

FRONTERA INVESMTENT, INC.

An Arizona Corporation

INFORMATION AND DISCLOSURE STATEMENT UPDATE FOR QUARTER ENDED MARCH 31, 2008

Item I. The Exact name of the Issuer and address of its principal offices.

Frontera Investment, Inc.
7094 Miratech Drive
Suite 100
San Diego, CA 92121

Telephone: (858) 549-7061
Facsimile: (858) 549-7195

Website: www.fronterainvestment.com

Investor Relations: Kerry Associates
222 Amherst Road
Merrimack, NH 03054
(603) 365-8034

Item 2. Shares Outstanding.

Common Stock, no par, information as of the end of the issuer's most recent fiscal quarter and as of the last two fiscal years.

| As of | <u>March 31, 2008</u> | <u>Dec 31, 2007</u> | <u>Dec 31, 2006</u> |
|--------------------------------------|-----------------------|---------------------|---------------------|
| Number of shares authorized – | 100,000,000 | 100,000,000 | 100,000,000 |
| Number of shares outstanding | 52,409,365 | 2,450,681 (1) | 2,450,681 (1) |
| Freely tradable shares | 4,242,554 | 1,409,838 (1) | 1,409,838 (1) |
| Number of beneficial owners | 11 | 4 | 4 |
| Number of shareholders of record (2) | 2,432 | 2,400 | 2,400 |

(1) Adjusted for one for fifteen reverse stock split.

(2) This is an approximate number of shareholders including all non objective beneficial owners. The Company is currently in the process of obtaining a complete listing.

Preferred shares as of the end of the issuer's most recent fiscal quarter and as of the last two year fiscal years.

Series A Preferred Shares – 4,000,000 authorized (\$1.00 Par Value) no shares issued or outstanding at any time.

Series B Preferred Shares – 6,000,000 authorized (\$1.00 Par Value) all 6,000,000 shares issued and outstanding as of December 31, 2007 and 2006 had been converted to common shares during March 2008.

| As of | <u>March 31, 2008</u> | <u>Dec 31, 2007</u> | <u>Dec 31, 2006</u> |
|-------------------------------|-----------------------|---------------------|---------------------|
| Number of shares authorized – | 6,000,000 | 6,000,000 | 6,000,000 |
| Number of shares outstanding | 0 | 6,000,000 (2) | 6,000,000 (2) |

In March 2008, the Company issued shares (numbers reflected subsequent to a one for fifteen reverse stock split) as follows:

- (1) 6,000,000 shares of common stock were issue as a result of conversion of all issued and outstanding Series B Preferred shares. The issuance was completed without any public offering in accordance with Section 4(2) and Regulation D promulgated under the Securities Act of 1933, as amended.
- (2) 2,830,000 shares of common stock were issued in full settlement of all outstanding obligations of Bidnow.com, Inc. The issuance was completed without any public offering in accordance with Section 4(2) and Regulation D promulgated under the Securities Act of 1933, as amended.

- (3) 39,727,297 shares of common stock were issued to shareholders of Frontera Investment, Inc. (Nevada Corporation) as a result of a Stock Purchase and Subscription Agreement between Bidnow.com, Inc. and the shareholders of Frontera Investment, Inc. (the Nevada Corporation). The issuance was completed without any public offering in accordance with Section 4(2) and Regulation D promulgated under the Securities Act of 1933, as amended.
- (4) 1,066,667 shares of common stock were issued to Allan Youngberg, CFO and Mike Herman, Director in exchange for \$160,000 in March 2008. The issuance was completed without any public offering in accordance with Section 4(2) and Regulation D promulgated under the Securities Act of 1933, as amended
- (5) 334,721 shares of common stock were issued upon conversion of a 10% Senior Subordinated Convertible Notes that were issued and immediately converted in March 2008 for \$50,000. The issuance was completed without any public offering in accordance with Section 4(2) and Regulation D promulgated under the Securities Act of 1933, as amended.
- (6) During March and April 2008, an additional \$405,000 in 10% Senior Subordinated Convertible Notes were issued entitling the holder to convert their note to common stock at 50% of the market price (average 10 days close prior to exercise), but at no less than \$0.15 per share. The issuance was completed without any public offering in accordance with Section 4(2) and Regulation D promulgated under the Securities Act of 1933, as amended.

There were no other securities issued.

Item 3. Interim Financial Statements.

Unaudited Financial Statements, prepared by Management of the issuer, Balance Sheet, Statement of Operation, Statement of Cash Flows and related footnotes, for the quarter ending March 31, 2008 are attached as Exhibit A.

Item 4. Management's Discussion and Analysis.

Quarter ended March 31, 2007

The Company operated a total of six stores as of March 31, 2008. During the first quarter of fiscal 2008, the Company acquired one new store in Oxnard, California on March 26, 2008.

Frontera Investment, Inc. merged its operations and assets into a publicly held company, Bidnow.com, Inc., an Arizona company, on March 16, 2008. Bidnow.com, Inc. agreed to issue 2,830,000 shares of common stock and pay cash totaling \$275,000 in full settlement of all outstanding obligations that arose in prior years. As these obligations arose in prior years, this obligation was recorded against retained earnings totaling \$982,500, or 2,830,000 shares at \$0.25 per share plus the cash obligation. A total of 39,727,297 shares of common stock were issued to shareholders of Frontera Investment, Inc. (Nevada Corporation) as a result of a Stock Purchase and Subscription Agreement between Bidnow.com, Inc. and the shareholders of Frontera Investment, Inc. (the Nevada Corporation).

As of March 31, 2008 cash in banks and in stores totaled \$611,958. During the quarter ended March 31, 2008 the Company sold \$160,000 in common stock at \$0.15 per share to its CFO, Allan Youngberg and Mike Herman a member of the Board and sold \$265,000 in 10% Senior Subordinated Convertible Notes which convert to common at option of either the holder or the Company at 50% of average closing price for the 10 days prior to exercise, but no less than \$0.15 per share. The Company also raised \$150,000 through the issuance of two Promissory notes to two Board members.

The Company closed the purchase on March 26, 2008 of a new store in Oxnard, CA for a total purchase price of \$403,000 in cash. The Company also acquired equipment, leasehold improvements and software, primarily for this new store and toward its next store purchase totaling \$80,942.

Total Revenues for the quarter ended March 31, 2008 totaled \$1,533,670. Proceeds from the disposition of merchandise totaled \$1,310,047 and included \$1,299,192 from the sale of trolley tickets (monthly passes and daily tickets) at the Company's store in San Ysidro, CA (at the US-

Mexico border crossing) that was acquired on January 17, 2007. Fees for services totaled \$223,623 for all locations.

Earnings before interest, taxes, depreciation and amortization from store operations totaled \$62,563 for the three months ended March 31, 2008.

Item 6. Legal Proceedings.

None.

Item 6. Defaults Upon Senior Securities.

None.

Item 7. Other Information.

None.

Item 8. Exhibits.

Exhibit A. Frontera Investment, Inc. (formerly Bidnow.com, Inc.) and Subsidiaries Unaudited Condensed Consolidated Financial Statements for the Quarter Ending March 31, 2008.

Item 9. Issuer's Certifications.

I, Gil Partida, CEO and Director, certify that:

1. I have reviewed this initial disclosure statement of Frontera Investment, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of 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 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 13, 2008

/s/ Gil Partida

Gil Partida, CEO and Director

I, Allan Youngberg, EVP and Chief Financial Officer and Director, certify that:

1. I have reviewed this initial disclosure statement of Frontera Investment, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of 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 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 13, 2008

/s/ Allan Youngberg

Allan Youngberg, EVP Chief Financial Officer and Director

Exhibit A

**Frontera Investment, Inc. (formerly Bidnow.com, Inc.) and Subsidiaries
Unaudited Condensed Consolidated Financial Statements and Notes
for the Quarter Ending March 31, 2008**

Frontera Investment, Inc. (formerly Bidnow.com, Inc.) and Subsidiaries
An Arizona Corporation
Unaudited Condensed Consolidated Balance Sheets

| | <u>March 31,</u> <u>2008</u> | <u>December 31,</u> <u>2007</u> |
|---|---------------------------------|------------------------------------|
| | <u>(unaudited)</u> | <u>(pro forma)</u> |
| ASSETS | | |
| Current Assets | | |
| Cash | \$ 611,957 | \$ 605,873 |
| Receivables, Net | 418,985 | 96,120 |
| Inventories | 171,076 | 220,281 |
| Other Current Assets | <u>33,084</u> | <u>54,126</u> |
| Total Current Assets | <u>1,235,102</u> | <u>976,400</u> |
| | | |
| Fixed Assets, Net | 579,095 | 530,871 |
| | | |
| Other Assets | | |
| Deposits | 75,214 | 100,799 |
| Deferred Tax Assets | 716,100 | 700,000 |
| Goodwill and Other | <u>1,013,193</u> | <u>599,822</u> |
| Total Other Assets | <u>1,804,507</u> | <u>1,400,621</u> |
| TOTAL ASSETS | <u><u>\$ 3,618,704</u></u> | <u><u>\$ 2,907,892</u></u> |
| LIABILITIES & STOCKHOLDERS' EQUITY | | |
| Current Liabilities | | |
| Accounts Payable | \$ 508,137 | 667,221 |
| Accrued Expenses | 235,460 | 13,749 |
| ACH Clearing | 206,576 | 81,739 |
| Notes Payable | 328,000 | 191,000 |
| Long-Term Debt - Current Portion | <u>52,608</u> | <u>52,608</u> |
| Total Current Liabilities | <u>\$ 1,330,781</u> | <u>\$ 1,006,317</u> |
| Long-Term Debt - Net of Current Portion | <u>854,037</u> | <u>558,913</u> |
| Total Liabilities | <u>2,184,818</u> | <u>1,565,230</u> |
| | | |
| Stockholders' Equity | | |
| Series A - Preferred Stock, \$1.00 Par Value; 4,000,000 Shares Authorized | - | - |
| Series B - Preferred Stock, \$1.00 Par Value; 6,000,000 Shares Authorized | - | - |
| Common Stock, No Par; 100,000,000 Shares Authorized; 52,409,365 and 51,007,977 Shares Issued and Outstanding as of March 31, 2008 and December 31, 2007, respectively | 12,151,278 | 11,941,278 |
| Retained Deficit | <u>(10,717,392)</u> | <u>(10,598,616)</u> |
| Total Stockholders' Equity | <u>1,433,886</u> | <u>1,342,662</u> |
| TOTAL LIABILITIES & STOCKHOLDERS' EQUITY | <u><u>\$ 3,618,704</u></u> | <u><u>\$ 2,907,892</u></u> |

See Notes to Unaudited Condensed Consolidated Financial Statements.

Frontera Investment, Inc. (formerly Bidnow.com, Inc.) and Subsidiaries
An Arizona Corporation
Unaudited Condensed Consolidated Statement of Operations

| | <u>Three Months Ended March 31, 2008</u> |
|---|--|
| Revenues: | |
| Proceeds from Disposition of Merchandise | \$ 1,310,047 |
| Fees for Services | <u>223,623</u> |
| Total Revenues | 1,533,670 |
| | |
| Disposition of Merchandise | 1,262,516 |
| Direct Cost of Services | <u>2,481</u> |
| Gross Profit | 268,673 |
| Expenses: | |
| Store Operating Expenses | 159,139 |
| Bad debts | 13,490 |
| Store Rents | 32,713 |
| Store Depreciation | <u>35,432</u> |
| Total Store Expenses | <u>240,774</u> |
| Net Store Profit | 27,899 |
| Corporate Expenses | <u>147,618</u> |
| Ordinary Loss | (119,719) |
| | |
| Interest Expense | <u>(15,159)</u> |
| Net Loss before Income Taxes | (134,878) |
| Income Tax Benefit | <u>16,100</u> |
| Net Loss | <u><u>\$ (118,778)</u></u> |
| | |
| Basic and Diluted Net Loss Per Share | <u><u>\$ (0.002)</u></u> |
| Weighted Average Number of Shares Outstanding | 52,242,005 |

See Notes to Unaudited Condensed Consolidated Financial Statements.

Frontera Investment, Inc. (formerly Bidnow.com, Inc.) and Subsidiaries
An Arizona Corporation
Unaudited Condensed Consolidated Statement of Cash Flows

| | <u>Three Months Ended March 31, 2008</u> |
|--|--|
| Net Loss: | \$ (118,778) |
| Adjustments to reconcile Net Loss to net cash provided by operations: | |
| Change in Deferred Tax Assets | (16,100) |
| Accumulated Depreciation | 32,716 |
| Change in Other Operating Assets and Liabilities: | |
| Receivables | (112,865) |
| Inventories | 49,205 |
| Accounts Payable | (159,084) |
| ACH Clearing | 124,837 |
| Other assets and liabilities | 242,757 |
| Net cash used in Operating Activities | <u>42,688</u> |
| Investing Activities: | |
| Purchase of Fixed Assets | (80,942) |
| Decrease in Deposits | 25,585 |
| Increase in Goodwill and acquisition related costs | (413,371) |
| Net cash used in Investing Activities | <u>(468,728)</u> |
| Financing Activities: | |
| Net Proceeds from Notes Payable | 137,000 |
| Common Stock Issuance | 50,000 |
| Repayment of Long Term Debt | (19,876) |
| Proceeds from Long Term Debt | 315,000 |
| Net cash provided by Financing Activities | <u>482,124</u> |
| Net increase in cash: | <u>56,084</u> |
| Cash at beginning of period | <u>605,873</u> |
| Cash at end of period | <u><u>\$ 661,957</u></u> |

See Notes to Unaudited Condensed Consolidated Financial Statements.

Frontera Investment, Inc. (formerly Bidnow.com, Inc.) and Subsidiaries
Notes to Interim Unaudited Condensed Consolidated Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES:

Organization and Nature of Operations

On March 16, 2008 Frontera Investment, Inc., and its subsidiaries (the "Company"), which provides check cashing, pawn, money transfer, payday advances, tax preparation and related products and services, merged its business operations and assets into Bidnow.com, Inc. (the "Reverse Merger"). On April 10, 2008, Bidnow.com, Inc.'s name was changed to Frontera Investment, Inc. On April 15, 2008 the Company announced a new ticker symbol of "FRNV" which is traded over the counter on NASDAQ.

Basis of Presentation

The accompanying Interim Unaudited Condensed Consolidated Balance Sheet as of March 31, 2008 and the Interim Unaudited Condensed Consolidated Statement of Operations and Statement of Cash Flows for the three months ended March 31, 2008 have been internally prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-QSB and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements, but include only those footnotes deemed by management to be material to the reader of the financial statements. All material intercompany balances and transactions have been eliminated.

Provided the overall material nature and timing of the Reverse Merger, the Unaudited Pro Forma Condensed Consolidated Balance Sheet as of December 31, 2007 is presented "as if" the Reverse Merger occurred at the beginning of the periods presented. In addition to conversion of all Preferred Shares and a one for fifteen reverse stock split that was approved in March 2008.

The preparation of financial statements in conformity with GAAP requires the use of estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates. In the opinion of management, the accompanying financial statements include all adjustments, consisting of normal recurring accruals, necessary for a fair presentation of the financial condition, results of operations and cash flows for the periods presented. The accompanying financial statements are not necessarily indicative of what the actual financial position or results of operations of the combined companies would have been as of the date or for the periods indicated, nor do they purport to represent the financial position or results of operations of the combined companies as of or for any future period.

Cash and Cash Equivalents

Cash and cash equivalents represents cash at the Company's stores and in general operating bank accounts. No amounts are restricted.

Inventories

Inventories, consisted primarily of mass transit tickets for a local governmentally run enterprise fund and are stated at cost. The Company purchases and sells the mass transit tickets for one of its locations, which are typically paid for in advance at each month end, and sold through within a 30 day period. Any resulting loss of inventory or “shrink” is not material and expensed as incurred.

Cumulative Losses

The Company has incurred cumulative losses since inception of \$1.9 million through March 31, 2008, excluding the benefit from a \$700,000 tax benefit from these losses (excluding losses incurred by Bidnow.com, Inc.), and a working capital deficiency of \$95,679 as of March 31, 2008. Realization values may be substantially different from the carrying values as shown in these financial statements should the Company be unable to continue as a going concern.

Management is currently planning to raise funds to pay for future working capital needs and new store acquisitions and has raised approximately \$675,000 in both equity and debt securities subsequent to year-end through May 13, 2008.

Recent Accounting Pronouncements

In September 2006, the Financial Accounting Standards Board (the “FASB”) issued “SFAS No. 157, *Fair Value Measurements*.” SFAS No. 157 prescribes a single definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company does not believe the adoption of SFAS No. 157 will have a material impact on its financial condition or results of operations. SFAS No. 157 is effective for the Company’s interim reporting period beginning January 1, 2008.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*. This statement permits entities to choose to measure many financial instruments and certain other items at fair value. The objective is to improve financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. The Company does not believe the adoption of SFAS No. 159 will have a material impact on its financial condition or results of operations. SFAS No. 159 is effective for the Company’s interim reporting period beginning January 1, 2008.

Revenue Recognition

The Company’s revenue is primarily generated through products and services offered at its locations, which is primarily conducted with cash or cash equivalents. Pawn and Payday Loan revenue and related inventories and related valuations were not material for, or during, any of the periods presented.

As the Company generally receives payments during the month in which services are provided, the allowance account is typically not significant in comparison to total revenues and does not have a material impact on the presentation or the financial condition or results of operations or cash flows.

2. Acquisitions

In 2008, the Company acquired a store location effective March 26, 2008 and is in the process of converting the location to its current operating model. The purchase price was for \$403,000. The total purchase price was allocated to Goodwill.

In 2008, the Company entered in to an agreement to acquire a store location for approximately \$572,500. Of which, \$50,000 was deposited in escrow in December 2007. The Company will convert the store location its current operating model upon assumption. The Company currently anticipates closing this acquisition before June 30, 2008.

In 2007, the Company acquired a store location effective January 17, 2007 and converted the location to its current operating model. The purchase price was for \$525,000. The Company has paid \$400,000 in cash and related transaction costs and entered into a promissory note with the seller of \$125,000, 8% per annum, payable monthly, and is due June 30, 2009. The total purchase price was allocated \$47,000 to equipment and \$478,000 to Goodwill.

In 2007, the Company acquired a store location effective August 8, 2007 and converted the location to its current operating model. The purchase price was for \$75,000 in cash. The Company has paid the \$75,000 in cash and related transaction costs. The total purchase price was allocated to Goodwill.

3. Notes Payable

Notes Payable consists of the following at:

| | March 31, 2008 <u>(Unaudited)</u> | December 31, 2007 <u>(Unaudited)</u> |
|--|---|--|
| \$100,000, 24% per annum, Payable Quarterly, Unsecured Promissory Notes, Due Upon Demand (Related Party) | \$ 100,000 | \$ - |
| \$50,000, 8% per annum, Payable Quarterly, Unsecured Promissory Notes, Due Upon Demand (Related Party) | 50,000 | - |
| \$150,000, 8% per annum, Payable Quarterly, Unsecured Promissory Note with Warrants, Due 10/08 | 150,000 | 150,000 |
| \$41,000, 0%, Unsecured Note Payable (Related Party) | 28,000 | 41,000 |
| Total | <u>\$ 328,000</u> | <u>\$ 191,000</u> |

4. Debt

Debt consists of the following at:

| | March 31, 2008 <u>(Unaudited)</u> | December 31, 2007 <u>(Unaudited)</u> |
|---|---|--|
| \$315,000, 10% per annum, Payable Quarterly, Convertible Unsecured Promissory Notes , Due 4/2010 | \$ 315,000 | \$ - |
| \$200,000, Prime +1%, Payable Monthly, Secured Term Loan, Due 4/17 | 195,918 | 199,416 |
| \$207,500, Prime +2.5%, Payable Monthly, Secured Term Loan, Due 10/08 | 183,330 | 193,340 |
| \$125,000, 10% per annum, Payable Monthly, Secured Promissory Note, Due 6/09 | 125,000 | 125,000 |
| Leases, various | 87,397 | 93,765 |
| Total Debt | <u>906,645</u> | <u>611,521</u> |
| Less current maturities | <u>(52,608)</u> | <u>(52,608)</u> |
| Long-term debt | <u>\$ 854,037</u> | <u>\$ 558,913</u> |

5. Equity

The Company sold \$365,000 of 10% Convertible Notes during 1st quarter 2008 and sold 1,066,667 shares of common stock for \$160,000 mostly to officers, directors and friends and family. Also, \$50,000 of Convertible Notes were converted into 334,721 shares of common stock as of March 31, 2008. Subsequent to March 31, 2008, all remaining Convertible Notes were converted to common stock at 50% of the average 10 day closing price prior to exercise or approximately \$0.15 per share.

6. Acquisitions

The Company acquired a store location effective January 17, 2007, and converted the location to its current operating model. The purchase price was for \$525,000. The Company has paid \$400,000 in cash and related transaction costs and entered into a promissory note with the seller of \$125,000, 8% per annum, payable monthly, and is due June 30, 2009. The total purchase price was allocated \$47,000 to equipment and \$478,000 to Goodwill.

The Company acquired a store location effective August 8, 2007, and converted the location to its current operating model. The purchase price was for \$75,000 in cash. The Company has paid the \$75,000 in cash and related transaction costs. The total purchase price was allocated to Goodwill.

The Company acquired a store location effective March 26, 2008, and is in the process of converting the location to its current operating model. The purchase price was for \$403,000 in cash. The total purchase price was allocated to Goodwill.

8. Subsequent Events

Subsequent to year end, the Company has entered in to an agreement to acquire a store location for approximately \$572,500. Of which, \$50,000 was deposited in escrow in December 2007. The Company will convert the store location to its current operating model upon assumption. The Company currently anticipates closing this acquisition before June 30, 2008.