

Form 10-Q

For the quarterly period ended March 31, 2020

Commission file number 000-55203



(Exact name of registrant as specified in its charter)

(Address of principal executive offices)

(Zip Code)

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(g) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common shares	EWLL	OTCQB

Indicate by check mark whether the issuer (1) 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 ☒ 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 definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated file []

Accelerated filer []

Non-accelerated filer ☐ (Do not check if a smaller reporting company)Smaller reporting company ☒

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

Yes [] No [X]

The number of shares of Common Stock, \$0.001 per share par value, outstanding on May 13, 2020 was 5,329,951,738.

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PART I – FINANCIAL STATEMENTS

ITEM 1. FINANCIAL STATEMENTS

eWELLNESS HEALTHCARE CORPORATION
CONSOLIDATED CONDENSED BALANCE SHEETS
(unaudited)

	March 31, 2020	December 31, 2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 11,675	\$ 240,722
Accounts Receivable	18,010	3,635
Prepaid expenses	33,735	157,139
Total current assets	63,420	401,496
Property & equipment, net	21,231	22,810
Intangible assets, net	8,500	9,000
TOTAL ASSETS	\$ 93,151	\$ 433,306
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 468,048	\$ 314,287
Accounts payable - related party	664,332	582,832
Accrued expenses - related party	138,520	138,868
Accrued compensation	423,475	532,974
Convertible debt, net of discount	2,125,016	2,240,408
Derivative liability	2,947,172	3,529,974
Total current liabilities	6,767,563	7,339,343
Total Liabilities	6,767,563	7,339,343
COMMITMENTS AND CONTINGENCIES	-	-
STOCKHOLDERS' DEFICIT		
Preferred stock, authorized 20,000,000 shares, \$.001 par value, 375,000 and 250,000 shares issued and outstanding, respectively	375	250
Common stock, authorized 20,000,000,000 shares, \$.001 par value, 1,430,005,454 and 12,752,084 issued and outstanding, respectively	1,430,006	12,752
Shares to be issued	-	150
Additional paid in capital	26,285,825	23,942,830
Accumulated deficit	(34,390,618)	(30,862,019)
Total Stockholders' Deficit	(6,674,412)	(6,906,037)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 93,151	\$ 433,306

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

WELLNESS HEALTHCARE CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(unaudited)

	For the Three Months Ended	
	March 31, 2020	March 31, 2019
REVENUE	\$ 14,375	\$ -
OPERATING EXPENSES		
Executive compensation	187,000	\$ 102,000
General and administrative	346,690	250,494
Professional fees	467,418	714,161
Total Operating Expenses	1,001,108	1,066,655
Loss from Operations	(986,733)	(1,066,655)
OTHER INCOME (EXPENSE)		
Interest income	1	11
Gain (loss) on derivative liability	(1,982,907)	679,398
Interest expense	(558,960)	(951,225)
Net Loss before Income Taxes	(3,528,599)	(1,338,471)
Income tax expense	-	-
Net Loss	\$ (3,528,599)	\$ (1,338,471)
Basic and diluted (loss) per share	\$ (0.02)	\$ (0.40)
Weighted average shares outstanding	148,421,146	3,374,115

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

eWELLNESS HEALTHCARE CORPORATION
RECONCILIATION OF STOCKHOLDERS' DEFICIT
THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(unaudited)

	<u>Preferred Shares</u>		<u>Common Shares</u>		<u>Shares to be Issued</u>	<u>Additional Paid in Capital</u>	<u>Accumulated Deficit</u>	<u>Total Stockholders' Deficit</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>				
Balance at January 1, 2020	250,000	\$ 250	12,752,084	\$ 12,752	\$ 150	\$ 23,942,830	\$(30,862,019)	\$ (6,906,037)
Contributed services	-	-	-	-	-	54,000	-	54,000
Shares issued to officers, directors and consultants	125,000	125	-	-	-	374,875	-	375,000
Shares issued for debt conversion	-	-	1,416,790,494	1,416,791	-	(634,247)	-	782,544
Shares issued for services	-	-	415,000	415	(150)	392	-	657
Shares issued for rounding - 50:1 split			47,876	48		(48)		-
Derivative liability	-	-	-	-	-	2,548,023	-	2,548,023
Net loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,528,599)</u>	<u>(3,528,599)</u>
Balance at March 31, 2020	<u>375,000</u>	<u>\$ 375</u>	<u>1,430,005,454</u>	<u>\$ 1,430,006</u>	<u>\$ -</u>	<u>\$ 26,285,825</u>	<u>\$(34,390,618)</u>	<u>\$ (6,674,412)</u>

	<u>Preferred Shares</u>		<u>Common Shares</u>		<u>Shares to be Issued</u>	<u>Additional Paid in Capital</u>	<u>Accumulated Deficit</u>	<u>Stockholders' Deficit</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>				
Balance at January 1, 2019	-	\$ -	4,128,139	\$ 4,128	\$ -	\$ 17,416,117	\$(21,401,234)	\$ (3,980,989)
Contributed services	-	-	-	-	-	54,000	-	54,000
Shares issued for debt conversion	-	-	101,945	102	-	347,385	-	347,487
Shars issued for financing costs	-	-	20,000	20	-	114,980	-	115,000
Shares issued for prepaid services	-	-	70,217	70	-	405,680	-	405,750
Shares issued for services	-	-	26,491	26	-	181,522	-	181,549
Derivative liability	-	-	-	-	-	492,340	-	492,340
Net loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,338,471)</u>	<u>(1,338,471)</u>
Balance at March 31, 2019	<u>-</u>	<u>\$ -</u>	<u>4,346,792</u>	<u>\$ 4,346</u>	<u>\$ -</u>	<u>\$ 19,012,024</u>	<u>\$(22,739,705)</u>	<u>\$ (3,723,334)</u>

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

eWELLNESS HEALTHCARE CORPORATION
CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS
(unaudited)

	For the Three Months Ended	
	March 31, 2020	March 31, 2019
Cash flows from operating activities		
Net loss	\$ (3,528,599)	\$ (1,338,471)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	2,079	1,407
Contributed services	54,000	54,000
Shares issued for officers, directors and consultants	186,250	-
Shares issued for consulting services	657	181,549
Shares issued for financing costs	73,750	115,000
Amortization of debt discount and prepaids	611,211	787,515
(Gain) loss on derivative liability	1,982,907	(679,398)
Changes in operating assets and liabilities		
Prepaid expense	(21,888)	(31,057)
Accounts receivable	(14,375)	-
Accounts payable and accrued expenses	217,068	49,145
Accounts payable - related party	83,990	(22,711)
Accrued expenses - related party	18,402	(18,076)
Accrued compensation	60,501	(53,262)
Net cash used in operating activities	(274,047)	(954,359)
Cash flows from investing activities		
Purchase of equipment	-	(541)
Net cash used in investing activities	-	(541)
Cash flows from financing activities		
Proceeds from issuance of convertible debt	52,800	1,800,600
Payments on debt	-	(639,550)
Debt Issuance Costs	(3,000)	(44,250)
Original issue discount	(4,800)	(182,600)
Net cash provided by financing activities	45,000	934,200
Net increase (decrease) in cash	(229,047)	(20,700)
Cash, beginning of period	240,722	383,335
Cash, end of period	\$ 11,675	\$ 362,635
Supplemental Information:		
Cash paid for:		
Taxes	\$ -	\$ 1,856
Interest Expense	\$ -	\$ 275,814
Non cash items:		
Derivative liability and debt discount issued with new notes	\$ 45,000	\$ 1,968,845
Shares issued for debt conversion	\$ 782,544	\$ 1,456,782
Shares issued for prepaids	\$ -	\$ 239,300

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

eWellness Healthcare Corporation
Notes to Consolidated Condensed Financial Statements
March 31, 2020
(unaudited)

Note 1. The Company

The Company and Nature of Business

eWellness Healthcare Corporation (the “eWellness”, “Company”, “we”, “us”, “our”) was incorporated in the State of Nevada on April 7, 2011. The Company has generated minimal revenues to date.

eWellness Healthcare Corporation is the first physical therapy telehealth company to offer real-time distance monitored assessments and treatments. Our business model is to have large-scale employers use our PHZIO platform as a fully PT monitored corporate musculoskeletal treatment (“MSK”) wellness program. The Company’s PHZIO home physical therapy assessment and exercise platform has been designed to disrupt the \$30 billion physical therapy market, the \$4 billion MSK market and the \$8 billion corporate wellness industry. PHZIO re-defines the way MSK physical therapy can be delivered. PHZIO is the first real-time remote monitored 1-to-many MSK physical therapy platforms for home use.

We have commenced treating patients on various commercial contracts and generated initial revenues during the 4th quarter of 2019. We continue to train physical therapists on how to use our PHZIO treatment platform with many of these therapists treating various patients on our system on a complimentary basis. Our PHZIO system has delivered over 10,000 telerehab treatments to date. We are currently treating up to nearly 1,000 patients per day and expect to deliver at least 300,000 PHZIO treatment sessions during 2020.

Our latest challenges in the Workers Compensation space has been patient adoption of PHZIO, related to a patient’s choice to choose if they are treated in-clinic or digitally. They are nearly all choosing in-clinic care. Our pivot to address this issue was to develop and sell MSK 360 a pre-injury fitness exam and custom exercise platform that is just rolling out now. Next, we finally are getting traction for our Pre-Hab product with several large TPA’s. Lastly, multiple clients are requesting a Rheumatoid Arthritis Exercise product (RA 360) that is currently being developed with a launch date of mid-January. With the success of MSK 360 we expect that more Workers Comp patients will choose digital care over in-clinic care.

We have now developed four key products with large scale users that need to turn on utilization in 2020. We have a large list of corporate self-insured, TPA and insurance company sales book that we are actively focused on selling to them our MSK-360 and Pre-Hab platforms. We expect good traction from many of these firms in 2020. These products are:

- + PHZIO: Realtime PT monitored Digital PT Treatments (post-injury)
- + MSK 360: Digital “PHZIOFIT” fitness exam and customer exercise plans for employees, (pre-injury)
- + Pre-Hab: Digital pre-surgery (non-monitored) for Total Knee, Hip and Shoulder surgery (post injury and pre-surgery)
- + RA 360: (Available late 2020) Rheumatoid Arthritis Exercise Plan

eWellness Healthcare Corporation
Notes to Consolidated Condensed Financial Statements
March 31, 2020
(unaudited)

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with U.S. generally accepted accounting principles for interim financial statements. Accordingly, they omit or condense notes and certain other information normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles. The accounting policies followed for quarterly financial reporting conform with the accounting policies disclosed in Note 2 to the Notes to Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2019. In the opinion of management, all adjustments necessary for a fair presentation of the financial information for the interim periods reported have been made. All such adjustments are of a normal recurring nature. The results of operations for the three months ended March 31, 2020 are not necessarily indicative of the results that can be expected for the fiscal year ending December 31, 2020. The unaudited consolidated condensed financial statements should be read in conjunction with the financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2019.

The information regarding common stock shares, options and warrants throughout this document have been adjusted to reflect the 1:50 reverse split authorized by the Board of Directors on December 16, 2019 and further approved by FINRA on February 12, 2020.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ materially from these good faith estimates and judgments.

Going Concern

For the three months ended March 31, 2020, the Company had minimal revenues. The Company has an accumulated loss of \$34,390,618 and a working capital deficit of \$6,704,143. In view of these matters, there is substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue operations is dependent upon the Company's ability to raise additional capital and to ultimately achieve sustainable revenues and profitable operations, of which there can be no guarantee. The Company intends to finance its future development activities and its working capital needs largely from the sale of public equity securities with some additional funding from other traditional financing sources, including term notes, until such time that funds provided by operations are sufficient to fund working capital requirements. The financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

Fair Value of Financial Instruments

As of March 31, 2020, the Company had the following assets and liabilities measured at fair value on a recurring basis.

	Total	Level 1	Level 2	Level 3
Derivative Liability	\$ 2,947,172	\$ -	\$ -	\$ 2,947,172
Total Liabilities measured at fair value	\$ 2,947,172	\$ -	\$ -	\$ 2,947,172

eWellness Healthcare Corporation
Notes to Consolidated Condensed Financial Statements
March 31, 2020
(unaudited)

As of December 31, 2019, the Company had the following assets and liabilities measured at fair value on a recurring basis.

	Total	Level 1	Level 2	Level 3
Derivative Liability	\$ 3,529,974	\$ -	\$ -	\$ 3,529,974
Total Liabilities measured at fair value	<u>\$ 3,529,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,529,974</u>

Note 3. Related Party Transactions

In November 2016, the Company signed an agreement with a programming company (“PC”) within which one of the Company’s directors and Chief Technical Officer (“CTO”) is the Chief Marketing Officer. The agreement is for additional features to be programmed for the launch of the PHZIO platform. The Company is to pay a monthly base fee of \$100,000 for the development and compensation for the Company’s CEO and CTO. Following payment of the initial \$100,000, the Company is obligated to only pay \$50,000 monthly until the PC has successfully signed and collected the first monthly service fee for 100 physical therapy clinics to use the PHZIO platform. The PC will also have the right to appoint 40% of the directors. At the periods ended March 31, 2020 and December 31, 2019, the Company had a payable of \$632,832 and \$582,832, respectively.

The Company signed an agreement with the CEO for administrative physical therapy consulting. The agreement provides that the CEO will provide non-clinical administrative services in the various states where the Phzio companies are located. The Company is to pay the CEO the sum of \$3,500 per month. At the periods ended March 31, 2020 and December 31, 2019, the Company had a payable of \$31,500 and \$0, respectively.

Throughout the three months ended March 31, 2020, the officers and directors of the Company incurred business expenses on behalf of the Company. The amounts payable to the officers as of March 31, 2020 and December 31, 2019 were \$11,770 and \$1,368, respectively. There were no expenses due to the board members, but the Company has accrued directors’ fees of \$126,750 and \$137,500 at March 31, 2020 and December 31, 2019, respectively. Because the Company is not yet profitable the officers have agreed to defer compensation. The Company had accrued executive compensation of \$423,475 and \$532,974 at March 31, 2020 and December 31, 2019, respectively.

Note 4. Convertible Notes Payable

Three Months Ended March 31, 2020

In March 2020, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$52,800. The note, which is due on January 15, 2021, has an original issue discount of \$4,800 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to 70% of the average of the two lowest per share trading prices for the ten (10) trading days prior to the conversion date. During the three months ended March 31, 2020, the Company accrued interest expense of \$139.

Year Ended December 31, 2019

In January 2019, the Company received the third tranche of \$60,000 relating to a note executed on July 13, 2018. During the year ending December 31, 2019, the Company accrued interest expense of \$1,350. In July 2019, the Company prepaid this note of \$60,000 plus accrued interest and a prepayment penalty of \$30,000. At December 31, 2019, this note is fully paid.

eWellness Healthcare Corporation
Notes to Consolidated Condensed Financial Statements
March 31, 2020
(unaudited)

In January 2019, the Company executed an 8% Convertible Promissory Notes payable to an institutional investor in the principal amount of \$308,000. The note, which is due on January 8, 2020, has an original issue discount of \$28,000 and transaction costs of \$10,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 70% of the average of the two lowest per share trading prices for the twenty (20) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$20,466. During the year ended December 31, 2019, the investor converted \$266,000 of principal and \$17,672 of accrued interest for 1,409,860 shares of common stock prices ranging between \$.05 and \$1.75. At December 31, 2019, there is \$42,000 principal outstanding.

In January 2019, the Company executed an 8% Convertible Promissory Notes payable to an institutional investor in the principal amount of \$308,000 each. The note, which is due on January 8, 2020, has an original issue discount of \$28,000 and transaction costs of \$10,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 70% of the average of the two lowest per share trading prices for the twenty (20) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$18,535. During the year ended December 31, 2019, the investor converted \$308,000 of principal and \$18,535 of accrued interest for 839,210 shares of common stock for prices ranging from \$.10 to \$2.10. At December 31, 2019, this note is fully converted.

In January 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$114,000. The note, which is due on October 30, 2019, has an original issue discount of \$11,000 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 70% average of the two lowest per share trading prices for the ten (10) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$6,028. In July 2019, the Company prepaid this note of \$114,000 plus accrued interest and a prepayment penalty of \$42,010. At December 31, 2019, this note is fully paid.

In January 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$58,300. The note, which is due on November 15, 2019, has an original issue discount of \$5,300 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 70% average of the two lowest per share trading prices for the ten (10) trading days prior to the conversion date. During the three months ended December 31, 2019, the Company accrued interest of \$2,753. In July 2019, the Company prepaid this note of \$58,300 plus accrued interest and a prepayment penalty of \$21,369. At December 31, 2019, this note is fully paid.

In February 2019, the Company received the fourth tranche of \$30,000 relating to a note executed on July 13, 2018. During the year ending December 31, 2019, the Company accrued interest of \$700. During the year ended December 31, 2019, the investor converted \$29,504 of principal for 382,800 shares of common stock at prices ranging from \$.05 and \$1.50. At December 31, 2019, there is \$496 principal and \$700 accrued interest outstanding.

In March 2019, the Company executed a Securities Purchase Agreement for Convertible Debentures to an institutional investor in the principal amount of \$365,000 to be funded in six tranches: \$65,000 at signing, \$100,000 forty-five (45) days after the signing date and \$200,000 forty-five (45) days after the second closing date. The debentures, which are payable on March 18, 2022, have a 10% original issue discount and a commitment fee of \$5,000 payable with the signing debenture. The debentures convert into common stock of the Company at a conversion price equal to the lesser of (i) \$6.00 or (ii) seventy percent (70%) of the lowest traded price (as reported by Bloomberg LP) of the common stock for the ten (10) trading days prior to the conversion date. The first tranche of \$65,000 was received in March 2019. In September 2019, the Company prepaid this note of \$65,000 and a prepayment penalty of \$19,500. At December 31, 2019, this note is fully paid.

eWellness Healthcare Corporation
Notes to Consolidated Condensed Financial Statements
March 31, 2020
(unaudited)

In March 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$47,300. The note, which is payable on January 30, 2020, has an original issue discount of \$4,300 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price equal to 70% of the average of the lowest two (2) trading prices during the ten (10) trading day period ending on the last complete trading day prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$3,226. In September 2019, the Company prepaid this note of \$47,300 plus accrued interest and a prepayment penalty of \$16,555. At December 31, 2019, this note is fully paid.

In March 2019, the Company executed a 3% Convertible Promissory Note payable to an institutional investor in the principal amount of \$360,000. The note, which is payable twelve (12) months after each tranche is funded, has an original issue discount of \$60,000. The original issue discount will be prorated with each tranche paid. The first tranche of \$60,000 is due at signing date. The convertible note converts into common stock of the Company at a conversion price that shall be equal to 65% of the lesser of (i) lowest trading price or (ii) the lowest closing bid price on the OTCQB during the twenty-five (25) trading day period ending on the last complete trading day prior to the conversion date. The first tranche was received on March 29, 2019. The second tranche of \$37,500 was received on July 19, 2019. During the year ended December 31, 2019, the Company accrued interest expense of \$3,209. In September 2019, the Company prepaid the first tranche of \$60,000 plus accrued interest and a prepayment penalty of \$30,000. At December 31, 2019, only the second tranche of \$37,500 is outstanding.

In March 2019, the Company executed a 12% Convertible Promissory Note to an institutional investor in the principal amount of \$1,500,000 to be funded over separate tranches; the first tranche to be funded on signing. The note, which is due and payable six (6) months after the funding date of each tranche, has an original issue discount of 10%. The Company issued 65,217 shares of restricted common stock on the closing date. These are deemed returnable shares which the investor must return if the Company repays the note prior to the maturity date. In addition, the Company issued 20,000 shares of restricted common stock as a commitment fee. The convertible note converts into common stock of the Company at a conversion price that shall be equal to 65% of the lowest trading price during the thirty (30) day trading period ending on the last complete trading day prior to the conversion date. The first tranche of \$750,000 was received on March 25, 2019. The second tranche of \$350,000 was received on July 12, 2019 and the Company issued 53,846 shares of restricted common stock. These shares are redeemable if the Company pays the note prior to the maturity date of January 20, 2020. The third and final tranche was received on September 9, 2019 and the Company issued 80,000 shares of restricted common stock. These shares are redeemable if the Company pays the note prior to the maturity date of March 12, 2020. During the year ended December 31, 2019, the Company accrued interest expense of \$112,372. During the year ended December 31, 2019, the investor converted \$393,647 of principal and \$77,017 of accrued interest for 3,705,340 shares of common stock at prices ranging from \$0.02 to \$11.00. At the year ended December 31, 2019, there is \$1,106,353 principal and \$35,355 accrued interest outstanding.

In April 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$58,300. The note, which is payable on February 15, 2020, has an original issue discount of \$5,300 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price equal to 70% of the average of the lowest two (2) trading prices during the ten (10) trading day period ending on the last complete trading day prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest of \$3,811. In September 2019, the Company prepaid this note of \$58,300 plus accrued interest and a prepayment penalty of \$20,405. At December 31, 2019, this note is fully paid.

In May 2019, the Company executed a convertible note conversion period extension agreement on a note dated October 28, 2018, within which the period of conversion by note holder was extended to May 27, 2019. The Company paid \$16,031 to note holder for this extension agreement. On May 28, 2019, the Company executed a second extension agreement on this note within which the period of conversion by note holder was extended to June 11, 2019. The Company paid \$16,105 to note holder for this extension agreement. During the year ended December 31, 2019, the note holder converted the \$308,000 note and accrued interest of \$19,539 into 166,440 shares of common shares at prices ranging from \$1.75 to \$2.26. At December 31, 2019, this note has been fully converted.

eWellness Healthcare Corporation
Notes to Consolidated Condensed Financial Statements
March 31, 2020
(unaudited)

In May 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$110,000. The note, which is due on February 13, 2020, has an original issue discount of \$10,000 and transactions costs of \$3,000. The convertible note converts into common stock of the Company at conversion price that shall be equal to the 65% of the lowest closing price for the twenty (20) trading days prior to the conversion date. During the years ended December 31, 2019, the Company accrued interest expense of \$7,723. During the year ended December 31, 2019, the investor converted \$91,500 of principal and \$6,000 of accrued interest into 1,596,158 shares of common stock at prices ranging from \$0.04 to \$0.20. At the year ended December 31, 2019, there is \$18,500 principal and \$1,723 accrued interest outstanding.

In July 2019, two Back-End notes executed in October 2018 with an institutional investor was funded for \$154,000 each. Each note, which is due on October 29, 2019, has an original issue discount of \$14,000 and transaction costs of \$2,500. The convertible notes convert into common stock of the Company at conversion price that shall be equal to the 70% of the average of the two (2) lowest per share trading prices for the prior twenty (20) trading days including the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$6,143 for each note.

In July 2019, the Company signed an amendment to a convertible note issued on March 21, 2019 revising the conversion price from 75% to 65% of the lowest trading price during the thirty (30) trading days prior to the conversion date.

In July 2019 the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$140,800. The note, which is payable on April 30, 2020, has an original issue discount of \$12,800 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price equal to 70% of the average of the lowest two (2) trading prices during the ten (10) trading day period ending on the last complete trading day prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest of \$7,192.

In July 2019, the Company executed a convertible note conversion period extension agreement on a note dated January 8, 2019 within which the period of conversion by note holder was extended to August 9, 2019. The Company paid \$21,560 to note holder for this extension agreement.

In July 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$113,000. The note, which is due on July 9, 2020, has an original issue discount of \$10,000 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 65% average of the lowest per share trading prices for the twenty (20) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$6,130.

In July 2019, the Company executed an 8% Convertible Promissory Note payable to an institutional investor in the principal amount of \$235,200. The note, which is due on July 11, 2020, has an original issue discount of \$25,200 and transaction costs of \$10,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 65% average of the lowest closing bid price for the prior twenty (20) trading days including the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$8,351.

In July 2019, the Company executed a convertible note conversion period extension agreement on a note dated January 8, 2019 within which the period of conversion by note holder was extended to August 9, 2019. The Company paid \$22,410 to note holder for this extension agreement.

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In July 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$250,000. The note, which is due on April 19, 2020, has an original issue discount of \$37,500 and transaction costs of \$5,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to 65% of the average of the lowest per share trading prices for the twenty-five (25) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$12,986.

In July 2019, the Company executed two 12% Convertible Promissory Notes payable to two institutional investors in the principal amount of \$38,500 each. Each note, which is due on April 30, 2020, has an original issue discount of \$3,500 and transaction costs of \$1,500. The convertible notes convert into common stock of the Company at a conversion price that shall be equal to the 65% of the lowest per share trading prices for the twenty (20) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$3,746 for the two notes.

In September 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$58,300. The note, which is payable on July 15, 2020, has an original issue discount of \$5,300 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price equal to 70% of the average of the lowest two (2) trading prices during the ten (10) trading day period ending on the last complete trading day prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest of \$1,967.

In September 2019, a Back-End note executed in January 2019 with an institutional investor was funded for \$154,000. The note, which is due on January 9, 2020, has an original issue discount of \$14,000 and transaction costs of \$5,000. The convertible note converts into common stock of the Company at conversion price that shall be equal to the 70% of the average of the two (2) lowest per share trading prices for the twenty (20) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$3,747.

In September 2019, two Back-End notes executed in January 2019 with an institutional investor was funded for \$154,000 each. Each note, which is due on January 8, 2020, has an original issue discount of \$14,000 and transactions costs of \$5,000. The convertible notes convert into common stock of the Company at conversion price that shall be equal to the 70% of the average of the two (2) lowest per share trading prices for the prior twenty (20) trading days including the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$3,476 for each note.

In October 2019, the Company executed a 10% Convertible Promissory Note payable to an institutional investor in the principal amount of \$57,750. The note, which is payable on October 2, 2020, has an original issue discount of \$5,250 and transaction costs of \$2,500. The convertible note converts into common stock of the Company at a conversion price equal to 65% of the lowest trading price during the twenty (20) trading days ending on the last complete trading day prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest of \$1,424.

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Note 5. Equity Transactions

Preferred Stock

The total number of shares of preferred stock which the Company shall have authority to issue is 20,000,000 shares with a par value of \$0.001 per share. During the year ended December 31, 2019, the Company authorized the issuance of 1,000,000 shares of preferred stock to officers, directors and consultants as deferred compensation and/or expense. The shares are eligible for conversion after 24 months into 40 shares of common stock per each preferred share. The value of the issued shares was calculated on the basis of 40 shares per preferred share at the common share value on the date of issuance. The deferred compensation value of the shares will vest monthly at 1/24th of the calculated value of \$3,000,000 and requisite expense or reduction of accrued compensation and/or accrued directors fees will be recorded. At the recording of the requisite vested share value, the corresponding number of preferred shares will be recorded as being issued. During the quarter ended March 31, 2020, there were 125,000 preferred shares that vested and \$170,000 was recorded to reduce accrued compensation; \$18,750 was recorded to reduce accrued directors' fees, and \$186,250 was recorded as expense for a total of \$375,000. At the period ended March 31, 2020, there were 375,000 vested preferred shares for a total value of \$1,125,000.

Common Stock

On December 6, 2019, the Corporation filed a Definitive Information Statement on Schedule 14C for the purpose of authorizing the implementation of a corporate action for a reverse stock split of the issued and outstanding shares of Common Stock, including shares of Common Stock reserved for issuance in a ratio and at a time and date to be determined by the Corporation's Board of Directors, not to exceed a one-for-fifty (1:50) basis. On December 12, 2019, the Company's Board of Directors authorized and approved the reverse stock on a one-for-fifty (1:50) basis. The Company subsequently filed with FINRA on December 20, 2019 for approval to implement this reverse stock split. FINRA approval was received on February 12, 2020. As of February 12, 2020, the Company's stock began trading under the symbol of EWLLD. Throughout these financial statements, footnotes and elsewhere in the Form 10K for the years ended December 31, 2019 and 2018, the common shares outstanding and issued have been adjusted to reflect this reverse split.

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On February 12, 2020, FINRA approved a 1:50 reverse split of the Company's common stock. As noted throughout this document, all common shares are stated as if the 1:50 reverse split had been completed as of the beginning of the year ended December 31, 2019. Following the approval, the Company's stock began trading under the symbol "EWLLD". Due to rounding issues for the reverse split, the Company issued 47,876 additional shares of common stock.

On February 14, 2020, the Company filed a Definitive Information Statement on Schedule 14C for the purpose of authorizing the increase in the number of authorized shares of Common Stock from one billion nine hundred million (1,900,000,000) shares of Common Stock to twenty billion (20,000,000,000) shares of Common Stock. On February 19, 2019, the Company filed Articles of Amendment to the Company's Articles of Incorporation to implement the Authorized Common Stock Share Increase with the State of Nevada.

Quarter Ended March 31, 2020

In January 2020, the Company executed a 12-month advisory services agreement. The Company is to issue 20,000 shares of common stock monthly. The Company issued 60,000 shares of common stock with a value of \$192. In addition, the Company is to also pay the advisor a monthly fee of \$2,500.

During the three months ended March 31, 2020, the Company issued a total of 1,416,790,494 shares of common stock per debt conversion of various convertible notes (see Note 5). The total of the debt conversion was for \$643,998 of principal, \$64,796 of accrued interest and \$73,750 of financing costs.

During the three months ended March 31, 2020, the Company issued 355,000 shares of common stock for consultant services valued at \$465.

Quarter Ended March 31, 2019

In February 2019, the Company executed an amendment to a contract executed in April 2018 for twelve months for consulting services. The Company issued 5,000 shares of common stock at the signing of the contract valued at \$30,750 that is being amortized over the life of the contract

In March 2019, the Company issued 65,217 shares of common stock to an institutional investor as part of a promissory note. These shares are returnable if the Company repays the promissory note before the maturity date. The value of these shares is \$375,000 which was recorded as prepaid until the six-month maturity has passed. The Company also issued 20,000 shares of common stock to the institutional investor as a commitment fee. The value of these shares is \$115,000.

During the three months ended March 31, 2019, the Company issued 26,491 shares of common stock to consultants for services rendered in accordance to consulting agreements. The value of these shares is \$181,549.

During the three months ended March 31, 2019, the Company issued 101,945 shares of common stock for debt conversion totaling \$347,487 which includes \$329,290 principal, \$17,197 accrued interest and \$1,000 due diligence fee.

Stock Options

The following is a summary of the status of all Company's stock options as of March 31, 2020 and changes during the three months ended on that date:

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	Number of Stock Options	Weighted Average Exercise Price	Remaining Life (yrs)	Intrinsic Value
Outstanding at December 31, 2019	57,000	\$ 40.00	1.1	\$ -
Granted	-	-		
Exercised	-	-		
Cancelled	-	-		
Outstanding at March 31, 2020	57,000	40.00	.9	\$ -
Options exercisable at March 31, 2020	57,000	\$ 40.00	.9	\$ -

Warrants

The following is a summary of the status of the Company's warrants as of March 31, 2020 and changes during the three months ended on that date:

	Number of Warrants	Weighted Average Exercise Price	Remaining Life (yrs.)	Intrinsic Value
Outstanding at December 31, 2019	42,015	\$ 11.94	1.9	\$ -
Granted	-	-	-	-
Exercised	-	-	-	-
Cancelled	-	-	-	-
Outstanding at March 31, 2020	42,015	\$ 11.94	.9	\$ -
Warrants exercisable at March 31, 2020	42,015	\$ 11.94	.9	\$ -

Note 6. Commitments, Contingencies

The Company may be subject to lawsuits, administrative proceedings, regulatory reviews or investigations associated with its business and other matters arising in the normal conduct of its business. The Company believes that there are no current matters that would have a material effect on the Company's financial position or results of operations.

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Note 7. Derivative Valuation

The Company evaluated the convertible debentures and associated warrants in accordance with ASC Topic 815, “Derivatives and Hedging,” and determined that the conversion feature of the convertible promissory notes was not afforded the exemption for conventional convertible instruments due to their variable conversion rates. The notes have no explicit limit on the number of shares issuable, so they did not meet the conditions set forth in current accounting standards for equity classification. Therefore, these have been characterized as derivative instruments. We elected to recognize the notes under ASU paragraph 815-15-25-4, whereby there would be a separation into a host contract and derivative instrument. We elected to initially and subsequently measure the notes and warrants in their entirety at fair value, with changes in fair value recognized in earnings.

The debt discount is amortized over the life of the note and recognized as interest expense. For the three months ended March 31, 2020 and 2019, the Company amortized the debt discount of \$465,919 and \$711,701, respectively.

During the three months ended March 31, 2020, the Company had the following activity in the derivative liability account:

	Notes
Derivative liability at December 31, 2019	\$ 3,529,974
Addition of new conversion option derivatives	47,620
Conversion of note derivatives	(2,610,709)
Change in fair value	1,980,287
Derivative liability at March 31, 2020	\$ 2,947,172

For purposes of determining the fair market value of the derivative liability, the Company used Black Scholes option valuation model. The significant assumptions used in the Black Scholes valuation of the derivative are as follows:

Stock price at valuation date	\$.0002-.009
Exercise price of warrants	\$ 12.50
Conversion rate of convertible debt	\$.0001-.029
Risk free interest rate	.04%-1.60%
Stock volatility factor	442.45-2266.45%
Years to Maturity	.05 – .81
Expected dividend yield	None

Note 8. Subsequent Events

From April 1 until the filing of this report, the Company issued 253,332 shares of common stock per consulting agreements valued at \$51.

From April 1 until the filing of this report, the Company issued 3,899,692,952 shares of common stock for convertible debt conversion totaling \$257,780 which includes \$226,825 principal, \$15,405 accrued interest and \$15,550 financing costs

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In April 2020, the Board of Directors issued a Certificate of Designations, Preferences and Rights of Series D Preferred Stock in which the Board authorized a new series of Preferred Stock to be designated as Series D. The Board authorized two hundred thousand (200,000) shares to be issued to persons designated by the Board. The Series D Preferred Stock has no stated maturity and will not be subject to any sinking fund or mandatory redemption and will remain outstanding indefinitely unless the Holder decides to convert the shares of Series D Preferred Stock.

The Series D Preferred Stock will rank, with respect to rights to the payment of dividends and the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, (i) senior to all classes or series of the Corporation's Common Stock, par value \$0.001 per share ("Common Stock"), and to all other equity securities issued by the Corporation other than the Corporation's newly authorized 13% Series B Cumulative Redeemable Perpetual Preferred Stock (the "Series B Preferred"); (ii) on parity with all equity securities issued by the Corporation with terms specifically providing that the Series B Preferred ranks on parity, except with respect to voting rights on which the Series B Preferred ranks junior to the Series D Preferred and except with respect to rights to the payment of dividends and the distribution of assets upon any liquidation, dissolution or winding up of the Corporation, which the Series B Preferred ranks senior to the Series D Preferred; and (iii) effectively junior to all existing and future indebtedness (including indebtedness convertible into our Common Stock or Preferred Stock) of the Corporation and to any indebtedness and other liabilities of (as well as any preferred equity interest held by others in) existing subsidiaries of the Corporation. The term "equity securities" shall not include convertible debt securities. The Holders of the Series D Preferred Stock have the right, on all matters subject to the vote of the capital stock of the Corporation, to have the collective vote equal to 70% of the total of all voting capital stock of the Corporation, notwithstanding the number of shares of voting capital stock, including shares of common stock, that may be outstanding from time to time.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Item 2 of Part I of this report include forward-looking statements. These forward-looking statements are based on our management's current expectations and beliefs and involve numerous risks and uncertainties that could cause actual results to differ materially from expectations. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "proposed," "intended," or "continue" or the negative of these terms or other comparable terminology. You should read statements that contain these words carefully, because they discuss our expectations about our future operating results or our future financial condition or state other "forward-looking" information. Many factors could cause our actual results to differ materially from those projected in these forward-looking statements, including but not limited to: variability of our future revenues and financial performance; risks associated with product development and technological changes; the acceptance of our products in the marketplace by potential future customers; general economic conditions. You should be aware that the occurrence of any of the events described in this Quarterly Report could substantially harm our business, results of operations and financial condition, and that upon the occurrence of any of these events, the trading price of our securities could decline. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, growth rates, levels of activity, performance or achievements. We are under no duty to update any of the forward-looking statements after the date of this Quarterly Report to conform these statements to actual results.

The following discussion and analysis of financial condition and results of operations relates to the operations and financial condition reported in the financial statements of eWellness Healthcare Corporation for the three months ended March 31, 2020 and 2019 and should be read in conjunction with such financial statements and related notes included in this report and the Company's Annual Report on Form 10-K for the year ended December 31, 2019.

THE COMPANY

Overview

eWellness Healthcare Corporation is a provider of the state of the art PHZIO platform for the physical therapy ("PT") and telehealth markets and believes it is the first digital telehealth physical therapy company ("dtPT Company") to offer real-time monitored physical therapy assessments and treatments to large-scale employers. The Company's digital telehealth assessment and treatment platform (the "dtPT Platform" or "Platform") has been designed to serve the \$30 billion physical therapy market, the \$4 billion musculoskeletal ("MSK") market and the \$8 billion corporate wellness market. Our dtPT Platform redefines the way physical therapy ("PT") can be delivered. We believe that our Platform is able to transform the access, cost and quality dynamics of PT assessments and treatments. We began generating revenue during the fourth quarter of 2019.

We designed our Platform to enable its usage for all PT assessments and treatments by means of computer, smart phone and/or similar digital media devices (the "Access Devices"). This new approach will lower patient treatment costs, expand patient treatment access and improve patient compliance. Our dtPT Platform allows patients to avoid the time-consuming clinical experience to an immediate in-home PT experience. We believe that approximately 80% of all PT assessments and treatments can be performed using our Platform accessible via the Access Devices in the privacy of one's home.

We believe that our innovative approach to solving the pervasive access, cost and quality challenges facing the current access to PT clinics, will lead to highly scalable and substantial growth in our revenues. The Company has signed 7 partnership and healthcare provider agreements to date. We believe that we are well positioned to participate in the rapidly evolving PT treatment market by introducing our innovative dtPT Platform enabling remote patient monitoring, post-discharge treatment plan adherence and in-home care. Our Platform incorporates research-based methods and focuses on, not only rehabilitation but also wellness, functional fitness, performance, and prevention.

Our dtPT Platform recognizes that the national healthcare industry (federal and private insurance) is moving toward a model of prevention and that physical therapy is expected to take a larger role in providing wellness services to patients. Due to the real-time patient monitoring feature, we believe that our dtPT Platform is reimbursable by insurance companies such as Anthem Blue Cross and Blue Shield.

The Company will initially rollout these new telehealth solutions within California, New Jersey, Georgia, Tennessee, Arizona and Canada, with plans to expand nationally over the next twelve months. With these new telehealth tools, eWellness will engage with the “At-Home” Physical Therapy and MSK treatment market. This market involves physical therapy practitioners treating patients in their home instead of a clinic. The “At-Home” market model when combined with the PHZIO and or MSK 360 offers patients and practitioners a means to receive and deliver PT and MSK services without having to leave work during normal business hours. Patients can receive physical therapy and MSK services at almost any hour of the day. A model that is not currently employed within traditional clinical settings.

During June 2019 the Company signed a Provider Service Agreement with CareIQ, a division of CorVel Healthcare Corporation, one of the largest Third-Party Insurance Administrators (“TPA”) in the U.S. with patients in all 50 states. <https://www.corvel.com/about-us>. Initially, PHZIO will be used to treat patients in five (5) states including: California, New Jersey, Georgia, Tennessee and Arizona. These initial states will be used to assess the effectiveness of the PHZIO digital physical therapy platform.

During October 2019, the Company introduced MSK 360 treatment platform as a new silo of business that focuses on the \$4 Billion North American Musculoskeletal Treatment Market to address the global musculoskeletal diseases treatment market, that is expected to reach US\$ 5.7 billion in 2025 from US \$3.8 billion in 2017, according to a report by The Insight Partners. The musculoskeletal diseases treatment market is estimated to grow with a CAGR of 5.3% from 2018-2025. MSK disease affects the joints, bones and muscles and also back pain. More years are lived with musculoskeletal disability than any other long-term human condition.

Our PHZIO and MSK 360 platforms have been developed to significantly support us in becoming the leader in the new industry of digital telehealth physical therapy (“dPT”) and MSK services. Our focus is to highlight that many of all future PT and MSK treatments can be accomplished with a smart phone. This new digital adoption will lower patient treatment costs, expand patient treatment access and improve patient compliance. Our PHZIO and MSK platforms allows patients and PT’s to cut the cord from the old-school, wait in line, brick and mortar clinical experience to an immediate response digital, in-home PT experience. 80% of all PT and MSK assessments and treatments can now be done on a patient’s smart phone in the privacy of their own home. Digital PT is clearly the next upgrade the industry needs to make.

The Company has created a strong path to initial revenue generation and substantial sales growth through executing on our Workers Compensation and MSK Sales Funnel. Our Workman’s Compensation and MSK Sales Funnel currently includes over 101 companies. Starting in the Summer of 2018 we pivoted our sales process to focus on the workman’s compensation PT industry. Additionally, we added the MSK market during the summer of 2019. Multiple agreements are anticipated to be executed from our workman’s compensation and MSK sales funnel through 2019 and beyond.

In October 2019 The Company signed a Direct to Consumer Marketing Agreement with Wosler Holdings, Inc., a Delaware Corporation d/b/a/ Slingshot Health (“Slingshot”) (<https://www.slingshothealth.com>). Through this agreement, Slingshot seeks to involve EWLL affiliated PT Providers, and EWLL seeks to gain their affiliated PT Providers access to the Slingshot consumer healthcare patients through the Slingshot platform. The Parties anticipate commencing these new direct to consumer sales and marketing efforts during the fourth quarter ended December 31, 2019. The Company believes that Slingshot Healthcare is one of the leading on-line platforms for digital healthcare to consumers. Slingshot Health is a healthcare marketplace connecting people to health and wellness providers, placing control directly in the hands of those seeking and delivering care. By removing layers of bureaucracy surrounding our healthcare system, Slingshot is achieving its mission of creating better access, more affordability and greater transparency in healthcare. Through Slingshot’s proprietary platform, consumers enter the services they want, their location and availability and the price they are willing to pay. Slingshot then matches them to a local provider who can deliver the service. Healthcare consumers receive high-quality, affordable services and providers earn more overall.

In October 2019, EWLL's PHZIO Canada ("PHZIO Canada") signed a one-year Pilot Program Agreement with C&C Insurance Consultants d/b/a/ StudentVIP.ca ("StudentVIP.ca") (<https://studentvip.ca/about-us/>). Through this agreement, StudentVIP.ca seeks to market PHZIO.com services to its student health insurance clients. StudentVIP.ca is one of Canada's largest student health insurance provider servicing over 100,000 college students. The Parties anticipate commencing these new direct to consumer sales and marketing efforts during the first quarter of 2020.

Our PHZIO and MSK 360 platforms completely disrupts the current in-clinic business model of the \$30 billion PT industry, the 4 billion MSK market and the \$8 billion corporate wellness industries. Innovators in other industries have solved access, cost and quality inefficiencies through the implementation of technology platforms and business models that deliver products and services on-demand and create new economies by connecting and empowering both consumers and businesses. We have taken the same approach to solving the pervasive access, cost and quality challenges facing the current access to PT and MSK clinics. eWellness' underlying technology platform is complex, deeply integrated and purpose-built over the past five years for the evolving PT and MSK treatment marketplaces. eWellness' PHZIO and MSK 360 platforms are highly scalable and can support substantial growth of third-party licensees. eWellness' PHZIO and MSK 360 platforms provides for broad interconnectivity between PT practitioners and their patients, uniquely positioning the Company as a focal point in the rapidly evolving PT industry to introduce innovative, technology- based solutions, such as remote patient monitoring, post-discharge treatment plan adherence and in-home care.

Plan of Operations

The principal features of our new digital telehealth physical therapy delivery system are as follows:

- SaaS technology platform solution for providers bundling rehabilitation services and employer wellness programs
- PTs can evaluate and screen patients and calculate joint angles using drawing tool
- First real-time remote monitored one-to-many PT treatment platform for home use
- Ability for PTs to observe multiple patients simultaneously in real-time
- Solves what has been a structural problem and limitation in post-acute care practice growth.
- PT practices can experience 20% higher adherence and compliance rates versus industry standards
- Tracking to 30% increase in net income for a PT practice.

We have commenced treating patients on various commercial contracts and started to generate revenues during the last quarter of the year ended December 31, 2019. We continue to train physical therapists on how to use our Platform, with many of these therapists treating various patients on our system on a complimentary basis. To date, our dtPT Platform has delivered over 4,000 PT assessments and treatments.

During the 2nd half of 2019, we intensified our focus on PT assessments and treatments covered under the Workers' Compensation Insurance program which is a form of insurance providing wage replacement and medical benefits to employees injured in the course of employment. Changes in regulations related Workers' Compensation Insurance have provided us with an opportunity to offer our MSK 360 Program as described below. Under the new regulation patients can choose to be treated in-clinic or through dtPT. Until recently, patients nearly all choose in-clinic treatment. In response to this change we developed our MSK360 Program.

We are in the final stage of developing a fourth program related to Rheumatoid Arthritis Exercises ("RA 360 Program"). We expect to make the RA 360 Program available during late 2020.

To date, we have existing provider agreements with approximately 16 corporations based on which their employees can utilize our Platform. Additionally, we are actively pursuing as clients for our services numerous large corporate self-insured companies, TPA's and insurance companies to sign provider agreements with us. We have historically had to devote up to one year in sales and marketing and sales activities and efforts to sign new provider agreements and to date we have executed and existing 16 provider agreements with the following companies that we expect to generate revenues during the first quarter of 2020 as follows:

Pepsi, Corvel, Imperial, Rogers, Manulife, CanadaLife, Navy & Stage Benefits, Health and Dental Plan, Slingshot Health, BBD Benefits By Design, Morneau Shapell, Green Shield Canada, Bruce Power.

Our dtPT Platform under the domain name PHZIO.com currently offers three treatment programs (i) PHIZO Program; (ii) MSK 360 Program and (iii) Pre-HabPT Program.

The PHZIO Program

Our PHZIO treatment enables patients to engage with live or on-demand video based dtPT assessments and treatments from their home or office. Following a physician's exam and prescription for physical therapy to treat back, knee or hip pain, a patient can be examined by a physical therapist and if found appropriate inducted in our PHZIO program that includes a progressive 6-month telemedicine exercise program (including monthly in-clinic checkups). All PHZIO treatments are monitored by a licensed therapist that sees everything the patient is doing while providing their professional guidance and feedback in real-time. This ensures treatment compliance by the patient, maintains the safety and integrity of the prescribed exercises, tracks patient metrics and captures pre-and post-treatment evaluation data. This innovative assessment and treatment program enable any PT practice to be able to treat more patients while utilizing the same resources.

A Monitored In-office & Telemedicine Exercise Program: Our initial 6-month PHZIO exercise program has been designed to provide patients, who are accepted into the program, with traditional one-on-one PT evaluations, re-evaluations (one to four weeks throughout the PHZIO program depending on type of insurance), and after the conclusion of the program a Physical Performance Test. These PTs are known as Induction & Evaluation PTs ("IEPTs"). All patient medical data, information and records are retained in the files of the IEPT. The IEPT will also evaluate the progress of the patient's participation in our PHZIO program.

- Physician Diagnosis: Following a physician's diagnosis of a patient with non-acute back pain, who is also likely overweight and pre-diabetic, a physician may prescribe the patient to participate in the eWellness PHZIO exercise program.
- Enrollment Process: The accepted patients are assessed by a PT, located at a PT Licensee clinic and then enrolled in our PHZIO program by going online to our PHZIO program virtual private network ("VPN") and creating a login name and password. The patient will then populate their calendar with planned times when they anticipate exercising. They will also be provided with a free exercise ball, resistance stretch bands, stretch strap and yoga mat at induction.
- Exercising Begins: The day after the patient receives the equipment, the patient will log on to our VPN at least 3 times per week, to watch and follow the prescribed 40-minute on-line exercise program. The PHZIO platform also allows two-way communication (videoconferencing) with one of our licensee's On-line PTs ("OLPT's"), who is responsible for monitoring on-line patients. The OLPT's are also available to answer patient's questions. When available the patients exercise sessions are recorded and stored in our system as proof that they completed the prescribed exercises. There are 250 various 40-minute exercise videos that are viewed by our patients in successive order.
- Driving Patients to work out between 6:00am-9:30am 5 days per week: Our PHZIO system has a calendar function so that patients can schedule when they will login to our PHZIO system. This calendar enables a PT Licensee to better spread the load of patients participating in any forty-minute on-line exercise program during our 15 hours of weekly operations, 6am through 9:30am Monday through Friday are to most optimal hours for patient engagement. Also, if the patient is not on-line at the planned exercise time, our system can send them an automated reminder, via text, voicemail and or e-mail messaging.

Trackable Physical Therapy. The exercise PHZIO prescription and instruction will be delivered with a series of on-line videos easily accessed by each patient on the internet. Each video will be approximately 40 minutes in length with exercises, which will specifically address the common impairments associated with diabetes and/or obesity. Exercise programs will be able to be performed within each patient's own home or work location without requiring standard gym equipment. Each patient will be required to log in to the system which will monitor performance automatically to ensure their compliance. Each patient will be required to follow up with their referring physician and PT at designated intervals and metrics such as blood pressure, blood sugars, BMI, etc. will be recorded to ensure success of the program.

Patient Program Goals. Our PHZIO program was designed so that the average patient is targeted to lose 2 pounds per week, totaling up to 48 pounds over the duration of the program to progress toward healthier defined BMI, reduction body fat percentage by at least 8%, reduced reliance on medication for blood glucose regulation and dosage or frequency and a goal of at least a 50% adherence to continuing the PHZIO program independently at conclusion of program.

Trackable Video Exercise Program. The PHZIO program video includes all aspects of wellness preventative care to ensure the best results: cardiovascular training, resistance training, flexibility, and balance and stabilization; research studies on all such distinct impairments have shown to provide effective treatment results. Each video integrates each of the four components to guarantee a comprehensive approach to the wellness program, but each video will specifically highlight one of the four components. All PHZIO Program videos can be viewed on the Access Devices.

Specific Video Programs. Each patient will receive a prescription for six months (26 week) of physical therapy and exercise that is provided by viewing on-line programs produced by us where the patient can do these exercises and stretching on their own at least 3 days per week for at least 40 minutes. To view the videos, the patient would log onto the Platform and would be directed to watch the appropriate video in sequence. As the patient is logged-in, the monitoring PT will be able to monitor how often and if the entire video session was viewed. This data would be captured and sent weekly to the prescribing physician and the monitoring PT for review. At all times, a licensed OLPT/PTA will have access to each patient utilizing the videos and will be able to communicate with a patient via videoconferencing and/or instant messaging. This will help improve adherence to the program as well as the success and safety of the patients' treatments. A patient will also be instructed to walk or ride a bike at least 30 minutes three days per week in addition to participating in our program.

If the patient is not viewing the videos, then the prescribing physician and/or the monitoring PT would reach out to the patient by telephone and/or e-mail to encourage the patient to keep up their physical fitness regime. After each series, the patient returns for an office visit to the prescribing physician for blood tests, blood pressure and a weight management check-up as well as a follow-up visit with the PT for assessment of the patient's progress toward established goals.

Exercise Patient Kits. Most patients will receive a home exercise tool kit which will include: an inflatable exercise ball, a hand pump, a yoga mat, a yoga strap and varying levels of resistance bands. Each of the PHZIO exercise videos will include exercises that incorporate the items in the tool kit. By using a bare minimum of equipment, patients should be able to participate more easily at home or at their workplace. Our estimated cost of the kit is \$49, which we pay and factor into a PT licensees' revenue stream and internal projections. The cost of the exercise kits may also be billed to the patients account.

MSK360 Program

The musculoskeletal (MSK) system, which consists of our bones, muscles and joints, experience strain as we move. MSK related issues are a leading cause of absenteeism in the workplace and in many cases can lead to short- or long-term disability. These costs are a significant factor in any workplace and have cascading effects on employee productivity. We believe that to accelerate physical health, it is critical to prevent and address MSK timely to reduce future health costs.

Patients can receive virtual care through the MSK 360 Program with the guidance of a registered PT via our Platform through their Access Devices. As patients will not need to travel to their health appointments during the workday, telerehabilitation is a timesaver, and therefore a cost saver.

The employee will first be evaluated to determine the priority of patients' treatments based on the severity of their condition if they are suitable for our MSK 360 Program. If a patient has experienced a major injury (e.g. fracture), he/she will be instructed to receive in-person PT care.

Any EPS and/or LW insureds may, after an in-home or in-office PT assessment, enroll in a 6-month comprehensive treatment program. The main treatment objective of our MSK360 Program is to graduate at least 60% of inducted patients through our 6-month program. Patients should expect to experience an average of a 20% reduction in BMI, a two-inch reduction in waist size, weight loss of at least 10 pounds, significant overall improvement in balance, coordination, flexibility, strength and lumbopelvic stability. Patients also should score better on Functional Outcomes Scales (Oswestry and LEFS) which indicates improved functional activity levels due to reduced low back, knee and hip pain.

PreHabPT Program

Any individuals covered by EPS and/or LW who are seeking non-emergency orthopedic surgery shall first receive an online consultation, in-home or in-office PT therapy evaluation and will be prescribed a four to eight-week pre-habilitation physical therapy (“PreHabPT”) exercise program prior to any surgery. Another in-home or in-office PT evaluation will be made following surgery and a treatment plan will be initiated. A PreHabPT Program is an eight-week physician to patient pre-surgical (Prehab) digital therapeutic exercise treatment for patients that anticipate having total joint replacement (knee, hip and or shoulder) or back surgeries.

PurePT

PurePT is a patient and independent PT Program for connecting new patients to PT’s that are seeking to be treated with our PHZIO treatment system. Patient program assessments can be made in the privacy of a patient’s home or office. PurePT connects new patients to PT’s, particularly in states that have direct access rules where patient’s insurance will reimburse for treatment without requiring a physician’s prescription. PurePT puts the patient first.

Background on our PHZIO Technology

The Company’s Chief Technology Officer (“CTO”), Curtis Hollister, oversees the operational aspects of the PHZIO platform via a team located in Ottawa, Canada. The below noted chart contains information on our PHZIO System.



IP and Licensing

We have licensed our telemedicine platform from Bistromatics Inc., a company owned by our CTO, for perpetuity for any telemedicine application in any market worldwide. The below noted chart highlights what we have built to date.



Results of Operations of eWellness for the three months ended March 31, 2020 vs. 2019

REVENUES: eWellness has reported \$14,375 and \$0 revenues from operations for the three months ended March 31, 2020 and 2019, respectively.

OPERATING EXPENSES: Total operating expenses decreased to \$1,001,108 for the three months ended March 31, 2020 from \$1,066,655 for the three months ended March 31, 2019 which reflects a decrease of \$65,547. The decrease is a result of a decrease in the number of shares of common stock issued to consultants and offset by an increase in advertising and financing fees for conversion of convertible debt.

NET LOSS: The Company incurred a net loss of \$3,528,599 for the three months ended March 31, 2020, compared with a net loss of \$1,338,471 for the three months ended March 31, 2019, which reflects an increase of \$2,190,128. The increase is from an increase in loss on derivative liability on convertible debt of \$2,662,305 offset by a decrease in interest expense of \$392,265 and decrease in operating expenses of \$65,547 (as outlined above).

Liquidity and Capital Resources

As of March 31, 2020, we had negative working capital of \$6,704,143 compared to negative working capital of \$6,937,847 as of December 31, 2019. The negative working capital decrease is because of a decrease in convertible debt (net of discount) and a decrease in derivative liability. Cash used in operations was \$274,047 and \$954,359 for the three months ended March 31, 2020 and 2019, respectively. The decrease in cash used in operations is a result of an increase in derivative liability and changes in operating assets and liabilities offset by an increase in net loss. Cash flows provided by financing activities were \$45,000 and \$934,200 for the three months ended March 31, 2020 and 2019, respectively. The decrease resulted from a decrease in the issuance of convertible debt (net of debt issuance costs) of \$1,528,750 and reduction of payment of debt of \$639,500. The cash balance as of March 31, 2020 was \$11,675.

We do not have sufficient cash on hand to operate. We anticipate that we will be able to raise additional capital on the same or better terms by the second quarter of 2020 in the form of equity capital to provide the necessary working capital. Our ability to meet our obligations and continue to operate as a going concern is highly dependent on our ability to obtain additional financing. We cannot predict whether this additional financing will be in the form of equity or debt or be in another form. We may not be able to obtain the necessary additional capital on a timely basis, on acceptable terms, or at all. In any of these events, we may be unable to implement our current plans which circumstances would have a material adverse effect on our business, prospects, financial conditions and results of operations.

Contingencies

The Company may be subject to lawsuits, administrative proceedings, regulatory reviews or investigations associated with its business and other matters arising in the normal conduct of its business.

Capital Expenditure Plan

During the three months ended March 31, 2020, we raised \$52,800, less \$7,800 for debt issuance costs in equity and debt capital. We will require up to an additional \$1.6 million in capital during the next 12 months to fully implement our business plan and fund our operations. Our plan is to utilize the equity capital that we raise, together with anticipated cash flow from operations, to fund a very significant investment in sales and marketing, concentration principally on advertising and incentivizing existing customers for the introduction of new customers, among other strategies. However, there can be no assurance that: (i) we will continue to be successful in raising equity capital in sufficient amounts and/or at terms and conditions satisfactory to the Company; or (ii) we will generate sufficient revenues from operations, to fulfill our plan of operations. Our revenues are expected to come from our PHZIO platform services. As a result, we will continue to incur operating losses unless and until we are able to generate sufficient cash flow to meet our operating expenses and fund our planned sales and market efforts. There can be no assurance that the market will adopt our portal or that we will generate sufficient cash flow to fund our enhanced sales and marketing plan. In the event that we are not able to successfully: (i) raise equity capital and/or debt financing; or (ii) market and significantly increase the number of portal users and revenues from such users, our financial condition and results of operations will be materially and adversely affected and we will either have to delay or curtail our plan for funding our sales and marketing efforts.”

Off-Balance Sheet Arrangements

As of March 31, 2020 and December 31, 2019, respectively, we did not have any off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of Regulation S-K promulgated under the Securities Act of 1934.

Contractual Obligations and Commitments

Three Months Ended March 31, 2020

In March 2020, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$52,800. The note, which is due on January 15, 2021, has an original issue discount of \$4,800 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 70% of the average of the two lowest per share trading prices for the ten (10) trading days prior to the conversion date. During the three months ended March 31, 2020, the Company accrued interest expense of \$139.

Year Ended December 31, 2019

In January 2019, the Company received the third tranche of \$60,000 relating to a note executed on July 13, 2018. During the year ending December 31, 2019, the Company accrued interest expense of \$1,350. In July 2019, the Company prepaid this note of \$60,000 plus accrued interest and a prepayment penalty of \$30,000. At December 31, 2019, this note is fully paid.

In January 2019, the Company executed an 8% Convertible Promissory Notes payable to an institutional investor in the principal amount of \$308,000. The note, which is due on January 8, 2020, has an original issue discount of \$28,000 and transaction costs of \$10,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 70% of the average of the two lowest per share trading prices for the twenty (20) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$20,466. During the year ended December 31, 2019, the investor converted \$266,000 of principal and \$17,672 of accrued interest for 1,409,860 shares of common stock prices ranging between \$.05 and \$1.75. At December 31, 2019, there is \$42,000 principal outstanding.

In January 2019, the Company executed an 8% Convertible Promissory Notes payable to an institutional investor in the principal amount of \$308,000 each. The note, which is due on January 8, 2020, has an original issue discount of \$28,000 and transaction costs of \$10,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 70% of the average of the two lowest per share trading prices for the twenty (20) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$18,535. During the year ended December 31, 2019, the investor converted \$308,000 of principal and \$18,535 of accrued interest for 839,210 shares of common stock for prices ranging from \$.10 to \$2.10. At December 31, 2019, this note is fully converted.

In January 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$114,000. The note, which is due on October 30, 2019, has an original issue discount of \$11,000 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 70% average of the two lowest per share trading prices for the ten (10) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$6,028. In July 2019, the Company prepaid this note of \$114,000 plus accrued interest and a prepayment penalty of \$42,010. At December 31, 2019, this note is fully paid.

In January 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$58,300. The note, which is due on November 15, 2019, has an original issue discount of \$5,300 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 70% average of the two lowest per share trading prices for the ten (10) trading days prior to the conversion date. During the three months ended December 31, 2019, the Company accrued interest of \$2,753. In July 2019, the Company prepaid this note of \$58,300 plus accrued interest and a prepayment penalty of \$21,369. At December 31, 2019, this note is fully paid.

In February 2019, the Company received the fourth tranche of \$30,000 relating to a note executed on July 13, 2018. During the year ending December 31, 2019, the Company accrued interest of \$700. During the year ended December 31, 2019, the investor converted \$29,504 of principal for 382,800 shares of common stock at prices ranging from \$.05 and \$1.50. At December 31, 2019, there is \$496 principal and \$700 accrued interest outstanding.

In March 2019, the Company executed a Securities Purchase Agreement for Convertible Debentures to an institutional investor in the principal amount of \$365,000 to be funded in six tranches: \$65,000 at signing, \$100,000 forty-five (45) days after the signing date and \$200,000 forty-five (45) days after the second closing date. The debentures, which are payable on March 18, 2022, have a 10% original issue discount and a commitment fee of \$5,000 payable with the signing debenture. The debentures convert into common stock of the Company at a conversion price equal to the lesser of (i) \$6.00 or (ii) seventy percent (70%) of the lowest traded price (as reported by Bloomberg LP) of the common stock for the ten (10) trading days prior to the conversion date. The first tranche of \$65,000 was received in March 2019. In September 2019, the Company prepaid this note of \$65,000 and a prepayment penalty of \$19,500. At December 31, 2019, this note is fully paid.

In March 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$47,300. The note, which is payable on January 30, 2020, has an original issue discount of \$4,300 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price equal to 70% of the average of the lowest two (2) trading prices during the ten (10) trading day period ending on the last complete trading day prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$3,226. In September 2019, the Company prepaid this note of \$47,300 plus accrued interest and a prepayment penalty of \$16,555. At December 31, 2019, this note is fully paid.

In March 2019, the Company executed a 3% Convertible Promissory Note payable to an institutional investor in the principal amount of \$360,000. The note, which is payable twelve (12) months after each tranche is funded, has an original issue discount of \$60,000. The original issue discount will be prorated with each tranche paid. The first tranche of \$60,000 is due at signing date. The convertible note converts into common stock of the Company at a conversion price that shall be equal to 65% of the lesser of (i) lowest trading price or (ii) the lowest closing bid price on the OTCQB during the twenty-five (25) trading day period ending on the last complete trading day prior to the conversion date. The first tranche was received on March 29, 2019. The second tranche of \$37,500 was received on July 19, 2019. During the year ended December 31, 2019, the Company accrued interest expense of \$3,209. In September 2019, the Company prepaid the first tranche of \$60,000 plus accrued interest and a prepayment penalty of \$30,000. At December 31, 2019, only the second tranche of \$37,500 is outstanding.

In March 2019, the Company executed a 12% Convertible Promissory Note to an institutional investor in the principal amount of \$1,500,000 to be funded over separate tranches; the first tranche to be funded on signing. The note, which is due and payable six (6) months after the funding date of each tranche, has an original issue discount of 10%. The Company issued 65,217 shares of restricted common stock on the closing date. These are deemed returnable shares which the investor must return if the Company repays the note prior to the maturity date. In addition, the Company issued 20,000 shares of restricted common stock as a commitment fee. The convertible note converts into common stock of the Company at a conversion price that shall be equal to 65% of the lowest trading price during the thirty (30) day trading period ending on the last complete trading day prior to the conversion date. The first tranche of \$750,000 was received on March 25, 2019. The second tranche of \$350,000 was received on July 12, 2019 and the Company issued 53,846 shares of restricted common stock. These shares are redeemable if the Company pays the note prior to the maturity date of January 20, 2020. The third and final tranche was received on September 9, 2019 and the Company issued 80,000 shares of restricted common stock. These shares are redeemable if the Company pays the note prior to the maturity date of March 12, 2020. During the year ended December 31, 2019, the Company accrued interest expense of \$112,372. During the year ended December 31, 2019, the investor converted \$393,647 of principal and \$77,017 of accrued interest for 3,705,340 shares of common stock at prices ranging from \$0.02 to \$11.00. At the year ended December 31, 2019, there is \$1,106,353 principal and \$35,355 accrued interest outstanding.

In April 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$58,300. The note, which is payable on February 15, 2020, has an original issue discount of \$5,300 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price equal to 70% of the average of the lowest two (2) trading prices during the ten (10) trading day period ending on the last complete trading day prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest of \$3,811. In September 2019, the Company prepaid this note of \$58,300 plus accrued interest and a prepayment penalty of \$20,405. At December 31, 2019, this note is fully paid.

In May 2019, the Company executed a convertible note conversion period extension agreement on a note dated October 28, 2018, within which the period of conversion by note holder was extended to May 27, 2019. The Company paid \$16,031 to note holder for this extension agreement. On May 28, 2019, the Company executed a second extension agreement on this note within which the period of conversion by note holder was extended to June 11, 2019. The Company paid \$16,105 to note holder for this extension agreement. During the year ended December 31, 2019, the note holder converted the \$308,000 note and accrued interest of \$19,539 into 166,440 shares of common shares at prices ranging from \$1.75 to \$2.26. At December 31, 2019, this note has been fully converted.

In May 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$110,000. The note, which is due on February 13, 2020, has an original issue discount of \$10,000 and transactions costs of \$3,000. The convertible note converts into common stock of the Company at conversion price that shall be equal to the 65% of the lowest closing price for the twenty (20) trading days prior to the conversion date. During the years ended December 31, 2019, the Company accrued interest expense of \$7,723. During the year ended December 31, 2019, the investor converted \$91,500 of principal and \$6,000 of accrued interest into 1,596,158 shares of common stock at prices ranging from \$0.04 to \$0.20. At the year ended December 31, 2019, there is \$18,500 principal and \$1,723 accrued interest outstanding.

In July 2019, two Back-End notes executed in October 2018 with an institutional investor was funded for \$154,000 each. Each note, which is due on October 29, 2019, has an original issue discount of \$14,000 and transaction costs of \$2,500. The convertible notes convert into common stock of the Company at conversion price that shall be equal to the 70% of the average of the two (2) lowest per share trading prices for the prior twenty (20) trading days including the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$6,143 for each note.

In July 2019, the Company signed an amendment to a convertible note issued on March 21, 2019 revising the conversion price from 75% to 65% of the lowest trading price during the thirty (30) trading days prior to the conversion date.

In July 2019 the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$140,800. The note, which is payable on April 30, 2020, has an original issue discount of \$12,800 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price equal to 70% of the average of the lowest two (2) trading prices during the ten (10) trading day period ending on the last complete trading day prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest of \$7,192.

In July 2019, the Company executed a convertible note conversion period extension agreement on a note dated January 8, 2019 within which the period of conversion by note holder was extended to August 9, 2019. The Company paid \$21,560 to note holder for this extension agreement.

In July 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$113,000. The note, which is due on July 9, 2020, has an original issue discount of \$10,000 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 65% average of the lowest per share trading prices for the twenty (20) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$6,130.

In July 2019, the Company executed an 8% Convertible Promissory Note payable to an institutional investor in the principal amount of \$235,200. The note, which is due on July 11, 2020, has an original issue discount of \$25,200 and transaction costs of \$10,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to the 65% average of the lowest closing bid price for the prior twenty (20) trading days including the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$8,351.

In July 2019, the Company executed a convertible note conversion period extension agreement on a note dated January 8, 2019 within which the period of conversion by note holder was extended to August 9, 2019. The Company paid \$22,410 to note holder for this extension agreement.

In July 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$250,000. The note, which is due on April 19, 2020, has an original issue discount of \$37,500 and transaction costs of \$5,000. The convertible note converts into common stock of the Company at a conversion price that shall be equal to 65% of the average of the lowest per share trading prices for the twenty-five (25) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$12,986.

In July 2019, the Company executed two 12% Convertible Promissory Notes payable to two institutional investors in the principal amount of \$38,500 each. Each note, which is due on April 30, 2020, has an original issue discount of \$3,500 and transaction costs of \$1,500. The convertible notes convert into common stock of the Company at a conversion price that shall be equal to the 65% of the lowest per share trading prices for the twenty (20) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$3,746 for the two notes.

In September 2019, the Company executed a 12% Convertible Promissory Note payable to an institutional investor in the principal amount of \$58,300. The note, which is payable on July 15, 2020, has an original issue discount of \$5,300 and transaction costs of \$3,000. The convertible note converts into common stock of the Company at a conversion price equal to 70% of the average of the lowest two (2) trading prices during the ten (10) trading day period ending on the last complete trading day prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest of \$1,967.

In September 2019, a Back-End note executed in January 2019 with an institutional investor was funded for \$154,000. The note, which is due on January 9, 2020, has an original issue discount of \$14,000 and transaction costs of \$5,000. The convertible note converts into common stock of the Company at conversion price that shall be equal to the 70% of the average of the two (2) lowest per share trading prices for the twenty (20) trading days prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$3,747.

In September 2019, two Back-End notes executed in January 2019 with an institutional investor was funded for \$154,000 each. Each note, which is due on January 8, 2020, has an original issue discount of \$14,000 and transactions costs of \$5,000. The convertible notes convert into common stock of the Company at conversion price that shall be equal to the 70% of the average of the two (2) lowest per share trading prices for the prior twenty (20) trading days including the conversion date. During the year ended December 31, 2019, the Company accrued interest expense of \$3,476 for each note.

In October 2019, the Company executed a 10% Convertible Promissory Note payable to an institutional investor in the principal amount of \$57,750. The note, which is payable on October 2, 2020, has an original issue discount of \$5,250 and transaction costs of \$2,500. The convertible note converts into common stock of the Company at a conversion price equal to 65% of the lowest trading price during the twenty (20) trading days ending on the last complete trading day prior to the conversion date. During the year ended December 31, 2019, the Company accrued interest of \$1,424.

From time to time the Company may become a party to litigation matters involving claims against the Company. Except as may be outlined above, the Company believes that there are no current matters that would have a material effect on the Company's financial position or results of operations.

Critical Accounting Policies

Please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our Annual Report on Form 10-K for the year ended December 31, 2019, for disclosures regarding the Company's critical accounting policies and estimates, as well as any updates further disclosed in our interim financial statements as described in this Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Smaller reporting companies are not required to provide this disclosure.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures.

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15(e) under the Exchange Act as of the end of the period covered by this Quarterly Report on Form 10-Q. In designing and evaluating the disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Based on that evaluation, our chief executive officer and chief financial officer concluded that, as of March 31, 2020, our disclosure controls and procedures were not effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules, regulations and forms, and (ii) that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal controls over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

Quarter Ended March 31, 2020

In January 2020, the Company executed a 12-month advisory services agreement. The Company is to issue 20,000 shares of common stock monthly. The Company issued 60,000 shares of common stock with a value of \$192. In addition, the Company is to also pay the advisor a monthly fee of \$2,500.

During the three months ended March 31, 2020, the Company issued a total of 1,416,790,494 shares of common stock per debt conversion of various convertible notes (see Note 5). The total of the debt conversion was for \$643,998 of principal, \$64,796 of accrued interest and \$73,750 of financing costs.

During the three months ended March 31, 2020, the Company issued 355,000 shares of common stock for consultant services valued at \$465.

Quarter Ended March 31, 2019

In February 2019, the Company executed an amendment to a contract executed in April 2018 for twelve months for consulting services. The Company issued 5,000 shares of common stock at the signing of the contract valued at \$30,750 that is being amortized over the life of the contract

In March 2019, the Company issued 65,217 shares of common stock to an institutional investor as part of a promissory note. These shares are returnable if the Company repays the promissory note before the maturity date. The value of these shares is \$375,000 which was recorded as prepaid until the six-month maturity has passed. The Company also issued 20,000 shares of common stock to the institutional investor as a commitment fee. The value of these shares is \$115,000.

During the three months ended March 31, 2019, the Company issued 26,491 shares of common stock to consultants for services rendered in accordance to consulting agreements. The value of these shares is \$181,549.

During the three months ended March 31, 2019, the Company issued 101,945 shares of common stock for debt conversion totaling \$347,487 which includes \$329,290 principal, \$17,197 accrued interest and \$1,000 due diligence fee.

ITEM 2 EXHIBITS

(a) The following documents are filed as exhibits to this report on Form 10-Q or incorporated by reference herein. Any document incorporated by reference is identified by a parenthetical reference to the SEC filing that included such document.

Exhibit No.	Description
3.1(a)	<u>Articles of Amendment to the Amended and Restated Articles of Incorporation, dated February 14, 2020 filed in the Company’s 10K for the period ended December 31, 2019.</u>
3.2	<u>Bylaws (Incorporated by reference to Exhibit 3(b) to the Registration Statement on Form S-1 filed on May 15, 2012).</u>
31.1	<u>Certification of CEO pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2	<u>Certification of CFO pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1	<u>Certification of CEO pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2	<u>Certification of CFO pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>

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.

eWellness Healthcare Corporation
(Registrant)

By: /s/ Darwin Fogt
Darwin Fogt
President, CEO

Date: May 15, 2020

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.

Signature	Title	Date
<u>/s/ Darwin Fogt</u> Darin Fogt	Chief Executive Officer and Director (Principal Executive Officer)	May 15, 2020
<u>/s/ David Markowski</u> David Markowski	Chief Financial Officer (Principal Financial and Accounting Officer)	May 15, 2020
<u>/s/ Brandon Rowberry</u> Brandon Rowberry	Director	May 15, 2020
<u>/s/ Douglas Cole</u> Douglas Cole	Director	May 15, 2020
<u>/s/ Curtis Hollister</u> Curtis Hollister	Director	May 15, 2020
<u>/s/ Douglas MacLellan</u> Douglas MacLellan	Director	May 15, 2020
<u>/s/ Rochelle Pleskow</u> Rochelle Pleskow	Director	May 15, 2020

Exhibit 31.1 Certification of the Chief Executive Officer of eWellness Healthcare Corporation., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Darwin Fogt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 of eWellness Healthcare Corporation (the “registrant”);
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 considering the circumstances 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, 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 Exchange Act Rules 13a-15(f) and 15-d-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, 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 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 control 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 control over financial reporting.

Date: May 15, 2020

/s/ Darwin Fogt

Darwin Fogt,
Chief Executive Officer (Principal Executive Officer)

Exhibit 31.2 Certification of the Chief Financial Officer of eWellness Healthcare Corporation, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David Markowski, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 of eWellness Healthcare Corporation (the “registrant”);
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, considering the circumstances 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, 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 Exchange Act Rules 13a-15(f) and 15-d-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, 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 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 control 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 control over financial reporting.

Date: May 15, 2020

/s/ David Markowski

David Markowski,
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1 Certification of the Chief Executive Officer of eWellness Healthcare Corporation pursuant to Section 906 of the Sarbanes Oxley Act of 2002

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of eWellness Healthcare Corporation (the “Company”) for the quarterly period ended March 31, 2020 as filed with the Securities and Exchange Commission (the “Report”), the undersigned Darwin Fogt, Chief Executive Officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the 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 the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

eWellness Healthcare Corporation.

Date: May 15, 2020

By: /s/ Darwin Fogt

Darwin Fogt, Director and Chief Executive Officer
(Principal Executive Officer)

This certification accompanies this Annual Report on Form 10-K pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

Exhibit 32.2 Certification of the Chief Financial Officer of eWellness Healthcare Corporation pursuant to Section 906 of the Sarbanes Oxley Act of 2002

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of eWellness Healthcare Corporation (the “Company”) for the quarterly period ended March 31, 2020 as filed with the Securities and Exchange Commission (the “Report”), the undersigned David Markowski, Chief Financial Officer of the Company, certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the 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 the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

eWellness Healthcare Corporation

Date: May 15, 2020

/s/ David Markowski

David Markowski, Chief Financial Officer
(Principal Financial and Accounting Officer)

This certification accompanies this Annual Report on Form 10-K pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.
