LIFEAPPS BRANDS, INC.

Potential M&A Deals to Drive Stock Price Higher

Rob Goldman
rob@goldmanresearch.com

September 12, 2016

LIFEAPPS BRANDS, INC. (OTC – LFAP - $0.01)	
Industry: Medical and Wellness	Rating: Speculative Buy

COMPANY SNAPSHOT

LifeApps Brands, Inc. is an emerging company seeking to acquire companies in the medical and wellness arenas that offer significant growth opportunities and can leverage its expertise. Via its legacy business, LifeApps is a digital media provider of apps and content in the medical, wellness, and popular fitness segments. The Company is a leading, authorized developer, publisher and licensee for Apple iOS – iPhone, iPod Touch, and iPad – and Android tablets on Google Play and Kindle Fire and Androids via Amazon Mobile Marketplace.

KEY STATISTICS

Price as of 9/9/16	$0.01
52 Week High – Low	$0.08 - $0.0021
Est. FD Shares Outstanding	20.5M
Market Capitalization	NMF
Average Volume	55,582
Exchange	OTCPK

COMPANY INFORMATION

LifeApps Brands, Inc.
Polo Plaza
3790 Via De La Valle
#116E
Del Mar CA 92014
858.577.0500
www.lifeappsbrands.com
info@lifeappsmedia.com

INVESTMENT HIGHLIGHTS

LifeApps' current low valuation could take a significant turn higher in the near term. The Company is in the midst of transitioning from a noted digital media firm in the health care and wellness markets to an emerging specialty health sciences and wellness firm. This transition is expected to occur via M&A activity or through internal development.

When LFAP announced it signed an LOI in May, the stock ran from a sub-penny to $0.08 per share on enormous volume. Although that deal did not close, it illustrates the impact of a targeted acquisition on LFAP. We believe management is looking closely at other targets, with the aid of a firm specializing in emerging company M&A.

Business model and business structure changes bode well for investors. The Company exited businesses that were a drag on finances and reverse split the stock to a normalized level. At present, the public float hovers around a 10M shares, which means it does not take a lot of buying on news to move these shares higher.

Core business remains active and management is fully engaged. The digital app segment remains active and during the transition period, management has funded operation through loans to the company, rather than unfavorable outside debt or equity financings.

We believe the stock would again move substantially higher on news of a deal in the health care space. Based on recent events, the current price appears to be an excellent entry point and we believe further value will be garnered once a deal is closed.

THE OLD LIFEAPPS

The Company's legacy business is as a digital media provider of apps and content in the medical, wellness, and popular fitness segments. The Company is a leading, authorized developer, publisher and licensee for Apple iOS – iPhone, iPod Touch, and iPad – and Android tablets on Google Play and Kindle Fire and Androids via Amazon Mobile Marketplace.

Building on the success of the popular LifeApps *MDWorkout* mobile app platform, the Company seeks to bring together consumer mHealth lifestyle products, like-minded health organizations and medically-based health and fitness research organizations to create apps. The convergence of consumer apps with medical programs and clinical research is a key cog in the mHealth marketplace, and LifeApps is uniquely positioned to remain a player in this space.

THE NEW LIFEAPPS

Still, despite the popularity of its content, management was unable to generate major revenue and secure a profit for the digital media segment. As a result, the Company changed the name of the firm from *LifeApps Digital Media* to *LifeApps Brands* and modified its strategy by leveraging its knowledge of the medical and wellness arenas. Thus, management charged its leadership to evaluate new M&A opportunities in the medical, health, wellness, technology, and science realm, and actively engage in M&A, if significant growth can be achieved with meaningful ROI.

In May 2016, LifeApps entered into an LOI with a medical devices company. Although the deal did not transpire, LifeApps retains non-exclusive rights to acquire the firm and LifeApps has retained an investment firm that specializes in emerging company M&A to source candidates and help perform due diligence. The stock popped on the news and following the filing of an 8-K of the aforementioned deal, and we believe that history can repeat itself. Moreover, we believe that management can leverage its reputation in health care's digital world, and successfully close a transaction of a company that offers in-demand physical and/or digital products, which would substantially raise the Company's profile and its current, anemic valuation, which does not reflect current prospects. After all, when a public company buys a private company it enjoys leverage of the private market valuation prior to the purchase, and reaps the benefit of the public market valuation for that entity, following the closing of the transaction.

RISK FACTORS

Obviously the biggest risk to these shares is failure to acquire a company that is viewed as an asset on which to build the new LifeApps. However, with the aid of its partner, we believe this risk is mitigated.

There are also market risks associated with LifeApps. Volatility and liquidity are typical concerns for microcap stocks that trade on the over the counter market especially those that are not generating meaningful revenue. Finally, the shares outstanding of this stock could increase due to potential capital needs or to execute future acquisitions. However, since the proceeds of any future funding would likely be used in large part to fund its advanced exploration and development efforts, we believe that any dilutive effect from such a funding would be nullified by a related increase in overall market value.

CONCLUSION

LifeApps' current low valuation could take a significant major turn higher in the near term. When LFAP announced it signed an LOI in May, the stock ran from a sub-penny to $0.08 per share on enormous volume. Although that deal did not close, it illustrates the impact of a targeted acquisition on these shares. We believe management is closing on other targets, with the aid of a firm specializing in emerging company M&A.

With early stage companies, it is always a bet on management. Kudos to LifeApps management which exited businesses that were a drag on finances and reverse split the stock to a normalized level and funded operations through loans to the company from its own pockets, rather via than unfavorable outside debt or equity financings. These steps strengthen our belief in successful M&A execution.

We believe the stock would once again move substantially higher on news of a deal in the health care space. Based on recent events, the current price appears to be an excellent entry point and believe further value will be garnered once a deal is closed. In our view, LifeApps represents a high risk investment or a short term trade that offers considerable upside.

RECENT TRADING HISTORY FOR LIFEAPPS BRANDS, INC.

(Source: www.Stockta.com)

SENIOR ANALYST: ROBERT GOLDMAN

Rob Goldman founded Goldman Small Cap Research in 2009 and has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

ANALYST CERTIFICATION

I, Robert Goldman, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.

DISCLAIMER

This *Opportunity Research* report was prepared for informational purposes only.

Goldman Small Cap Research, (a division of Two Triangle Consulting Group, LLC) produces research via two formats: *Goldman Select Research* and *Goldman Opportunity Research.* The *Select* format reflects the Firm's internally generated stock ideas along with economic and stock market outlooks. *Opportunity Research* reports, updates and Microcap Hot Topics articles reflect sponsored (paid) research but can also include non-sponsored micro-cap research ideas that typically carry greater risks than those stocks covered in the *Select Research* category. It is important to note that while we may track performance separately, we utilize many of the same coverage criteria in determining coverage of all stocks in both research formats. Research reports on profiled stocks in the *Opportunity Research* format typically have a higher risk profile, and may offer greater upside. *Goldman Small Cap Research* was compensated by the Company in the amount of $3000 for a research subscription service and expects to be compensated $3000 for future research services in 2016. All information contained in this report was provided by the Company via filings, press releases or its website, or through our own due diligence. Our analysts are responsible only to the public, and are paid in advance to eliminate pecuniary interests, retain editorial control, and ensure independence. Analysts are compensated on a per report basis and not on the basis of his/her recommendations.

Goldman Small Cap Research is not affiliated in any way with Goldman Sachs & Co.

Separate from the factual content of our articles about the Company, we may from time to time include our own opinions about the Company, its business, markets and opportunities. Any opinions we may offer about the Company are solely our own, and are made in reliance upon our rights under the First Amendment to the U.S. Constitution, and are provided solely for the general opinionated discussion of our readers. Our opinions should not be considered to be complete, precise, accurate, or current investment advice. Such information and the opinions expressed are subject to change without notice.

The information used and statements of fact made have been obtained from sources considered reliable but we neither guarantee nor represent the completeness or accuracy. *Goldman Small Cap Research* did not make an independent investigation or inquiry as to the accuracy of any information provided by the Company, or other firms. *Goldman Small Cap Research* relied solely upon information provided by the Company through its filings, press releases, presentations, and through its own internal due diligence for accuracy and completeness. Such information and the opinions expressed are subject to change without notice. A *Goldman Small Cap Research* report or note is not intended as an offering, recommendation, or a solicitation of an offer to buy or sell the securities mentioned or discussed. This report does not take into account the investment objectives, financial situation, or particular needs of any particular person. This report does not provide all information material to an investor's decision about whether or not to make any investment. Any discussion of risks in this presentation is not a disclosure of all risks or a complete discussion of the risks mentioned. Neither *Goldman Small Cap Research*, nor its parent, is registered as a securities broker-dealer or an investment adviser with FINRA, the U.S. Securities and Exchange Commission or with any state securities regulatory authority.

ALL INFORMATION IN THIS REPORT IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESSED OR IMPLIED, OR REPRESENTATIONS OF ANY KIND. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, *TWO TRIANGLE* CONSULTING GROUP, LLC WILL NOT BE LIABLE FOR THE QUALITY, ACCURACY, COMPLETENESS, RELIABILITY OR TIMELINESS OF THIS INFORMATION, OR FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT MAY ARISE OUT OF THE USE OF THIS INFORMATION BY YOU OR ANYONE ELSE (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOSS OF OPPORTUNITIES, TRADING LOSSES, AND DAMAGES THAT MAY RESULT FROM ANY INACCURACY OR INCOMPLETENESS OF THIS INFORMATION). TO THE FULLEST EXTENT PERMITTED BY LAW, *TWO TRIANGLE CONSULTING GROUP*, LLC WILL NOT BE LIABLE TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY, OR OTHER THEORY WITH RESPECT TO THIS PRESENTATION OF INFORMATION.

For more information, visit our Disclaimer: www.goldmanresearch.com