, (i) 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; (ii) 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 Company's disinterested directors; or (iii) redeem, repurchase or otherwise acquire any shares of capital stock of the Company or any warrants, rights or options to purchase or acquire any such shares.

It is an event of default under each Note if, among other items, if (i) the Company fails to pay principal or interest as due and such breach continues for a period of 5 days (ii) the Company fails to reserve a sufficient amount of shares of common stock as required under the terms of the Note and such breach continues for a period of 5 days), fails to issue shares of common stock to the noteholder as required by the Note; (iii) the Company breaches any material covenant or other material term or condition contained in the Note and any collateral documents and such breach continues for a period of 10 days after written notice thereof to the Company from the noteholder; (iv) any representation or warranty of the Company is 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 noteholder with respect to the Note; (v) the Company or any subsidiary of the Company makes an assignment for the benefit of creditors, or applies for or consents 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 is otherwise appointed; (vi) any money judgment, writ or similar process is entered or filed against the Company or any subsidiary of the Company or any of its property or other assets for more than $25,000, and remains unvacated, unbonded or unstayed for a period of 20 days unless otherwise consented to by the noteholder; (vii) bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for relief under any bankruptcy law or any law for the relief of debtors are instituted by or against the Company or any subsidiary of the Company; (viii) the Company fails to maintain the listing or quotation of the common stock on the OTC Markets, the Nasdaq Global Market, the Nasdaq Capital Market, the New York Stock Exchange, or the NYSE MKT; (ix) the Company fails to comply with the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and/or the Company ceases to be subject to the reporting requirements of the Exchange Act; (x) there occurs any dissolution, liquidation, or winding up of Company or any substantial portion of its business; (xi) the Company ceases operations or admits it is otherwise generally unable to pay its debts as such debts become due; (xii) the Company restates any financial statements filed by the Company with the SEC for any date or period from two years prior to the issuance date of the Note if the result of such restatement would constitutes a material adverse effect on the rights of the noteholder; (xiii) the Company effectuates a reverse split of its common stock without 20 days' prior written notice to the noteholder; (xiv) the Company replaces its transfer agent, and the Company fails to provide prior to the effective date of such replacement, fully executed Irrevocable Transfer Agent Instructions signed by the successor transfer agent; (xv) the Company breaches or defaults with respect to any covenant or other term or condition contained in any of the other financial instrument issued by the Company to the applicable noteholder (after the passage of all applicable notice and cure or grace periods), provided that a default under this provision is at the option of the noteholder; or (xvi) the lowest trading price of the common stock on the OTC Markets or other applicable principal trading market for the common stock is equal to or less than $0.0001.

Upon any event of default, the Company is required to repay all amounts then due under the Note, at a 50% premium.

On March 1, 2017, in connection with William Singer's engagement as Executive Vice President of Sales and Marketing of the Company, the Company granted to Mr. Singer a total of 6,000,000 shares of the Company's unregistered common stock. 1,500,000 shares of the common stock will vest on March 1, 2018 and thereafter 250,000 shares of the common stock will vest each month thereafter.

Item 2. Management's discussion and analysis of financial condition and results of operations.

*Unless we specify otherwise, all references in this Annual Report to the " **Company** ," " **our** ," " **we** " and " **us** " refer to Life Clips, Inc. and its consolidated subsidiaries. In addition to statements of current and historical facts, this Quarterly Report on Form 10-K contains forward-looking statements. The words "forecast," "will," "intend," "anticipate," "project," "intend," "expect," "should," "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors, including those discussed in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the following:*

- *Our ability to achieve our business of producing and selling products;*
- *Our ability to penetrate the consumer action camera market;*
- *Our ability to produce commercial grade photo and video products;*
- *Our ability to attract, retain and motivate qualified employees and management.*
- *The impact of federal, state or local government regulations;*
- *Competition in the consumer action camera market;*
- *Availability and cost of additional capital;*
- *Litigation in connection with our business; and*
- *Our ability to protect our trademarks, patents and other proprietary rights.*

This list of factors that may affect future performance and the accuracy of forward-looking statements are illustrative but not exhaustive. Accordingly, all forward-looking statements should be evaluated with an understanding of their inherent uncertainty. Except as required by law, we assume no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

General

We were incorporated in Wyoming on March 20, 2013 and our principal business was providing consumers with an alternative way to capture, manage, share, broadcast and enjoy situational life experiences. Prior to October 2, 2015, when we acquired by Klear Kapture, Inc., a Delaware corporation (" **Klear Kapture** "), our name was "Blue Sky Media Corporation," and our principal business was developing, financing, producing and distributing motion pictures and related entertainment products.

On September 22, 2016 Life Clips entered into a partnership license agreement with HP. The agreement allows Life Clips to design, manufacture and sell HP branded action cameras, 360 cameras, dash cameras and still cameras. The agreement also calls for accessory sales and the building of an online cloud repository to store, edit and share user created videos and pictures.

The agreement called for the company to no longer sell the Life Clips branded cameras or accessories to eliminate channel conflict or confusion. Therefore, the company will focus its efforts on creating best in class HP branded products and accessories.

The Company acquired Batterfly Energy in July, 2016. Batterfly manufactures the Mobeego brand emergency cell phone battery. The Mobeego provides an extra 20-40% shot of power to a cell phone without having to be tethered or charged. The batteries have a 10-year shelf life. The Company realized the packaging that was inherited did not convey the message properly and is in the process of re-packaging the product.

Life Clips is restructuring to become a global consumer electronics company focused on developing hardware and accessories for mobility through the Mobeego brand and Digital Imaging Products through the Hewlett Packard (HP) brand. We are developing the design, sourcing, logistics and sales operations to quickly increase our sales of our existing products and put us in a position to launch new product in 2017.

Our common stock is quoted for trading on the OTCQB under the symbol "LCLP." Our principal executive offices are located at Harbour Centre, 18851 NE 29 th Avenue., Suite 700, Aventura, FL 33180. Our telephone number is (800) 292-8991.

Significant Accounting Policies

Please see Note 2 to the Company's unaudited financial statements as of and for the three and six months ended December 31, 2016 included in this Annual Report for a discussion of the Company's significant accounting policies.

Results of Operations

For the six months ended December 31, 2016 and 2015, we had gross revenues of $86,176 and $0 respectively.

Total operating expenses were $2,236,922 compared with $201,591 for the six months ended December 31, 2016 and 2015, respectively. In connection with the completion of the share exchange transaction with Klear Kapture on October 2, 2015, the Company received additional working capital. The Company believed that continuing to operate its existing line of business was not in the best interests of its shareholders. New management decided to change the primary focus of the business. Using the new working capital, the Company continued developing Klear Kapture's concepts of an innovative state-of-the-art action camera set. Operating expenses therefore increased significantly due to software and design costs associated with the developing including adding new employees.

Net income for the six months ended December 31, 2016 was $3,537,865 as compared to net loss of $5,044,180 at December 31, 2015. The increased net income was primarily due to calculations of SFAS 123R, which requires that companies use a fair value method to value stock options and other forms of share-based payments and recognize the related compensation expense in calculating net earnings. SFAS 123R applies to all companies that have issued stock options and other stock-based compensation, whether the firm is a large public company with actively traded, liquid stock, a public company whose stock is thinly traded, or a private company.

The Company is focusing its business model on the development of mobile power and imaging products for the success of continued operations. We are immediately increasing our sales efforts on our unique products that are already available such as the Mobeego one-time charger for mobile devices. This device allows you to use your smartphone, tablet or any mobile device up to 4 hours on a single emergency charge. Once your done you simply dispose of the recyclable battery.

Liquidity and Capital Resources

As of the period ending December 31, 2016 the Company had cash on hand of $13,717, total current assets of $75,819 and total assets of $104,161, total current liabilities of $4,149,150 and total shareholder's deficit of $16,916,471.

The Company's cash was generated from a series of convertible notes issued to non-related third parties, and a $30,000 promissory note to a non-related third party and a $500,000 short term promissory note as part of the acquisition of Batterfly Energy LTD. The Company plans to raise additional working capital via additional notes or equity sales to ensure that it will have enough cash to fund its primary operation for the next twelve (12) months.

The Company has no agreements in place with its shareholders, officer and director or with any third parties to fund operations beyond the end of the Company's December 31, 2016 period ended. The Company has not negotiated nor has available to it any other third party sources of liquidity.

Cash flows used by operating activities for the six months period ended December 31, 2016 were $908,391 compared to cash flows used in operating activities of $229.923 to the six months period ended December 31, 2015.

Cash flows used in investing activities totaled $47,125 for the six months period ended December 31, 2016 and $88,957 for the six months period ended December 31, 2015.

Cash flows provided by financing activities totaled $500,000 for the six months period ended December 31, 2016 and cash flows provided by financing activities totaled $522,577 for the six months period ended December 31, 2015.

Off-Balance Sheet Arrangements

The Company has no current off-balance sheet arrangements and does not anticipate entering into any off balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not applicable.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and chief financial officer are responsible for establishing and maintaining our disclosure controls and procedures. Disclosure controls and procedures means controls and other procedures that are designed to ensure that information we are required to disclose in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and to ensure that information required to be disclosed by us in those reports is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our chief executive officer and chief financial officer evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) as of December 31, 2015. Based on that evaluation, our chief executive officer and chief financial officer have concluded that, as of the evaluation date, such controls and procedures were not effective.

Changes in internal controls

There were no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2016 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1 A. Risk Factors

Smaller reporting companies are not required to provide the information required by this item.

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

On December 7, 2015, we entered into a Securities Purchase Agreement (the " **Purchase Agreement** ") with Susannah Forest (the " **Purchaser** ") under which the Company issued a Secured Convertible Promissory Note (the " **Note** ") to the Purchaser in a private placement. The Note was offered and sold in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended (the " **Securities Act** ") and Rule 506(b) of Regulation D thereunder. The Purchaser also qualified as an "accredited investor" within the meaning of Rule 501 of Regulation D. The Company received gross proceeds of $250,000.00 from the sale of the Note.

The Purchaser has the right at any time to convert all or a portion of the outstanding and unpaid principal amount of the note and any accrued and unpaid interest into shares of common stock of the Company. The conversion price is the amount equal to 75% of the volume weighted average price of the Company's common stock for a 5-day period prior the conversion date, subject to certain minimum and maximum conversion prices. The number of shares of common stock issuable is determined by dividing the amount to be converted by the conversion price. The conversion price is subject to adjustment upon the occurrence of certain events.

On August 31, 2016, the company issued 2,593,247 shares of its common stock to NUWA Group LLC in a cashless warrant exchange pursuant to the terms of a business consulting agreement dated February 22, 2016. The share price at the effective date was $0.365 and the warrant for 2,600,000 shares was exercisable at $0.001 per share for total increase in Common Stock of $2,593.25 and in Additional Paid In Capital of $943,941.91.

On September 9, 2016, the company issued 2,500,000 shares of its common stock to Long Side Ventures LLC in exchange for $65,000.00 of the purchaser's convertible note payable. The original issuance date of the $ 151,072.71 note payable was October 2, 2015. The exercise price of the note was stated at $0.026 per common share. The proceeds reduced Convertible Notes Payable $65,000.00.

On September 20, 2016, the company issued 1,910,511 shares of its common stock to Binary Ventures, Inc. in a cashless warrant exchange pursuant to the terms of a business consulting agreement dated March 10, 2016. The share price at the effective date was $0.221 and the warrant for 1,916,500 shares was exercisable at $0.001 per share for total increase in Common Stock of $1,910.51 and in Additional Paid In Capital of $420,312.42.

On October 24, 2016, the company issued 1,807,229 shares of its common stock to Susannah Forest 2011 Revocable Trust in exchange for $150,000.00 of the purchaser's convertible note payable. The original issuance date of the $ 250,000.00 note payable was December 7, 2015. The exercise price of the note was stated at 75% of the volume weighted average price of the Company's common stock for a 5-day period prior to the conversion date, subject to certain minimum and maximum conversion prices. The proceeds reduced Convertible Notes Payable $150,000.00.

On October 26, 2016, the company issued 3,534,706 shares of its common stock to Bezalel Partners, LLC in exchange for $60,090.00 of the purchaser's convertible note payable. The original issuance date of the $ 164,359.76 note payable was October 2, 2015. The exercise price of the note was stated at $0.017. The proceeds reduced Convertible Notes Payable $60,090.00.

On November 29, 2016, the company issued 268,102 shares of its common stock to R&T Sports Marketing, Inc. in exchange for $25,000.00 of the purchaser's convertible note payable. The original issuance date of the $ 25,000.00 note payable was April 26, 2016. The exercise price of the note was stated at 75% of the volume weighted average price of the Company's common stock for a 5-day period prior to the conversion date, subject to certain minimum and maximum conversion prices. The proceeds reduced Convertible Notes Payable $25,000.00.

On December 6, 2016, the company issued 157,895 shares of its common stock to Atlanta Capital Partners, LLC in exchange for $15,000.00 of the purchaser's convertible note payable. The original issuance date of the $ 15,000.00 note payable was August 23, 2016. The exercise price of the note was stated at 75% of the volume weighted average price of the Company's common stock for a 5-day period prior to the conversion date. The proceeds reduced Convertible Notes Payable $15,000.00.

On December 7, 2016, the company issued 2,900,000 shares of its common stock to Taconic Group, LLC in exchange for $75,400.00 of the purchaser's convertible note payable. The original issuance date of the $ 151,072.71 note payable was October 2, 2015. The exercise price of the note was stated at $0.026 per common share. The proceeds reduced Convertible Notes Payable $75,400.00.

On December 7, 2016, the company issued 3,731,343 shares of its common stock to Edgestone Associates, Inc. in exchange for $37,500.00 of the purchaser's convertible note payable. The original issuance date of the $ 700,000.00 note payable was May 13, 2016. The exercise price of the note was stated at 50% multiplied by the Market Price, defined as the lowest Trading Price for the Common Stock during the twenty (20) Trading Day period ending on the last complete Trading Day prior to the Conversion Date. The proceeds reduced Convertible Notes Payable $37,500.00.

On December 8, 2016, the company issued 1,346,221 shares of its common stock to Summit Trading Partners, LLC in exchange for $50,000.00 of the purchaser's convertible note payable. The original issuance date of the $ 50,000.00 note payable was April 26, 2016. The exercise price of the note was stated at 75% of the volume weighted average price of the Company's common stock for a 5-day period prior to the conversion date, subject to certain minimum and maximum conversion prices. The proceeds reduced Convertible Notes Payable $50,000.00.

On December 15, 2016, the company issued 4,017,648 shares of its common stock to Bezalel Partners, LLC in exchange for $68,300.00 of the purchaser's convertible note payable. The original issuance date of the $ 164,359.76 note payable was October 2, 2015. The exercise price of the note was stated at $0.017. The proceeds reduced Convertible Notes Payable $68,300.00.

On December 26, 2016, the company issued 1,200,000 shares of its common stock to Taconic Group, LLC in exchange for $31,200.00 of the purchaser's convertible note payable. The original issuance date of the $151,072.71 note payable was October 2, 2015. The exercise price of the note was stated at $0.026 per common share. The proceeds reduced Convertible Notes Payable $31,200.00.

Item 3. Defaults upon Senior Securities

Please see Note 6 to the financial statements included in Item 1 to this Annual Report on Form 10-K, which is incorporated herein by this reference.

Item 4. Mining Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

Number	Exhibit
3.1	Articles of Incorporation, as amended (incorporated by reference to Exhibit 3.1.3 and Exhibit 3.1.2 to the registrant's Form S-1 filed on August 15, 2016)
3.2	Bylaws (incorporated by reference to Exhibit 3.3 to the registrant's Form S-1 filed on September 19, 2014)
31.1**	Certification of the Chief Executive Officer, as the principal executive officer and the principal financial officer, pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted in accordance with section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of the Chief Executive Officer, as the principal executive officer and the principal financial officer, under 18 U.S.C. Section 1350, as adopted in accordance with Section 906 of the Sarbanes-Oxley Act of 2002

** Filed Herewith

SIGNATURES

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

Dated: March 14, 2017

LIFE CLIPS, INC.

By: */s/ Victoria Rudman*

Victoria Rudman,
Chief Financial Officer

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Victoria Rudman certify that:

1. I have reviewed this Quarterly report of Life Clips, Inc. on Form 10-Q/A;

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 period presented in this report;

4. I am 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 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 the 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.

   (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 a Quarterly report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. 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: March 14, 2017

/s/ Victoria Rudman
Victoria Rudman
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Life Clips, Inc. (the Company") on Form 10-Q/A for the period ended herein as filed with the Securities and Exchange Commission (the "Report"), I, Victoria Rudman, do hereby certify, pursuant to 18 U.S.C. §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 presents, 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.

Dated: March 14, 2017

/s/ Victoria Rudman

Victoria Rudman
Chief Financial Officer