

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**  
**Release No. 11189 / May 16, 2023**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3- 21426**

**In the Matter of**

**VERDE BIO HOLDINGS,  
INC.,**

**Respondent.**

**ORDER INSTITUTING CEASE-AND-  
DESIST PROCEEDINGS PURSUANT TO  
SECTION 8A OF THE SECURITIES ACT  
OF 1933, MAKING FINDINGS, AND  
IMPOSING A CEASE-AND-DESIST  
ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) against Verde Bio Holdings, Inc. (“Verde Bio” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over it and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), as set forth below.

**III.**

On the basis of this Order and Respondent’s Offer, the Commission finds that:

## Summary

1. This matter involves Verde Bio’s failure to comply with Regulation A, which provides a limited exemption to the registration requirements of the Securities Act for certain public offerings. Specifically, after obtaining qualification to offer a specific number of shares pursuant to Regulation A, Verde Bio improperly increased the number of shares offered and thereafter offered and sold shares in an offering that was not exempt from registration pursuant to Regulation A. As a result, Verde Bio offered and sold securities in violation of Sections 5(a) and 5(c) of the Securities Act.

## Respondent

2. Verde Bio is a Nevada corporation with its principal place of business in Frisco, Texas. Its common stock trades on OTC Link whose parent company is OTC Markets Group Inc. Verde Bio’s public filings state that Verde Bio is an energy company that is involved in oil and gas exploration and investment.

## Facts

3. Verde Bio offered shares of common stock to investors from January 19, 2021 through approximately June 24, 2021 (the “Offering”). It sold approximately 1 billion shares between January 26, 2021 and June 24, 2021, raising a total of approximately \$10 million. Verde Bio did not register the Offering with the Commission but instead sought to rely on the limited exemption from registration found in Regulation A.

4. In connection with the Offering, on November 13, 2020, Verde Bio filed an offering statement on Form 1-A with the Commission. On January 11, 2021, Verde Bio filed an amended offering statement on Form 1-A/A with the Commission, which the Commission qualified on January 19, 2021. Under the qualified offering statement, Verde Bio proposed to sell up to 100 million shares of common stock at a fixed price of \$0.01 per share. Between January 26, 2021 and March 15, 2021, Verde Bio offered and sold approximately 93 million shares.

5. Between March 15, 2021 and April 28, 2021, Verde Bio filed the following offering circular supplements on Form 253G2 with the Commission that increased the number of shares offered (the “Supplements”):

<b>Date of Supplement</b>	<b>New Number of Shares Offered</b>
March 15, 2021	200,000,000 shares
March 25, 2021	300,000,000 shares
April 8, 2021	500,000,000 shares
April 28, 2021	1,000,000,000 shares

Verde Bio did not file new offering statements or post-qualification amendments to obtain qualification for these modified offerings. Instead, between March 15, 2021 and June 24, 2021, Verde Bio offered and sold approximately 907 million shares and raised approximately \$9.07 million under the terms of the Supplements.

6. An issuer is not permitted to use an offering circular supplement to increase the number of securities offered under Regulation A. Additional securities may be offered only pursuant to a new offering statement or a post-qualification amendment qualified by the Commission. *See* Rules 252(e), 253(b) and Note to 17 C.F.R. § 230.253 (“An offering circular supplement may not be used to increase the volume of securities being offered. Additional securities may only be offered pursuant to a new offering statement or post-qualification amendment qualified by the Commission.”). Because Verde Bio increased the number of securities offered by filing the Supplements and did not file new offering statements or post-qualification amendments that were qualified by the Commission, it offered and sold securities in contravention of the requirement that qualification is a necessary component for Regulation A sales. *See* Rules 251(d)(1) and 251(d)(2). As a result, Regulation A did not apply to the offers and sales made after Verde Bio’s filing of the Supplements.

### **Violations**

7. Section 5(a) of the Securities Act prohibits the use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell a security unless a registration statement is in effect as to such security. Section 5(c) of the Securities Act prohibits the use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy a security unless a registration statement has been filed as to such security.

8. Verde Bio offered to sell and sold its securities without a registration statement filed or in effect and without a valid exemption from registration. As a result of the conduct described above, Verde Bio violated Sections 5(a) and 5(c) of the Securities Act.

### **IV.**

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Verde Bio’s Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 8A of the Securities Act, Respondent Verde Bio cease and desist from committing or causing any violations and any future violations of Sections 5(a) and 5(c) of the Securities Act.

B. Respondent shall, within 14 days of the entry of this Order, pay a civil money penalty in the amount of \$90,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Section 21F(g)(3) of the Securities Exchange

Act of 1934 (“Exchange Act”). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier’s check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Verde Bio as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Assistant Director Anne C. McKinley, Division of Enforcement, Chicago Regional Office, Securities and Exchange Commission, 175 W. Jackson Boulevard, Suite 1450, Chicago, IL 60604.

C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, it shall not argue that it is entitled to, nor shall it benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent’s payment of a civil penalty in this action (“Penalty Offset”). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that it shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission’s counsel in this action and pay the amount of the

Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a “Related Investor Action” means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

By the Commission.

Vanessa A. Countryman  
Secretary