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

FORM 10-Q

(Mark One)
☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: **December 31, 2017**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________________ to ____________________.

Commission file number: **000-50053**

AMERITYRE CORPORATION
(Exact name of small business issuer as specified in its charter)

NEVADA (State or other jurisdiction of incorporation or organization)	**87-0535207** (I.R.S. Employer Identification No.)
1501 INDUSTRIAL ROAD, BOULDER CITY, NEVADA (Address of principal executive offices)	**89005** (Zip Code)

(702) 293-1930
(Issuer's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ 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 large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," accelerated filer" "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☒ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

The number of shares outstanding of Registrant's Common Stock as of February 14, 2018: 43,976,346

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

AMERITYRE CORPORATION
Balance Sheets

	December 31, 2017	June 30, 2017
	(Unaudited)	
ASSETS		
CURRENT ASSETS		
Cash	$ 130,456	$ 340,256
Accounts receivable	492,215	284,004
Inventory - net	548,973	576,191
Prepaid and other current assets	146,306	112,368
Total Current Assets	1,317,950	1,312,819
PROPERTY AND EQUIPMENT		
Leasehold improvements	195,808	196,223
Molds and models	583,611	577,549
Equipment	2,982,218	2,982,218
Furniture and fixtures	59,057	74,921
Construction in progress	-	17,351
Software	339,009	339,009
Less - accumulated depreciation	(3,930,413)	(3,914,142)
Total Property and Equipment	229,290	273,129
OTHER ASSETS		
Patents and trademarks - net	144,036	155,952
Non-current inventory	202,648	228,403
Deposits	11,000	11,000
Total Other Assets	357,684	395,355
TOTAL ASSETS	$ 1,904,924	$ 1,981,303
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 506,641	$ 468,489
Current portion of long-term debt	19,872	19,382
Current portion of lease liability	4,755	6,967
Deferred revenue	-	-
Total Current Liabilities	531,268	494,838
Long-term debt	115,133	124,482
Long-term lease liability	-	1,426
Total Long-Term Liabilities	115,133	125,908
TOTAL LIABILITIES	646,401	620,746
STOCKHOLDERS' EQUITY		
Preferred stock: 5,000,000 shares authorized of $0.001 par value, 2,000,000 shares issued and outstanding, respectively	2,000	2,000
Common Stock: 75,000,000 shares authorized of $0.001 par value, 43,312,107 and 43,312,107 shares issued and outstanding, respectively	43,312	43,312
Additional paid-in capital	62,616,457	62,615,728
Stock payable	13,462	-
Accumulated deficit	(61,416,708)	(61,300,483)
Total Stockholders' Equity	1,258,523	1,360,557
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,904,924	$ 1,981,303

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

AMERITYRE CORPORATION
Statements of Operations
(Unaudited)

	For the Three Months Ended December 31,		For the Six Months Ended December 31,	
	2017	**2016**	**2017**	**2016**
NET SALES	$ 866,944	$ 879,607	$ 1,792,660	$ 1,715,760
COST OF GOODS SOLD	592,335	612,336	1,244,152	1,167,788
GROSS PROFIT	274,609	267,271	548,508	547,972
EXPENSES				
Research and development	53,002	56,185	111,143	109,044
Sales and marketing	49,583	58,961	115,318	126,191
General and administrative	173,328	147,477	368,279	339,783
Total Expenses	275,913	262,623	594,740	575,018
(LOSS) INCOME FROM OPERATIONS	(1,304)	4,648	(46,232)	(27,046)
OTHER (EXPENSE)/INCOME				
Interest expense	(1,331)	(1,879)	(2,814)	(5,064)
Interest income	66	47	174	100
Loss on asset abandonment	-	-	(17,352)	-
Total Other (Expense)/Income	(1,265)	(1,832)	(19,992)	(4,964)
NET (LOSS) INCOME	(2,569)	2,816	(66,224)	(32,010)
Preferred Stock Dividend	(25,000)	(25,000)	(50,000)	(50,000)
NET LOSS ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ (27,569)	$ (22,184)	$ (116,224)	$ (82,010)
BASIC AND DILUTED LOSS PER SHARE	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	43,312,107	42,325,287	43,312,107	42,313,874

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

AMERITYRE CORPORATION
Statements of Cash Flows
(Unaudited)

	For the Six Months Ended December 31, 2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (66,224)	$ (32,010)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:		
Depreciation and amortization expense	44,467	52,782
Stock based compensation	14,191	15,223
Loss on asset abandonment	17,352	-
Changes in operating assets and liabilities:		
Accounts receivable	(208,211)	49,405
Inventory and inventory reserve	52,973	37,348
Prepaid and other current assets	(33,938)	(62,033)
Accounts payable and accrued expenses	(11,851)	(9,218)
Net Cash Provided (Used) by Operating Activities	(191,241)	51,497
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(6,062)	(11,424)
Net Cash Used by Investing Activities	(6,062)	(11,424)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on lease liability	(3,638)	(2,965)
Payments on notes payable	(8,859)	(5,609)
Net Cash (Used) by Financing Activities	(12,497)	(8,574)
NET INCREASE (DECREASE) IN CASH	(209,800)	31,499
CASH AT BEGINNING OF PERIOD	340,256	267,302
CASH AT END OF PERIOD	$ 130,456	$ 298,801
SUPPLEMENTAL SCHEDULE OF CASH FLOW ACTIVITIES		
Interest paid	$ 2,815	$ 5,064
Income taxes paid	$ -	$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Write off of previously reserved forklift tires	$ -	$ 81,224
Purchase of fixed assets through debt	$ -	$ 95,625
Accrued preferred stock dividends	$ 50,000	$ 50,000
Issuance of stock for stock payable	$ -	$ 4,500
Write off fully depreciated fixed assets no longer in use	$ 16,280	$ -

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

AMERITYRE CORPORATION
Notes to the Unaudited Financial Statements
December 31, 2017

NOTE 1 - BASIS OF FINANCIAL STATEMENT PRESENTATION

The accompanying unaudited condensed financial statements have been prepared by us pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted in accordance with such rules and regulations. The information furnished in the interim condensed financial statements includes normal recurring adjustments and reflects all adjustments, which, in the opinion of management, are necessary for a fair presentation of such financial statements. We believe the disclosures and information presented are adequate to make the information not misleading. These interim condensed financial statements should be read in conjunction with our most recent audited financial statements and notes thereto included in our June 30, 2017 Annual Report on Form 10-K. Operating results for the quarter ended December 31, 2017 are not necessarily indicative of the results that may be expected for the current fiscal year ending June 30, 2018.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies disclosed therein have not changed since our audited financial statements and notes thereto included in our June 30, 2017 Annual Report on Form 10-K, except as noted below.

Revenue Recognition

The majority of our revenue is derived from short-term sales contracts. We account for revenue in accordance with Accounting Standards Codification ("ASC") Topic 606, "Revenue from Contracts with Customers", which we adopted on July 1, 2017, using the modified retrospective method.

Revenue for our products is recognized at the time in which our performance obligation is satisfied which we have defined as "control" of the product by the customer. "Control" is defined as a customer having "rights/obligations of physical control over the product or has the rights and intention to control the product." Based on the terms of our contracts, a customer's "control" is based on analysis of the following; (i) when a customer arranges their own shipping, and once the product has left our dock, Amerityre recognizes revenue for the product. In effect by arranging their own shipping the customer is "taking control" of the product when it leaves our warehouse; or (ii) when a customer does not arrange their own shipping we cannot recognize revenue until it is delivered and the customer takes "control" of the product.

This establishes a "deferred revenue" event until such time as delivery of the product has been completed and we have proof from the shipper of the delivery (and change in control).

We invoice the customer at shipping, starting the accounts receivable process. Our Company collection policies on products does not change (this includes any prepayment and credit establishment processes). Nor do our refund and return policies change where credit is provided on account for the next purchase as no refunds are given.

The result of this accounting change, and the routine December plant shut down, resulted in no deferred revenue for the period ended December 31, 2017 as all items were shipped and received by customers.

Shipping and Handling

Shipping and Handling Fees require that freight costs charged to customers be classified as revenues. Freight expenses are included in costs of sales and are recognized as incurred. However, due to our adoption of ASC 606 as discussed above, we defer the revenues of shipping and handling until the related revenue is also recognized.

The result of this accounting change, and the routine December plant shut down, resulted in no deferral as of December 31, 2017.

AMERITYRE CORPORATION
Notes to the Unaudited Financial Statements
December 31, 2017

Basic and Fully Diluted Net Loss Per Share

Basic and Fully Diluted net loss per share is computed using the weighted-average number of common shares outstanding during the period.

Our outstanding stock options and warrants and shares issuable upon conversion of outstanding convertible notes have been excluded from the basic and fully diluted net loss per share calculation. We excluded 3,730,000 and 3,800,000 common stock equivalents for the periods ended December 31, 2017 and 2016, respectively, because they are anti-dilutive.

Recent Accounting Pronouncements

Recently Adopted and Recently Issued Accounting Guidance

Issued

In February 2016, the FASB issued ASU No. 2016-02, “Leases”, (“ASU 2016-02”) which amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. ASU 2016-02 will become effective for public companies during interim and annual reporting periods beginning after December 15, 2018 with early adoption permitted. The Company is currently evaluating the impact of the adoption of ASU 2016-02 on the Company’s financial statements.

In March 2016, the FASB issued ASU No. 2016-09, “Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting.” ASU 2016-09 amends several aspects of the accounting for share-based payment transactions including the income tax consequences, classification of awards as either equity or liabilities and classification on the statement of cash flows. ASU 2016-09 is effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. Early adoption is permitted. If early adopted, an entity must adopt all of the amendments in the same period. The Company is currently evaluating the impact of the adoption of ASU 2016-09 on the Company’s financial statements.

In May 2017, the FASB issued ASU No. 2017-09, “Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting” Issued to provide clarity and reduce diversity on practice and the cost and complexity to a change in the terms and conditions of a share-based payment award. ASU 2017-09 is effective for all entities for annual periods, and interim periods within those annual periods, beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. The Company is currently evaluating the impact of the adoption of ASU 2016-09 on the Company’s financial statements.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the American Institute of Certified Public Accountants, and the SEC, did not, or are not believed by management to, have a material impact on the Company’s present or future financial position, results of operations or cash flows.

AMERITYRE CORPORATION
Notes to the Unaudited Financial Statements
December 31, 2017

NOTE 3 - INVENTORY

Inventory is stated at the lower of cost (computed on a first-in, first-out basis) or net realizable value. The inventory consists primarily of chemicals, finished goods produced in our plant and products purchased for resale.

	December 31, 2017 (Unaudited)	June 30, 2017
Raw Materials	$ 249,264	$ 262,187
Finished Goods	557,793	595,910
Inventory reserve	(55,437)	(53,503)
Inventory - net	$ 751,620	804,594

Our inventory reserve reflects items that were deemed to be defective or obsolete based on an analysis of all inventories on hand.

In fiscal years 2018 and 2017, the Company critically reviewed all slow moving inventory to determine if defective or obsolete. If not defective or obsolete we presented these items as non-current inventory, although all inventory is ready and available for sale at any moment.

NOTE 4 - DEBT

A former board member, Silas O. Kines, was the principal owner of Forklift Tire of Florida and K-2 Industrial Tire, Inc. In accordance with the Commission Agreement with Forklift Tire of Florida, dated February 2, 2011, between Ameritrye Corporation and K-2 Industrial Tire, Inc., K-2 is due a five percent (5%) commission on all forklift tire sales. In exchange for the forklift models transferred to Ameritrye under that agreement, the first $96,000 in commission payments will be used to extinguish the long term liability recorded on the transaction. As of December 31, 2017, $2,000 and $62,651 (June 30, 2017, $2,000 and $62,940) were recorded for the current and long-term portion, respectively, of the related liability.

In June 2016, the Company executed a term note with U.S. Bank to finance critical manufacturing equipment and operating enhancements. Manufacturing equipment of approximately $29,000 was place in service in July 2016. Various operating enhancement, inclusive of a website redesign, were implemented in fiscal 2017. In the first quarter of fiscal 2018 the last operational enhancement related to a sales customer relation management ("CRM") system was abandoned due to challenges with the selected implementation vendor. The Company is pursuing other options to address its CRM system needs and the amount we financed for the CRM system ($15,000) through this debt instrument remains the Company's liability to pay. Total amount financed for the CRM system, website upgrade, and manufacturing equipment was $55,068, at 5.59% interest, with payments of $1,059 due for 60 months starting July 2016.

In July 2016, the Company executed a term note with U.S. Bank to finance critical plant facility equipment which was placed into service in July 2017. The total amount financed was $37,666 at 5.59% interest, with payments of $720 due for 60 months starting October 2016.

	Payments due by period				
	Total	Less than 1 year	1 to 3 years	3 to 5 years	After 5 years
Bank debt (both US Bank facilities above)	$ 88,614	$ 21,349	$ 67,265	$ -	$ -
Total cash obligations	$ 88,614	$ 21,349	$ 67,265	$ -	$ -

AMERITYRE CORPORATION
Notes to the Unaudited Financial Statements
December 31, 2017

NOTE 5 - CAPITAL LEASE

In July 2015 the Company entered into a capital lease for research and development equipment for $19,337.

The following is a schedule by years of future minimum lease payments under capital leases together with present value of the net minimum lease payments as of December 31, 2017:

2018	$	4,349
2019		725
2020		-
Total minimum lease payments		5,074
Less: executory costs		-
Net minimum lease payments		5,074
Less: amount representing interest		(345)
Present value of net minimum payments	$	4,729

NOTE 6 - STOCK OPTIONS AND WARRANTS

Prior Issuances of options

On December 1, 2016, 480,000 options were granted to the Company's Chief Executive Officer as part of his employment offer. The options have a strike price of $0.10, vest December 1, 2017 and expire December 1, 2020. Year to date expense related to these options is $729 as of December 31, 2017.

A summary of the status of our outstanding stock options as of December 31, 2017 and June 30, 2017 and changes during the periods then ended is presented below:

	December 31, 2017					June 30, 2017				
	Shares		Weight Average Exercise Price		Intrinsic Value	Shares		Weight Average Exercise Price		Intrinsic Value
Outstanding beginning of period	4,280,000	$	0.12			3,800,000	$	0.13		
Granted	-	$	0.00			480,000	$	0.10		
Expired/Cancelled	(550,000)	$	(0.10)			-	$	0.00		
Exercised	-	$	0.00			-	$	0.00		
Outstanding end of period	3,730,000	$	0.13	$	-	4,280,000	$	0.12	$	-
Exercisable	3,730,000	$	0.13	$	-	4,080,000	$	0.12	$	-

AMERITYRE CORPORATION
Notes to the Unaudited Financial Statements
December 31, 2017

NOTE 6 - STOCK OPTIONS AND WARRANTS, Continued

The following table summarizes the range of outstanding and exercisable options as of December 31, 2017:

	Outstanding			Exercisable	
Range of Exercise Prices	Number Outstanding at December 31, 2017	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable at December 31, 2017	Weighted Average Remaining Contractual Life
$ 0.08	150,000	3.92	$ 0.08	150,000	3.92
$ 0.10	2,130,000	1.61	$ 0.10	2,130,000	1.61
$ 0.17	1,450,000	2.92	$ 0.17	1,450,000	2.92
	3,730,000			3,730,000	

NOTE 7 - SUBSEQUENT EVENTS

On January 21, 2018, 60,000 shares were granted to the Company's Chief Financial Officer as part her employment renewal. The shares are valued as of January 21, 2018 and vest ratably through December 2018. In addition to the stock, her base compensation was adjusted to $36,000 per annum.

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

This discussion and analysis contains statements of a forward-looking nature relating to future events or our future financial performance or financial condition. Such statements are only predictions and the actual events or results may differ materially from the results disc-used in or implied by the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in "Part I. Item 1A. Risk Factors" as well as those discussed elsewhere in this report. The historical results set forth in this discussion and analyses are not necessarily indicative of trends with respect to any actual or projected future financial performance. This discussion and analysis should be read in conjunction with the financial statements and the related notes thereto included elsewhere in this report.

Overview

Amerityre engages in the development, manufacturing and sale of polyurethane tires. We believe that we have developed unique polyurethane formulations that allow us to make products with superior performance characteristics, including high abrasion resistance, increased energy efficiency, and higher load-bearing capabilities, when compared to conventional rubber tires. We also believe that our manufacturing processes are more energy efficient than the traditional rubber tire manufacturing processes, in part because our polyurethane compounds do not require the multiple processing steps, extreme heat, and high pressure that are necessary to cure rubber. Using our polyurethane-based technologies, we believe tires can be produced which last longer, are less susceptible to failure and are friendly to the environment.

We concentrate on three segments of the flat free tire market: light duty polyurethane foam tires, polyurethane elastomer industrial tires and agricultural tires. Our focus continues to be applications and markets where our advantages in product technology and tire performance give us an opportunity to obtain premium pricing. Our most recent activities in these areas are set forth below:

Light Duty Polyurethane Foam Tires – The sale of polyurethane foam tires to original equipment manufacturers, distributors and dealers accounts for the majority of our revenue. We have the ability to produce a broad range of products for the light duty tire market. Our efforts in product development and marketing allow us to build customer relationships and expand sales with original equipment manufacturers and tire distributors. We continue our focus on creating unique product solutions for customers with specific tire performance requirements. During fiscal year 2017 we have seen increased interest demand for our golf cart and baggage cart tires, and we expect this trend to continue in the future. In general, our international sales over the past few years have been adversely affected by the strong US dollar, but recent weakening of the US dollar indicates that this headwind may be subsiding.

Polyurethane Elastomer Industrial Tires – Elastomer industrial tires contributed negligible revenue during the quarter. During the fourth quarter of fiscal year 2016 we relaunched the forklift tire product line with select customers. The slow acceptance of our forklift tires in the marketplace continued during the recent quarter. Our scissor lift tire also continues to experience limited interest as OEMs have to date not approved the use of the tire as a replacement for their current offering. We continue to utilize our research and development resources to develop new elastomers that may offer specific advantages in certain tire applications. We have made identification of new customers for our elastomer products a key component of our sales/marketing plan. We continue to have discussions with various potential end-users and eventually expect some of these discussions to translate into higher sales

Agricultural Tires – Sales of agricultural tires during the quarter continue to be negatively impacted by low farm commodity prices, which have reduced farm income levels and funds available for the purchase of farm equipment. In previous years we have seen large "end of year" purchases before the end of the calendar year, but this did not occur during the recent quarter. Recent discussions with farmers indicate that farm commodity pricing is expected to remain challenged for calendar year 2018. Therefore, we are expecting continued difficult conditions for agricultural tire sales. We will continue our marketing efforts to educate the agricultural market about our products. We also expect to launch a new hay baler tire in the coming months that will improve tire durability in the field compared with our current tire.

Due to the Company's limited resources, tire projects which are contingent on additional significant development have been put on hold. However, we continue to support investment in R&D for new and improved products as an important component of the continued turnaround in our overall business, and we will selectively invest in promising opportunities that fit in our current budget. These efforts are primarily targeted on developing improved ng polyurethane formulations for specific tire applications in our target markets.

Our product line covers diverse market segments which are unrelated in terms of customer base, product, distribution, market demands and competition. Our sales team is comprised of our in-house sales department supplemented by three independent manufacturer representatives. The Company's emphasis on proper product pricing and new marketing campaigns continues to drive more sales, as shown by our increase in sales revenue in the first half of fiscal year 2018 versus the same period in fiscal year 2017. Our upgraded website continues to educate the marketplace about our products as well as generate some online sales. We have a solid backlog for orders to be delivered over the next 12 months. We continue to pursue relationships with large distributors and original equipment manufacturers in key market segments. These relationships will bring additional exposure for Amerityre products in the marketplace and lead to increased sales. Our future marketing activities will continue to target higher growth market segments and other opportunities where our premium performance products can address the needs of customers with unique applications.

During the recent quarter our gross margins began to be impacted by higher raw material costs. These increases were driven by an overall reduction of available material in the market due to increased economic activity as well as Southwest suppliers recovering from storm damage to their manufacturing facilities. We expect elevated raw material costs to negatively affect gross margins going forward. We will attempt to mitigate these cost pressures by qualifying alternative supply sources to create a competitive situation when purchasing raw materials. We continue to work on development of new formulations that utilize less expensive raw materials while providing the same level of superior performance that defines our products. We are also considering the implementation of price increases on our finished products in the event raw material prices cannot be offset adequately by cost reduction measures.

Factors Affecting Results of Operations

Our operating expenses consisted primarily of the following:

- Cost of sales, which consists primarily of raw materials, components and production of our products, including applied labor costs and benefits expenses, maintenance, facilities and other operating costs associated with the production of our products;

- Selling, general and administrative expenses, which consist primarily of salaries, commissions and related benefits paid to our employees and related selling and administrative costs including professional fees;

- Research and development expenses, which consist primarily of direct labor conducting research and development, equipment and materials used in new product development and product improvement using our technologies;

- Consulting expenses, which consist primarily of amounts paid to third-parties for outside services;

- Depreciation and amortization expenses which result from the depreciation of our property and equipment, including amortization of our intangible assets; and

- Stock based compensation expense related to stock and stock option awards issued to employees and consultants for services performed for the Company.

Critical Accounting Policies

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with United States generally accepted accounting principles. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. On an ongoing basis, we evaluate our estimates, including those related to uncollectible receivables, inventory valuation, deferred compensation and contingencies. We base our estimates on historical performance and on various other assumptions that we believe to be reasonable under the circumstances. These estimates allow us to make judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

We believe the following accounting policies are our critical accounting policies because they are important to the portrayal of our financial condition and results of operations and they require critical management judgments and estimates about matters that may be uncertain. If actual results or events differ materially from those contemplated by us in making these estimates, our reported financial condition and results of operations for future periods could be materially affected.

Revenue Recognition

The majority of our revenue is derived from short-term sales contracts. We account for revenue in accordance with Accounting Standards Codification ("ASC") Topic 606, "Revenue from Contracts with Customers", which we adopted on July 1, 2017, using the modified retrospective method.

Revenue for our products is recognized at the time in which our performance obligation is satisfied which we have defined as "control" of the product by the customer. "Control" is defined as a customer having "rights/obligations of physical control over the product or has the rights and intention to control the product." Based on the terms of our contracts, a customer's "control" is based on analysis of the following; (i) when a customer arranges their own shipping, and once the product has left our dock, Amerityre recognizes revenue for the product. In effect by arranging their own shipping the customer is "taking control" of the product when it leaves our warehouse; or (ii) when a customer does not arrange their own shipping we cannot recognize revenue until it is delivered and the customer takes "control" of the product.

This establishes a "deferred revenue" event until such time as delivery of the product has been completed and we have proof from the shipper of the delivery (and change in control).

We invoice the customer at shipping, starting the accounts receivable process. Our Company collection policies on products does not change (this includes any prepayment and credit establishment processes). Nor do our refund and return policies change where credit is provided on account for the next purchase as no refunds are given.

The result of this accounting change, and the routine December plant shut down, resulted in no deferred revenue for the period ended December 31, 2017 as all items were shipped and received by customers.

Shipping and Handling

Shipping and Handling Fees require that freight costs charged to customers be classified as revenues. Freight expenses are included in costs of sales and are recognized as incurred. However, due to our adoption of ASC 606 as discussed above, we defer the revenues of shipping and handling until the related revenue is also recognized.

The result of this accounting change, and the routine December plant shut down, resulted in no deferral as of December 31, 2017.

Valuation of Intangible Assets and Goodwill

Patent and trademark costs have been capitalized at December 31, 2017, totaling $487,633 with accumulated amortization of $343,598 for a net book value of $144,036. Patent and trademark costs capitalized at December 31, 2016, totaled $479,633 with accumulated amortization of $317,902 for a net book value of $161,731.

The patents which have been granted are being amortized over a period of 20 years. Patents which are pending or are being developed are not amortized. Amortization begins once the patents have been issued. As of December 31, 2017 and 2016, respectively, there were no pending patents. Annually, pending or expired patents are inventoried and analyzed, which resulted in the recognition of a loss on abandonment, expiration or retirement of patents and trademarks of $-0- for each of the periods ended December 31, 2017 and 2016, respectively.

Amortization expense for the six months ended December 31, 2017 and 2016 was $11,916 and $6,499 respectively. The Company evaluates the recoverability of intangibles and reviews the amortization period on a continual basis utilizing the guidance of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 350, *Intangibles – Goodwill and Other*. We consider the following indicators, among others, when determining whether or not our patents are impaired:

- any changes in the market relating to the patents that would decrease the life of the asset;
- any adverse change in the extent or manner in which the patents are being used;
- any significant adverse change in legal factors relating to the use of the patents;
- current period operating or cash flow loss combined with our history of operating or cash flow losses;
- future cash flow values based on the expectation of commercialization through licensing; and
- current expectations that, more likely than not, the patents will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

Inventory

Inventory is stated at the lower of cost (computed on a first-in, first-out basis) or market. The cost of finished goods includes the cost of raw material, direct and indirect labor, and other indirect manufacturing costs. The inventory consists of chemicals, finished goods produced in the Company's plant and products purchased for resale.

Stock-Based Compensation

We account for stock-based compensation under the provisions of FASB ASC 718, *Compensation – Stock Compensation*. Our financial statements as of and for the six months ended December 31, 2017 and 2016, respectively, reflect the impact of FASB ASC 718. Stock-based compensation expense recognized under FASB ASC 718 for the six months ended December 31, 2017 and 2016 was $14,191 and $15,223, respectively, related to employee stock options and employee stock grants.

FASB ASC 718 requires companies to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in our Statement of Operations. Stock-based compensation expense recognized in our Statements of Operations for six months ended December 31, 2017 and 2016, respectively assume all awards will vest; therefore no reduction has been made for estimated forfeitures.

Results of Operations

Our management reviews and analyzes several key performance indicators in order to manage our business and assess the quality and potential variability of our sales and cash flows. These key performance indicators include:

- Revenues, net of returns and trade discounts, which consists of product sales and services and is an indicator of our overall business growth and the success of our sales and marketing efforts;
- Gross profit, which is an indicator of both competitive pricing pressures and the cost of goods sold of our products and the mix of product and license fees, if any;
- Growth in our customer base, which is an indicator of the success of our sales efforts; and
- Distribution of sales across our products offered.

The following summary table presents a comparison of our results of operations for the fiscal quarters ended December 31, 2017 and 2016 with respect to certain key financial measures. The comparisons illustrated in the table are discussed in greater detail below.

	For the Three Months Ended December 31, (in 000's)			For the Six Months Ended December 31 (in 000's)		
	2017	2016	Change 2017 vs. 2016	2017	2016	Change 2017 vs. 2016
Net revenues	$ 867	$ 879	(1.4%)	$ 1,793	$ 1,716	4.5%
Cost of revenues	(592)	(612)	(3.3%)	(1,244)	(1,168)	6.5%
Gross profit	275	267	2.7%	549	548	0.1%
Research and development expenses	(53)	(56)	(5.7%)	(111)	(109)	1.9%
Sales and marketing expense	(50)	(59)	(15.9%)	(115)	(126)	(8.7%)
General and administrative expense	(173)	(147)	17.5%	(368)	(339)	8.6%
Loss on asset abandonment	-	-	0.0%	(17)	-	100.0%
Other income (expense)	(2)	(2)	0.0%	(4)	(5)	(20.0%)
Net income (loss)	(3)	3	(200.0%)	(65)	(31)	106.9%
Preferred stock dividend	(25)	(25)	0.0%	(50)	(50)	0.0%
Net loss attributable to common shareholders	$ (28)	$ (22)	24.3%	$ (115)	$ (81)	42.0%

Three Months Ended December 31, 2017 Compared to December 31, 2016

Net Sales. Net sales of $866,944 for the quarter ended December 31, 2017, represents a 1.5% decrease compared to over net sales of $879,607 for the same period in 2016. These results were in line with our expectations. Our sales were again driven primarily by closed cell foam tire sales. Our forecast for the remainder of fiscal 2017 anticipates continued challenging sales in the agricultural tire market, due to low commodity prices adversely affecting farm income. While we are working on several new initiatives utilizing our elastomer technology, which may increase sales in the industrial tire segment, we expect our polyurethane foam products to constitute the majority of our sales during the remainder of fiscal year 2018.

Cost of Revenues. Cost of revenues for the quarter ended December 31, 2017 was $592,336 or 68.3% of sales compared to $612,336 or 69.6% of sales for the same period in 2016. Cost of revenues varied due to product mix differences between the two periods, with more profitable products being sold in the recent quarter versus the prior period. As mentioned earlier, raw material price increases are expected to become a major headwind moving forward in FY 2018, putting pressure on our gross margins.

Gross Profit. Gross profit for the quarter ended December 31, 2017 was $274,609 compared to $267,271 for the same period in 2016. Gross profit for the quarter ended December 31, 2017 increased by $7,338 or 2.7% over the same period in 2016 due to the decrease in the cost of revenue. . The December 31, 2017 gross profit reflects a 31.7% gross margin for product sales compared to a gross margin on product sales of 30.4% in the quarter ending December 31, 2016.

Research & Development Expenses (R&D). Research and development expenses for the quarter ended December 31, 2017 were $53,002 compared to $56,185 for the same period in 2016. We continue to focus our R&D efforts on product formulation optimization and new product development. The Company plans to continue this level of expenditure as R&D is a key component of the company's business improvement initiatives.

Sales & Marketing Expenses. Sales and marketing expenses for the quarter ended December 31, 2017 were $49,583 as compared to $58,961 for the same period in 2016. Sales and marketing expenses decreased $9,378 between periods primarily due to lower paid commissions and travel costs.

General & Administrative Expenses. General and administrative expenses for the quarter ended December 31, 2017 were $173,328 compared to $147,477 for the same period in 2016. This increase of $25,851 between periods is driven by increases in salaries, consultant fees, audit fees, and repairs in the current quarter versus the same period in 2016

Other Expense. Other expense for the quarter ended December 31, 2017 was $1,265 compared to $1,832 for the same period in 2016. Other expense consists solely of interest expense and increased in the period due to our new bank debt facilities.

Net (Loss) Income. Net loss for the quarter ended December 31, 2017 was $2,569, compared to a net profit of $2,816 for the quarter ended December 31, 2016

Six Months Ended December 31, 2017 Compared to December 31, 2016

Net Sales. Net sales of $1,792,660 for the six months ended December 31, 2017, represents a 4.5% increase over net sales of $1,715,760 for the same period in 2016. These results were in line with our expectations. Our sales were primarily sales of closed cell foam tire sales, with sales of agricultural and industrial tires being negligible during the period. We continue to have a positive response to our marketing and pricing plans for our polyurethane foam tires, although sales in key markets such as the agriculture market continue to be depressed due to low commodity pricing.

Cost of Revenues. Cost of revenues for the six months ended December 31, 2017 was $1,244,153 or 69.4% of sales compared to $1,167,788 or 68.1% of sales for the same period in 2016. Product mix differences between the two periods is the major factor affecting cost of revenue

Gross Profit. Gross profit for the six months ended December 31, 2017 was $548,508 compared to $547,972 for the same period in 2016. The December 31, 2017 gross profit reflects a 30.6% gross margin for product sales compared to a gross margin on product sales of 31.9% in 2016.

Research & Development Expenses (R&D). Research and development expenses for the six months ended December 31, 2017 were $111,143 compared to $109,044 for the same period in 2016.

Sales & Marketing Expenses. Sales and marketing expenses for the six months ended December 31, 2017 were $115,318 as compared to $126,191 for the same period in 2016. Sales and marketing expenses decreased $10,873 between periods primarily due to the payment of lower sales commission payments and lower travel costs, offset by increased trade show expenses as we attended two trade shows during this six month period.

General & Administrative Expenses. General and administrative expenses for the six months ended December 31, 2017 were $368,279 compared to $339,783 for the same period in 2016. The increase in General and administrative expenses of $28,496 between periods is driven by the factors discussed previously for the Q2 Fiscal Year 2018 variance

Other Expense. Other expense for the six months ended December 31, 2017 was $19,992 compared to $4,964 for the same period in 2016. Other expense consists of loss on the abandonment of fixed assets in relation to a failed CRM implementation and interest expense on our bank debt facilities.

Net Loss. Net loss for the six months ended December 31, 2017 of $66,224 represents a 106.9% increase from the net loss for the six months ended December 31, 2016 of $32,010.

Liquidity and Capital Resources

Our principal sources of liquidity consist of cash and payments received from our customers. We do not have any significant revolving credit arrangements. Historically, our expenses have exceeded our sales, resulting in operating losses. From time to time, we have obtained additional liquidity to fund our operations through the sale of shares of our common stock and the placement of short-term debt instruments. At the end of 2016, we were able to obtain term bank debt financing to finance critical manufacturing equipment and operating enhancements, the majority of which was placed in service in fiscal year 2017. Management continues to evaluate financing options but is choosing to delay financing at terms that subject the Company to high costs of debt and we are reluctant to raise money through stock sales at what we believe are highly dilutive share prices. Additionally, management has notified our preferred shareholder that we are suspending future payments of their preferred cash dividend payments, so the Company can increase its working capital levels.

We have historically not succeeded in establishing favorable revolving short term financing such as lines of credit. In the quarter ended March 31, 2015, we entered into a short term receivable factoring agreement with a third party to sell our receivable invoices. This agreement enables us to sell individual customer invoices for faster cash flow to the Company as we deem needed. As of December 31, 2017, we have not needed to activate this financing option due to increased focus on adherence to established collection policies and proactive communication with repeat customers, including adjusting credit limits to allow for increased sales volume where warranted.

Cash Flows

The following table sets forth our cash flows for the quarters ended December 31, 2017 and 2016.

	Six Months ended Dec. 31, (in 000's)	
	2017	**2016**
Net cash (used) provided by operating activities	$ (191)	$ 51
Net cash used in investing activities	(6)	(11)
Net cash used by financing activities	(13)	(9)
Net (decrease) increase in cash during the period	$ (210)	$ 31

Net Cash Used by Operating Activities. Our primary sources of operating cash during the period ended December 31, 2017 came from collections from customers, however, our period end receivables balance increased as we waited for several large customers to remit payment in early January 2018. Our primary use of operating cash was an increase in prepaid and other current assets, specifically related to renewal of insurance policies. Net cash used by operating activities was $191,242 for the period ended December 31, 2017 compared to net cash provided by operating activities of $51,497 for the same period in 2016.

Non-cash items include depreciation and amortization and stock based compensation. Our net loss was $66,224 for the period ended December 31, 2017 compared to a net loss of $32,010 for the same period in 2016. The net loss for the period ended December 31, 2017 included non-cash expenses for depreciation and amortization of $44,467 and stock-based compensation of $14,191. As of December 31, 2016, depreciation and amortization was $52,782 and stock-based compensation (both stock issued and options) totaled $15,223.

Net Cash Used by Investing Activities. Net cash used by investing activities was $6,062 for the period ended December 31, 2017 and $11,424 for the same period in 2016. In the recent quarter we purchased new production mold tooling. For the period ended December 31, 2016 we purchased critical facility equipment of which $11,424 was paid in cash the remainder financed through bank financing.

Net Cash Used by Financing Activities. Net cash used by financing activities was $12,497 for the period ended December 31, 2017 and $8,574 for the same period in 2016. The primary use of cash for the period ended December 31, 2017 was payment toward the capital lease of $3,638 and payment of notes payable of $8,859.

Contractual Obligations and Commitments

The following table summarizes our contractual cash obligations and other commercial commitments at December 31, 2017.

	Payments due by period				
	Total	**Less than 1 year**	**1 to 3 years**	**3 to 5 years**	**After 5 years**
Facility lease (1)	$ 345,000	$ 138,000	$ 207,000	$ -	$ -
Capital lease (2)	4,755	4,755	-	-	-
Bank debt (3)	88,614	21,349	67,265	-	-
Total contractual cash obligations	$ 438,369	$ 164,104	$ 274,265	$ -	$ -

(1) In May 2015, we negotiated a five (5) year extension of the lease on our executive office and manufacturing facility located at 1501 Industrial Road, Boulder City, Nevada. The property consists of a 49,200 square foot building. We currently occupy all 49,200, inclusive of approximately 5,500 square feet of office space, situated on approximately 4.15 acres. All other terms and conditions of the building lease remain in effect.

(2) In July 2015 we entered into a capital lease for research and development equipment for $19,337.

(3) In June and July 2016, in two separate bank promissory notes, we financed critical manufacturing and facility equipment and operating enhancements, the majority of which was placed in service in fiscal year 2017.

Cash Position, Outstanding Indebtedness and Future Capital Requirements

At February 9, 2018, our total cash balance was $305,209, none of which is restricted; accounts receivables was $305,209; and inventory, net of reserves for slow moving or obsolete inventory, and other current assets was $871.377. Our total indebtedness was $557,007 and includes $298,848 in accounts payable and accrued expenses, $16,962 in current portion of long-term debt, $4,112 in capital lease liability and $115,133 in long-term debt.

We have been working during the past year to improve our liquidity and access to capital resources. In order to fully execute the annual strategic business plan discussed during our shareholder meeting in November 2017, we required more capital resources. However, management continues to maintain that an equity financing at the current market conditions would be too dilutive and not in the best interests of our shareholders. We will continue to pursue potential opportunities to secure short-term loans, long-term bank financing, revolving lines of credit with banking institutions and equity based transactions with interested financial firms and strategic industry partners in our effort to improve the Company's financial position and enhance shareholder value.

The Company currently does not have an existing revolving credit facility. At the end of 2016 we were able to obtain term bank debt financing to finance critical manufacturing equipment and operating enhancements. The majority of these improvements were placed in service during fiscal year 2017. We continue to work with our vendors to obtain extended credit terms and increase credit lines where needed. Additionally, we continue to focus on adherence to established collection policies and proactive communication with repeat customers, including adjusting credit limits to allow for increased sales volume where warranted.

We are intent on focusing on the sale and distribution of profitable product lines. Management continues to look for further financing facilities at affordable terms that will allow the Company to maintain sufficient raw material and finished goods inventory to capitalize on sales growth opportunities. We are limiting our capital expenditures to that required to maintain current manufacturing capability or support key business initiatives identified in our strategic sales plan. We continue to work to reduce our overall costs wherever possible.

To help address our cash resources, which at times may be limited, we have held discussions with banks and other lenders regarding establishing a line of credit for short term cash needs. However at this time we have not succeeded in establishing such a line of credit. We have entered into a short term receivable factoring agreement with a third party to sell our receivable invoices. This agreement enables us to sell individual customer invoices for faster cash flow to the Company as we deem needed. During fiscal year 2018 we have not had the need to utilize any factoring of our invoices.

Management continues to execute its strategic plan focusing on "Profitability as a Mindset". The Company's emphasis on proper product pricing and new marketing campaigns has driven more profitable sales. While we are beginning to see adverse effects on our business due to an increase in raw material prices and other costs, our continued emphasis on cost control and sales at a profitable price level will enable the Company to be successful in this competitive market environment. The Company achieved full year profitability in fiscal year 2017, and this can be attributed to our "Profitability as a Mindset" initiative. A review of our strategic plan has led management to conclude that the identification of key partners who can provide better access and distribution in our target markets is required. We will continue to pursue relationships with larger partners who can help us reach the potential of our current products as well as leverage our other intellectual property into value adding products for Amerityre shareholders.

In assessing our liquidity, management reviews and analyzes our current cash, accounts receivable, accounts payable, capital expenditure commitments and other obligations. In connection with the preparation of our financial statements for the period ended December 31, 2017, we have analyzed our cash needs for the next twelve months. We have concluded that our available cash and accounts receivables are sufficient to meet our current minimum working capital, capital expenditure and other cash requirements for this period. However, to expand manufacturing and sales operations beyond the current level, additional capital may be required.

The Company has, on occasion, instituted initiatives to incentivize sales of slower moving inventory through promotional pricing. These programs will continue to be selectively utilized in the upcoming quarters to monetize inventory, promote individual product lines, and improve our cash flow.

As of February 14, 2018, the Company has approximately 3,616,000 shares authorized and available for issuance. Although we are reluctant to raise money through stock sales at what we believe are dilutive share prices, these authorized but unissued and unreserved shares of our common stock can be utilized if necessary to fund the expansion of our manufacturing operations or to obtain additional working capital.

Off-Balance Sheet Arrangements

We do not currently have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. In addition, we do not engage in trading activities involving non-exchange traded contracts.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to changes in prevailing market interest rates affecting the return on our investments but do not consider this interest rate market risk exposure to be material to our financial condition or results of operations. We invest primarily in United States Treasury instruments with short-term (less than one year) maturities. The carrying amount of these investments approximates fair value due to the short-term maturities. Under our current policies, we do not use derivative financial instruments, derivative commodity instruments or other financial instruments to manage our exposure to changes in interest rates or commodity prices.

ITEM 4. CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and 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. In designing and evaluating the disclosure controls and procedures, 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.

As required by SEC Rule 13a-15(b), an evaluation was performed under the supervision and with the participation of our management, including our Chief Executive and Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15 (e) under the Securities Exchange Act of 1934) as of the end of the period covered by this report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective at the reasonable assurance level.

Due to our adoption of Accounting Standards Codification ("ASC") Topic 606, "Revenue from Contracts with Customers", we changed our accounting software to automatically defer revenue recognition and we daily review shipping notifications for which customers have received their product, and we can therefore recognize revenue. Other than the above, there has been no change in our internal controls over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

For information regarding risk factors, see "Part I. Item 1A. Risk Factors," in our Annual Report on Form 10-K for the year ended June 30, 2017.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101 INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101 SCH	XBRL Taxonomy Extension Schema Document
101 CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101 DEF	XBRL Taxonomy Extension Definition Linkbase Document
101 LAB	XBRL Taxonomy Extension Label Linkbase Document
101 PRE	XBRL Taxonomy Extension Presentation Linkbase Document

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.

Dated: February 14, 2018

AMERITYRE CORPORATION

By:

/s/ Michael F. Sullivan	/s/ Lynda R. Keeton-Cardno
Michael F. Sullivan	Lynda R. Keeton-Cardno
Chief Executive Officer	Chief Financial Officer
(Principal Executive Officer)	(Principal Financial and Accounting Officer)

EXHIBIT 31.1

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

I, Michael F. Sullivan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Amerityre Corporation for the three and six months ended December 31, 2017;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying office 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 15d-15(f)) for the registrant and we 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, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) 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 our 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 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.

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: February 14, 2018

/s/ Michael F. Sullivan
Michael F. Sullivan
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

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

I, Lynda R. Keeton-Cardno, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Amerityre Corporation for the three and six months ended December 31, 2017;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying office 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 15d-15(f)) for the registrant and we 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, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) 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 our 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 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.

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: February 14, 2018

/s/ Lynda R. Keeton-Cardno
Lynda R. Keeton-Cardno
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

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 Pursuant to Section 13 or 15(d) of the Securities Exchange Act of Amerityre Corporation (the "Company") on Form 10-Q for the three and six months ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael F. Sullivan, Chief Executive Officer of the Company, certify, 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 and belief:

(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 result of operations of the Company.

/s/ Michael F. Sullivan
Michael F. Sullivan
Chief Executive Officer
(Principal Executive Officer)
February 14, 2018

EXHIBIT 32.2

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 Pursuant to Section 13 or 15(d) of the Securities Exchange Act of Amerityre Corporation (the "Company") on Form 10-Q for the three and six months ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lynda R. Keeton-Cardno, Chief Financial Officer of the Company, certify, 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 and belief:

(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 result of operations of the Company.

/s/ Lynda R. Keeton-Cardno
Lynda R. Keeton-Cardno
Chief Financial Officer
(Principal Financial Officer)
February 14, 2018