

Quantum Bit Induction Technology, Inc.  
(a Nevada Corporation)

**1<sup>st</sup> QUARTER 2011 INFORMATION AND DISCLOSURE STATEMENT**

**Item 1 - Exact name of the issuer and the address of its principal office.**

Quantum Bit Induction Technology, Inc.  
11152 Westheimer #118, Houston, Texas 77042  
phone: 832-377-7149  
email: [qbitoffice@quantumbit.com](mailto:qbitoffice@quantumbit.com)  
website: [www.quantumbit.com](http://www.quantumbit.com)

**Item 2 - Shares Outstanding**

Class of Securities	Period Ending	Shares Authorized	Shares Outstanding	Tradable Shares / Public Float (1)	Beneficial Owners (2)	Shareholders of Record (3)
Common Stock	March 31, 2011	2,500,000,000	1,842,333,000	159,607,937	602	267
	December 31, 2010	2,500,000,000	1,842,333,000	1,120,978	586	271
	December 31, 2009	2,500,000,000	2,500,000,000	915,238	455	142
Class B Stock	March 31, 2011	100,000,000	N/A	N/A	N/A	N/A
	December 31, 2010	100,000,000	N/A	N/A	N/A	N/A
	December 31, 2009	100,000,000	1,605,666	N/A	97	117

- (1) Represents shares held in street name, and shares held by registered shareholders where the transfer agent's records indicate the shares do not contain a restrictive legend. Does not include restricted shares held by registered shareholders that may be sold under Rule 144.
- (2) Represents street name and registered shareholders.
- (3) Represents registered shareholders only.

**Item 3 - Interim financial statements.**

The following financial statements for the Company for the quarterly period ended March 31, 2011 have been attached to the end of this document and are incorporated herein by reference:

1. Balance Sheet as of March 31, 2011;
2. Statement of Income for the three months ended March 31, 2011;
3. Statement of Changes in Stockholders' Equity for the three months ended March 31, 2011;
4. Statement of Cash Flows for the three months ended March 31, 2011;
5. Notes to Financial Statements.

The financial statements were prepared internally by the company's Treasurer and management. Financial archive for earlier years is available on the Company's website.

**Item 4 - Management's Discussion and Analysis or Plan of Operation.**

**Forward Looking Statements**

*This report contains forward-looking statements that involve risks and uncertainties, such as statements about our plans, objectives, expectations, assumptions, or future events. In some cases, you can identify forward-looking statements by terminology such as "anticipate," "estimate," "plan," "project," "predict," "potential," "continue," "ongoing," "expect," "believe," "intend," "may," "will," "should," "could," or the negative of these terms or other comparable terminology. These statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that could cause*

*actual results to differ materially from any future results, performances, or achievements expressed or implied by the forward-looking statements. Actual future results and trends may differ materially from those made in or suggested by any forward-looking statements due to a variety of factors, including, for example, our ability to compete with other payment systems, the risk of loss due to fraud and disputes between senders and recipients; and the fact that our status under state, federal and international financial services regulation is unclear. Consequently, you should not place undue reliance on these forward-looking statements.*

*The forward-looking statements speak only as of the date on which they are made and, except as required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.*

## **Overview**

The Company continues to protect and develop its technical work. The Company was founded to pursue the technologies that sound theory was telling serious science were possible. In our history we have taken tight budgets and attempted to commercialize. Most of the money raised by the Company came from its founders over the years and our mission progress continues. We have historically raised capital and expensed the money on technical work. We have learned in the recent few years this is corporately unsound.

The Company became a 9% limited partner of QBIT Investment Fund, LP by investing Common Shares. QBIT Investment Fund, LP is controlled by Craig Nelson of Houston, Texas. QBIT Investment Fund, LP's business objective is to provide stable limited partnership income to the Company while protecting or growing capital value.

The Company plans to use income provided by QBIT Investment Fund, LP to perfect our technologies and products. QBIT Investment Fund, LP has committed to develop adequate partnership income and cash distribution to satisfy the cash requirements of the Company into the future.

### **A. Plan of Operation.**

#### **1. Describe the issuer's plan of operation for the next twelve months.**

- i. The Company anticipates partnership income from QBIT Investment Fund to satisfy its cash requirements;
- ii. We will embody negative group delay in digital signal processors and cascade the devices. This should give us usable time advance in data streams.
- iii. We will build an ultrasonic and electrically resonant water electrofusion device and quantify its operating results.
- iv. We do not expect significant expenditures for equipment or facilities.
- v. We expect the number of full time employees to grow to 7 within a year.

### **B. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

The Company received \$31,581 over the previous three months from QBIT Investment Fund, LP. This quarterly amount is scheduled to rise during calendar 2011 to \$75,000 per quarter.

### **C. Off-Balance Sheet Arrangements.**

We do not currently have off-balance sheet arrangements.

### **Item 5 - Legal Proceedings**

There are no past, pending or threatened legal proceeding or administrative actions by or against the issuer.

### **Item 6 - Defaults upon senior securities.**

There were no defaults on any debts or securities during the period.

### **Item 7 - Other Information**

Not Applicable

### **Item 8 - Exhibits.**

Not Applicable

### **Item 9 - Certifications.**

I, Mike Skillern, certify that:

1. I have reviewed this 1<sup>st</sup> QUARTER INFORMATION AND DISCLOSURE STATEMENT of Quantum Bit Induction Technology, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statement were made, not misleading with respects to the period covered by this disclosure statement, and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 12, 2011

/s/ Mike Skillern

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Mike Skillern  
President & Director

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Accrual Basis

**Quantum Bit Induction Technology, Inc.**  
**Balance Sheet**  
**As of March 31, 2011**

	<b>March 31, 2011</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	9,966.25
Other Current Assets	<u>990,809.10</u>
<b>Total Current Assets</b>	1,000,775.35
<b>Fixed Assets</b>	6,044.36
<b>Other Assets</b>	<u>31,218.77</u>
<b>TOTAL ASSETS</b>	<b><u>1,038,038.48</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	44,447.72
Credit Cards	29,234.00
Other Current Liabilities	<u>9,551,727.78</u>
<b>Total Current Liabilities</b>	<u>9,625,409.50</u>
<b>Total Liabilities</b>	9,625,409.50
<b>Equity</b>	<u>-8,587,371.02</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>1,038,038.48</u></b>

**Quantum Bit Induction Technology, Inc.**  
**Profit & Loss**  
January through March 2011

	<u>Jan - Mar 11</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Return on Investment	31,581.00
<b>Total Income</b>	<u>31,581.00</u>
<b>Expense</b>	
Office Expenses	7,499.00
Compensation of Officers	67,500.00
Computer/Internet Software	375.00
<b>Total Computer/Internet</b>	<u>375.00</u>
Director's Fees	4,500.00
Professional Services	
Public Relations	
News Releases	320.00
<b>Total Public Relations</b>	<u>320.00</u>
Legal Fees	5,860.00
Transfer Agent	40.00
Professional Services - Other	6,100.00
<b>Total Professional Services</b>	<u>12,320.00</u>
Rent	2,865.00
Telephone	
Cellular	380.00
<b>Total Telephone</b>	<u>380.00</u>
<b>Total Expense</b>	<u>95,439.00</u>
<b>Net Ordinary Income</b>	<u>-63,858.00</u>
<b>Net Income</b>	<u><u>-63,858.00</u></u>

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**Quantum Bit Induction Technology, Inc.**  
**Statement of Cash Flows**  
January through March 2011

	<u>Jan - Mar 11</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	-63,858.00
Adjustments to reconcile Net Income to net cash provided by operations:	
Loan - Peter McCain	22,500.00
Loan- Ellis Gibson	22,500.00
Loan- Mike Skillern	22,500.00
Loan- Other	-500.00
Net cash provided by Operating Activities	<u>3,142.00</u>
Net cash increase for period	3,142.00
Cash at beginning of period	<u>6,824.25</u>
Cash at end of period	<u><u>9,966.25</u></u>

**Quantum Bit Induction Technology, Inc.**  
**Stockholder's Equity**  
**March 31, 2011**

	Mar 31, 2011	Dec 31, 2010	Dec 31, 2009	Dec 31, 2008
Class B	\$0	\$0	\$56,661	\$56,661
Common Stock	\$936,717	\$936,717	\$880,056	\$880,056
Paid in Capital	\$63,610	\$63,610	\$43,610	\$30,110
Retained Earnings	-\$8,480,808	-\$8,416,950	-\$4,448,554	-\$446,076
Net Income	-\$63,858	-\$1,106,890	-\$3,968,396	-\$4,002,479
<b>Total Equity</b>	<b>-\$8,587,371</b>	<b>-\$8,543,513</b>	<b>-\$7,436,623</b>	<b>-\$3,481,727</b>
Class B Outstanding	0	0	1,605,666	1,612,643
<b>Equity Per Class B Share</b>	n/a	n/a	n/a	n/a
Common Shares Outstanding	1,842,333,000	1,842,333,000	2,500,000,000	1,100,668,801
<b>Equity Per Common Share</b>	<b>-\$0.00466</b>	<b>-\$0.00464</b>	<b>-\$0.00297</b>	<b>-\$0.00316</b>

Notes to Financial Statements

1. The Financial Statements were prepared from the Company's Quickbooks program by Management. Professional accountants were not used in preparing the reports.
2. Debt to officers is mostly accrued it does not reflect money paid.