

INFORMATION AND DISCLOSURE STATEMENT

MEDICAL MARIJUANA, INC.
SEPTEMBER 30, 2018



CUSIP: 58463A105

TRADING SYMBOL: MJNA

PURSUANT TO RULE 15C2-(11)(A)(5) UNDER THE SECURITIES EXCHANGE ACT OF 1934

**INFORMATION AND DISCLOSURE STATEMENT PURSUANT TO
RULE 15c2-(11)(a)(5)**

All information contained in this Information and Disclosure Statement has been compiled to fulfill the disclosure requirements of Rule 15c211(a)(5) promulgated under the Securities Exchange Act of 1934, as amended. The enumerated captions contained herein correspond to the sequential format as set forth in the rule.

FORWARD LOOKING STATEMENTS

This Quarterly Report contains forward-looking statements. To the extent that any statements made in this report contain information that is not historical, these statements are essentially forward-looking. Forward-looking statements can be identified by the use of words such as “expects”, “plans”, “may,”, “anticipates”, “believes”, “should”, “intends”, “estimates”, and other words of similar meaning. These statements are subject to risks and uncertainties that cannot be predicted or quantified and, consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, marketability of our products; legal and regulatory risks associated with the share exchange our ability to raise additional capital to finance our activities; the effectiveness, profitability and; the future trading of our common stock; our ability to operate as a public company; our ability to protect our proprietary information; general economic and business conditions; the volatility of our operating results and financial condition; our ability to attract or retain qualified senior management personnel and research and development staff; and other risks detailed from time to time in our filings with the OTC Markets (the “OTC”), or otherwise.

Information regarding market and industry statistics contained in this report is included based on information available to us that we believe is accurate. It is generally based on industry and other publications that are not produced for purposes of securities offerings or economic analysis. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and the additional uncertainties accompanying any estimates of future market size, revenue and market acceptance of products and services. We do not undertake any obligation to publicly update any forward-looking statements. As a result, investors should not place undue reliance on these forward-looking statements.

FOOD AND DRUG ADMINISTRATION (FDA) DISCLOSURE

The statements found herein have not been evaluated by the Food and Drug Administration (FDA) and are not intended to diagnose, treat, cure or prevent any disease or medical condition.

1. NAME OF ISSUER AND ITS PREDECESSORS (IF ANY)

Medical Marijuana, Inc. (the “Company”, “we”, “our”, “us”, “MJNA”) was originally incorporated in Oregon in 2005 as Berkshire Collection, Inc. Subsequently, we changed our name on two separate occasions prior to changing our name to Medical Marijuana, Inc. and trading symbol to “MJNA” on April 28, 2009.

2. ADDRESS OF ISSUER PRINCIPAL EXECUTIVE OFFICES

Our Headquarters:

Address: 13831 Danielson, Poway, CA 92064
Phone: (866) 273-8502
Email: info@medicalmarijuanainc.com
Website: www.medicalmarijuanainc.com

3. SECURITY INFORMATION

Trading Symbol: MJNA

Exact title and class of securities outstanding: Common Stock

CUSIP: 58463A105

Par or Stated Value: \$.01 per share of Common Stock

Total shares authorized: 5,000,000,000

Total shares outstanding: 3,464,827,406 (as of September 30, 2018)

Transfer Agent:

Action Stock Transfer Corporation
2469 E. Fort Union Blvd., Suite 214
Salt Lake City, UT 84121
Telephone: (801) 274-1088
Fax: (801) 274-1099
Email: info@actionstocktransfer.com

Is the Transfer Agent registered under the Exchange Act?

Yes. Action Stock Transfer Corporation is registered under the Exchange Act with the Securities Exchange Commission as a Registrar and Transfer Agent.

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the last 12 months:

None

4. ISSUANCE HISTORY

For the period ended September 30, 2016:

For the period ending September 30, 2016 we issued; (i) 800,000 shares of restricted common stock in exchange for \$20,000; and (ii) 78,123,489 shares of its common stock pursuant to the conversion of a convertible note.

For the period ended December 31, 2016:

For the period ending December 31, 2016 we issued: (i) 5,757,951 restricted shares of common stock in exchange for \$109,940, (ii) 246,369,016 shares of common stock pursuant to the conversion of \$5,985,878 of convertible notes, (iii) 4,350,000 restricted shares of common stock for the payment of \$134,705 of services rendered, and (iv) 2,000,000 restricted shares of common stock as payment of an employee bonus of \$162,500.

For the period ended March 31, 2017:

For the period ended March 31, 2017 we issued; 30,375,464 shares of common stock as follows; (i) 6,063,546 shares for a partial conversion of \$500,000 face value of a convertible note; (ii) 4,741,898 shares for the partial conversion of \$500,000 face value of a convertible note; (iii) 9,701,493 shares for the conversion of a \$375,000 convertible note; (iv) 9,368,527 shares for the conversion of a \$375,000 convertible note and (v) 500,000 shares for the settlement of a \$85,000 obligation for services rendered.

For the period ended June 30, 2017:

For the period ended June 30, 2017 we issued; 27,010,011 shares of common stock as follows; (i) 6,317,359 shares for a partial conversion of \$500,000 face value of a convertible note; and (ii) 20,692,652 shares for the conversion of \$750,000 aggregate face value of two convertible notes.

For the period ended September 30, 2017:

For the period ended September 30, 2017 we issued; 20,457,539 shares of common stock as follows; (i) 14,157,539 shares for a conversion of \$900,000 face value of convertible notes; and (ii) 6,300,000 shares for the payment of \$342,000 of compensation.

For the period ended December 31, 2017:

For the period ended December 31, 2017 we issued; 145,469,621 shares of common stock as follows: (i) 138,819,621 shares for the conversion of \$7,176,000 face value of convertible notes, plus interest accrued thereon, (ii) 500,000 shares for payment of \$85,000 of services rendered, (iii) 3,900,000 shares for payment of \$342,000 of compensation, and (iv) 2,250,000 shares in exchange for \$22,500 of secured promissory notes.

For the period ended March 31, 2018:

For the period ended March 31, 2018, we issued; 128,815,036 shares of common stock as follows: (i) 23,881,703 shares for the conversion of \$1,676,988 face value of convertible notes, plus interest accrued thereon, (ii) 3,933,333 shares for payment of \$408,200 of services rendered, (iii) 1,000,000 shares for payment of \$100,000 of compensation, and (iv) 100,000,000 restricted shares issued in exchange for cash of \$1,000,000.

For the period ended June 30, 2018:

For the period ended June 30, 2018, we issued; 44,897,829 shares of common stock as follows: (i) 100,000 shares as payment for bonus compensation (ii) 31,464,495 shares for the conversion of \$2,175,000 face value of convertible notes, plus interest accrued thereon, (iii) 3,333,333 restricted shares granted to executives, manager or directors tied to twelve months vesting schedules, (iv) 10,000,000 restricted shares issued in exchange for cash of \$100,000.

For the period ended September 30, 2018:

For the period ended September 30, 2018, we issued; 20,457,539 shares of common stock as follows: (i) 3,800,000 shares as payment for \$370,780 of bonus compensation; (ii) 14,157,539 shares for the conversion of \$900,000 face value of convertible notes, plus interest accrued thereon, and (iii) 2,500,000 for \$272,250 of services rendered.

5. FINANCIAL STATEMENTS

Our Financial Statements are attached at the end of this Disclosure Statement and incorporated herein by reference.

6. DESCRIBE THE ISSUER'S BUSINESS, PRODUCTS AND SERVICES

A. Description of the issuer's business operations.

1. Medical Marijuana Inc. (OTC Pink Sheets; MJNA) is the first publicly held company vested in the cannabis and industrial hemp space in America. Through our subsidiaries and investment holdings we focus on the development, sale and distribution of hemp oil that contains naturally occurring cannabinoids, including cannabidiol ("CBD") and other products containing CBD-rich hemp oil ("Legal Hemp"). Our products are formulated for the pharmaceutical, nutraceutical and cosmeceutical industries, including dietary supplements, prescription-based hemp oil for sale in countries that have legalized our hemp oil for the treatment of various illnesses and conditions (such as Brazil and Mexico) and skin care products. We are not in the business of selling or dispensing either recreational or medical marijuana, directly or indirectly, so long as marijuana remains a federally controlled substance. However, we are poised and consider ourselves

well-positioned for eventual cannabis legalization. Our products contain only those substances that are derived from the part of the cannabis plant that is excluded from the definition of marijuana under the Controlled Substances Act and are both federally legal and outside of the purview of the Drug Enforcement Administration).

2. Medical Marijuana, Inc. is in the development stage.
3. To the best of our knowledge our we are not now, nor have we ever been, a “shell company.”
4. The effect of existing or probable government regulations on our business is not known at this time. Due to the nature of our business, it is anticipated that there may be increasing government regulation that may cause us to have to take serious corrective actions, changes in business plan, or even close or stop its business practices and/or operations.
5. We, on a consolidated basis, have approximately 88 employees (including subsidiaries) as of September 30, 2018.

B. Date and State of incorporation:

We were originally incorporated in Oregon in 2005.

C. The issuer's primary and secondary SIC Codes:

7380, Miscellaneous Business Services.

D. The issuer's fiscal year end date:

December 31st.

E. Principal products or services and their markets:

Medical Marijuana, Inc. is comprised of a diversified portfolio of products, services, technology and businesses solely focused on the Legal Hemp industry. Our services include development of cannabinoid based health and wellness products, and the development of medical grade compounds as further discussed below.

1. Our Direct Internet Presence.

Medical Marijuana, Inc. maintains an online presence to provide investor relations and educational information and news relating to medical marijuana and the cannabis industry. The company also maintains an ecommerce website for sales of quality cannabidiol and ancillary products.

2. Our Subsidiary Operations. We have operations through the following subsidiaries:

Kannaway[®], LLC (100% owned)

Kannaway[®], LLC is a direct selling company which distributes quality cannabidiol (“CBD”) hemp oil-based products for the entire family, including pets, that promote a healthy lifestyle. As the first Cannabis based direct selling company, Kannaway[®] has become what is termed as a “Category Creator”. Kannaway[®] markets its products in the United States and the European Union and will look to expand in Canada and Mexico in the near future.

Kannaway[®] DE Mexico S.A. DE C.V. (100% owned)

Kannaway[®] DE Mexico S.A. DE C.V. is Kannaway[®]'s Mexican based subsidiary which will operate Kannaway[®]'s Mexico operations.

Kannaway[®] Europe B.V. (100% owned)

Kannaway[®] Europe B.V. is Kannaway's European based subsidiary which is located in The Netherlands and operates Kannaway[®]'s European operations. A Polish subsidiary has also been established by Kannaway[®] to provide customer support, marketing and logistics for European operations.

HempMeds[®] Mexico S.A. DE C.V. (100% owned)

HempMeds[®] Mexico S.A. DE C.V. is our Mexico based subsidiary which focuses on providing non-psychoactive cannabidiol products to the Mexican people. HempMeds[®] Mexico was the first company to have a medical cannabis product approved for import into Mexico which is in the process of restructuring national policies regarding cannabis.

HempMeds[®] Mexico supports patients as they navigate the process of approval for HempMeds[®] RSHO-X[™], product which is currently available with a prescription. The HempMeds[®] Mexico team assists patients in applying for a certificate for import and allows approved patients to order RSHO-X[™] directly from its website.

HempMeds[®] Mexico facilitates the process for all qualifying patients who are interested in accessing CBD hemp oil. Medical Marijuana, Inc. and HempMeds[®] Mexico are also working with partners and health organizations in Mexico to improve the approval process that applications must go through, so patients can become approved for RSHO-X[™] more easily and efficiently.

HempMeds[®] PX, LLC (100% owned)

HempMeds[®] PX, LLC is our primary distributor, operating through our other subsidiaries and affiliates to distribute our portfolio of products.

Real Scientific Hemp Oil[®]

HempMeds[®]PX flagship product is Real Scientific[®] Hemp Oil (RSHO[®]). RSHO[®] is a full spectrum, complete CBD hemp oil, containing the highest quality natural Hemp Oil in the industry. RSHO[®]CBD hemp oil supplements contain from 10-30% CBD content, and is offered in 3 varieties. Our RSHO[®] Blue Label is the most popular version of our CBD hemp oil products, going through a decarboxylation process before being made ready for consumption. RSHO[®] Gold Label is decarboxylated like our Blue Label product, then goes through an additional filtration process, creating a golden oil with great taste and smoother consistency. RSHO[®] Green Label is the non-decarboxylated, raw variety of our Real Scientific[®] Hemp Oil, and is as close as you can get to juicing the hemp plant.

HempMeds[®] Brazil, LLC (93.4% owned)

HempMeds[®] Brasil currently has three cannabis products approved for importation into Brazil as a prescription medication for multiple conditions including; Epilepsy, Parkinson's, Chronic Pain, Psoriasis, Cancer, Alzheimer's, Diabetes, ALS, Multiple Sclerosis and Migraines. The Brazilian health care system is HempMeds[®] Brazil's single largest client. We had the first-ever cannabis product allowed for import into Brazil and its products are currently subsidized by the Brazilian government, under their health care system, for the medical indications listed above. It is believed to also be the world's first prescription cannabis product for Epilepsy, Parkinson's, and pain. HempMeds[®] Brazil is working on additional approvals for multiple indications.

CanChew[®] Biotechnologies, LLC (50% owned)

CanChew[®] Biotechnologies, LLC ("CanChew[®] Biotech") focuses on the treatment of pain and other medical disorders with the application of chewing gum-based cannabis/cannabinoid medical products. CanChew[®] Biotech is focused on the R&D and execution of their clinical development plan and the out-licensing of their technology. Patents related to the chewing gum technology held by CanChew[®] include U.S. Patent No. 9,023,322 and 9,433,601. Clinical development focuses on the R&D of the formulation, production and the development of chewing gum-based products for the treatment of issues like pain, nausea and vomiting, anorexia, spasticity and various other medical issues.

In May of 2015, CanChew[®] Biotech entered into a 50 year, worldwide, exclusive intellectual property licensing agreement ("Agreement") with AXIM[®] Biotechnologies, Inc. (OTCQB: AXIM) whereby it licensed all of its intellectual properties to AXIM[®], including its proprietary CanChew[®] formulation of gum-based oral mucosal delivery system. AXIM[®] is required to pay CanChew[®] Biotech a royalty fee of approximately 2-3% of all gross sales derived from products produced by AXIM[®] under the Agreement. Should AXIM[®] remain in compliance with the Agreement, it has the option to purchase the licensed intellectual property after 5 years at a purchase price equal to fifty percent (50%) of the annual royalty fee paid.

Phyto Animal Health, LLC (100% Owned)

Phyto Animal Health provides plant-based, non-GMO pet products for health & wellness, play & wear, and environmentally-friendly supplies. Phyto Animal Health is dedicated to providing an all-natural alternative to the harsh chemical-based products often given to pets and hemp-based CBD supplements and chemical-free hemp animal bedding and litter are designed specifically to promote the health and wellness of the animal members of your family.

3. Investment Holdings. We have the following investment holdings.

i. Kannalife[™] Sciences, Inc. (Approximate 33% equity ownership)

Kannalife[™] Sciences, Inc. ("Kannalife"[™]) is a bio-pharmaceutical and phyto-medical company involved in the research and development of novel new therapeutic agents designed to reduce oxidative stress, and act as immuno-modulators and neuroprotectants. Kannalife[™] currently holds two licenses with National Institutes of Health – Office of Technology Transfer for the Commercialization of U.S. Patent #6630507, "Cannabinoids as Antioxidants and Neuroprotectants". The first license, issued in June 2012, is an exclusive license to develop commercial drug candidates for the treatment of Hepatic Encephalopathy ("HE"). The second license, issued in July 2014, is a license to develop commercial drug candidates for the treatment of Chronic Traumatic Encephalopathy ("CTE"). Kannalife[™] is currently conducting research and

development at the Bucks County Pennsylvania Biotechnology Center in Doylestown, PA, and has filed its first PCT (“Patent Cooperation Treaty”) application with the United States Patent and Trademark Office (the “USPTO”) as the receiving office for an international phase entry patent application covering Kannalife™’s novel cannabidiol-like target drug candidates for the treatment of certain neurological disorders and as a novel neuroprotectant for the treatment of HE and CTE. HE and CTE are both neurodegenerative and oxidative stress related diseases that affects the hippocampus which controls cognitive and behavioral functions in humans.

ii. AXIM® Biotechnologies, Inc. (Approximate 43% equity ownership)

AXIM® Biotechnologies, Inc. (“AXIM®” - OTCBB: AXIM). AXIM® is an innovative biotechnology company working on the treatment of pain, spasticity, anxiety and other medical disorders with the application of cannabinoids based products as well as focusing on research, development and production of pharmaceutical, nutraceutical, oral health and cosmetic products as well as procurement of genetically and nano-controlled active ingredients. AXIM® intends to broaden its current operations to include pharmaceutical products, manufacturing facilities, genetically controlled botanical products, extraction and purification of biomaterials technologies.

F. Legal Proceedings:

In the ordinary course of business, we vigorously defend against and prosecutes various legal actions. The following is a summary of outstanding, potentially material, legal actions we are a party to.

1. *Medical Marijuana, Inc. & HempMeds® PX, LLC v. CannLabs, Inc.* Medical Marijuana, Inc. and HempMeds PX, LLC has filed a \$100,000,000 California Superior Court libel action against Project CBD.com, Aaron Miguel Cantu and Martin Lee for damages resulting from false and libelous statements made by the defendants in regard to HempMeds® PX, LLC’s RSHO® product.

7. DESCRIBE THE ISSUER'S FACILITIES

Our executive offices and 4,200 square foot warehouse and distribution center are located in Poway, California.

8. OFFICERS, DIRECTORS, CONTROL PERSONS AND MANAGEMENT

A. Names of Officers, Directors and Control Persons.

i. Board of Directors

Our Board of Directors is comprised of highly qualified industry professionals. The Board assists the Management team in making appropriated decisions and taking effective action. Currently there are five (5) members on the board:

Stuart W. Titus, PhD (Chairman)
Michelle Sides
Timothy R. Scott, PhD
Robert L. Cunningham
Chris Prine

ii. Our Officers

Our executive officers are as follows:

Stuart W. Titus, PhD: Chief Executive Officer
President
Acting Chief Financial Officer

Blake N. Schroeder: Executive Vice President
Chief Operating Officer

Michael L. Corrigan: Secretary

iii. Professional Background of our Officers and Directors

**Stuart W. Titus, PhD - Chairman of the Board
Chief Executive Officer
President
Acting Chief Financial Officer**

Mr. Titus began his association with our family of companies in 2009, playing a pivotal role in raising capital among several other duties. Mr. Titus' expertise in finance was forged on Wall Street, where he worked as a bond trader for eleven years, managing a trading and underwriting department as a V.P. for CS First Boston Corp. Mr. Titus is a graduate of Rollins College in Winter Park, Florida, where he majored in Economics and minored in Business Administration. He earned his PhD degree from the Open International University which is a World Health Organization (WHO) chartered affiliate.

Mr. Titus also has a unique background in health. Following his work on Wall Street he worked as a British Physiotherapist for over 15 years having run clinics that specialized in integrative pain management and injury rehabilitation. Stuart remains active in the medical community with specific interest in electro-physiotherapy as well as in anti-aging medicine. He holds a Fellowship with the American Academy of Pain Management and clinical association with the American Association of Integrative Medicine. Stuart has unique first-hand experience with hemp oil products as nutritional supplements, having found great relief from a nerve-related disorder after beginning a regimen of high-concentration CBD therapeutic hemp products combined with hemp oil (health food store).

A talented golfer in his youth, Stuart is a twelve time club golf champion. Stuart currently resides in La Jolla, California.

**Blake N. Schroeder - Executive Vice President
Chief Operating Officer**

Mr. Schroeder's career has been in marketing natural products and opening international marketplaces to those products. Before joining Kannaway®, Mr. Schroeder was the Chief Operating Officer of Forevergreen International, where he was responsible for global operation of the multinational organization, including oversight of a global supply chain. He holds a B.S. in Finance from Utah State University and a law degree from Syracuse University College of Law.

Michael L. Corrigan – Secretary

Mr. Corrigan is a businessman and attorney whose work has focused on representation of emerging high technology and other operating companies in a broad range of industries, including computer hardware and software, telecommunications, multimedia, action sports, restaurant, entertainment and sporting goods manufacturing. In addition, Mr. Corrigan has represented several regional investment banking, advisory and management firms in securities and underwriting transactions. Mr. Corrigan received his undergraduate degree from the University of Notre Dame, where he majored in finance. Thereafter, he attended the University of Denver where he received both a J.D. and M.B.A. degree. While at the University of Denver, he was an editor of the Denver Journal of International Law & Policy and clerked at the U.S. Securities & Exchange Commission. Mr. Corrigan is a member of the California bar, a 1988 graduate of the San Diego LEAD program and sits on the Medical Bioethics Committee of Sharp Memorial Hospital. He previously sat on the Board of Directors of the National Kidney Foundation of Southern California, the Board of Directors of United Way/CHAD, the Board of Trustees of the California Ballet Association, the Board of Trustees of the San Diego Repertory Theatre and the Eagle Scout review board.

Michelle Sides - Director

Prior to joining Medical Marijuana Inc., Ms. Sides was Chief Operating Officer for HDDC (d.b.a. CannaBANK®), located in San Diego, California. She earned her law degree from Nova Southeastern University. She is a member of the Florida State Bar Association. Ms. Sides holds a Bachelor of Science from Palm Beach Atlantic College, majoring in Business and Organizational Management. Michelle spent six years on the Board of Directors, as Executive Vice President, and as General Counsel for EH Building Group II, LLC, which was nationally recognized as one of the fastest-growing developers in 2006-08, winning numerous awards for production, design, and marketing. Prior to EH, Michelle honed her legal expertise as Legal and Operations Manager for the Commonwealth Network Corporation, as well as the Director of Legal Affairs for Power Sports, Inc. Both positions focused mainly on corporate and real estate transactional law.

Timothy R. Scott, PhD – Director

From September 2001 to May 2008, Dr. Scott served on the Board of Directors of Naturewell, Incorporated, a publicly traded company engaged in the nutraceutical and homeopathic drug business. From April 1998 to June 2000, Dr. Scott served as a member of the Board of Directors of ICH Corporation, an American Stock Exchange listed company which owned 265 fast food and family dining restaurants having approximately \$265 million in revenues and 7,800 employees, and as a member of ICH's compensation committee. Dr. Scott currently serves as Chairman of the Board of Directors, President and Senior Pastor of a 1,200-member church located in San Diego, California and as Chairman and President of Project Reach World, Inc., a 501(c)(3) charitable organization. Dr. Scott received his Ph.D. in theology from Christian University in 1981 and served as a professor of philosophy and religion at Pacific International College from 1981 to 1985.

Robert L. Cunningham – Director

Robert “Bob” Cunningham has over 40 years of executive management experience in financial services and venture capital. He currently is the Chief Executive Officer of Preferred Dealer Programs LLC, a venture funded firm developing electronic payment technologies for banks. Prior to joining PDP he was the founding partner in Placer Financial Group, a nationwide mortgage and real estate development company. Mr. Cunningham also served as Trustee for the U.S. Department of Justice, and as a member of the board for numerous firms, including Allied Commercial Corporation, Vermillion Development, Pacific Building Industries Corporation and Bond HD Hospitality Group.

Chris Prine - Director

From 1994 until the present Mr. Prine has operated his own company, Prines Lines, which acts as a manufacturers' representative for five furniture manufacturing companies located within the United States. From 1988 to 1994 Mr. Prine served as Marketing Director for the Cleator Corporation, an office furniture manufacturer with approximately \$10 million in annual sales. From 1986 to 1988 Mr. Prine served as the Old Globe Theatre's Director of marketing and from 1983 to 1985 served as Audience Development Manager for the Old Globe. Chris received his BA in Communications from the University of Wisconsin in 1977.

B. No Legal/Disciplinary History

None of our officers identified above have been the subject of a conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding within the past five years; the entry of an order, judgment or decree not subsequently reversed, suspended or vacated by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended, securities, commodities, or banking activities; a finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended or vacated or; the entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

C. Beneficial Ownership. Beneficial Ownership of Officers, Directors and Shareholders of 5% or more based upon 3,464,827,496 shares outstanding as of September 30, 2018.

Name	Address	# Shares	%
Stuart W. Titus (1)	13831 Danielson Poway, CA 92064	68,000,000	1.96%
Michelle Sides, Esq. (2)	13831 Danielson Poway, CA 92064	31,345,077	(3)
Timothy R. Scott, PhD	13831 Danielson Poway, CA 92064	750,000	(3)
Robert L. Cunningham	13831 Danielson Poway, CA 92064	750,000	(3)
Chris Prine	13831 Danielson Poway, CA 92064	750,000	(3)
Michael L. Corrigan	13831 Danielson Poway, CA 92064	500,000	(3)
Blake N. Schroeder	13831 Danielson Poway, CA 92064	40,000,000	1.15%
Columbia & Beech Corporation	550 West C Street, Suite 2040 Poway, CA 92064	454,047,389	13.10%
General Hemp, LLC (4)	550 West C Street, Suite 2040 San Diego, CA 92101	662,828,203	18.09%

(1) Does not include any shares held by General Hemp, LLC ("GH") of which Mr. Titus is a 9.42% owner and member of a three-person Executive Committee that manages the affairs of GH (GH has a two-member Special Committee having sole voting and dispositive authority over GH's investments in the Company. Dr. Titus is not a member of the Special Committee).

(2) Does not include any shares held by Columbia & Beech Corporation (formerly known as Hemp Deposit and Distribution Corporation), of which Ms. Sides claims a 50% ownership interest.

(3) Less than 1%.

(4) Does not include the 68,000,000 shares shown owned by Mr. Titus individually.

9. THIRD PARTY PROVIDERS.

SEC Counsel:

Law Offices of Michael L. Corrigan
Michael L. Corrigan, Esq.
10525 Vista Sorrento Parkway, #210
San Diego, CA, 92121

Shareholder Inquiries:

Please call: (888) 764-0700

10. ISSUER CERTIFICATION

I, Stuart W. Titus, Director and President, certify that:

1. I have reviewed this disclosure statement of Medical Marijuana, Inc.
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, which have been prepared by the Company's financial and accounting personnel and advisors, 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.

Date: November 19, 2018



By: Stuart W. Titus
Its: Chief Executive Officer
Its: Director

Medical Marijuana, Inc.
Consolidated Balance Sheet

As of :

	March 31, 2018	June 30, 2018	September 30, 2018
ASSETS			
Current Assets			
Cash	3,404,931	3,035,937	3,274,658
Accounts Receivable	246,148	411,981	1,303,495
Other Current Assets			
Prepaid Assets	51,601	233,340	677,732
Inventory	4,140,685	2,768,319	4,347,813
Merchant Account Reserves	623,307	756,233	1,501,423
Notes and Loans Receivable	4,987,062	4,731,368	3,717,176
Deposits	51,372	52,744	56,239
Total Other Current Assets	9,854,027	8,542,003	10,300,382
Total Current Assets	13,505,106	11,989,921	14,878,534
Total Fixed Assets Net of Depreciation	356,060	390,788	540,613
Other Assets			
Other Asset		-	-
Convertible Discount Asset	200,000	200,000	100,000
Goodwill	45,367,477	45,367,477	45,374,408
Investments - Equity Securities	82,858,565	64,153,624	42,157,057
Total Other Assets	128,426,042	109,721,101	87,631,465
TOTAL ASSETS	142,287,208	122,101,810	103,050,612
LIABILITIES & EQUITY			
Current Liabilities			
Accounts Payable	947,259	736,375	1,656,978
Accrued Liabilities	1,263,644	1,394,090	2,303,008
Deferred Taxes	-	6,102	6,824
Total Payables	2,210,903	2,136,568	3,966,810
Convertible Notes	11,982,286	10,021,420	9,316,564
Total Long Term Liabilities	11,982,286	10,021,420	9,316,564
Total Liabilities	14,193,189	12,157,988	13,283,373
Equity			
Unrealized Accumulated Comprehensive		32,096	44,653
Common Stock	33,994,720	34,442,698	34,648,274
Additional Paid in Capital	149,225,513	151,945,639	153,944,165
Retained Earnings	(55,126,214)	(76,476,611)	(98,869,853)
Total Equity	128,094,019	109,943,823	89,767,239
TOTAL LIABILITIES & EQUITY	142,287,208	122,101,810	103,050,612

Medical Marijuana, Inc.
Consolidated Statement of Operations
For the Three Months Ending:

	March-18	June-18	September-18
Ordinary Income/(Expense)			
Total Income	10,535,022	14,800,166	16,827,486
Total COGS	3,194,651	6,238,908	4,769,785
Gross Profit	7,340,371	8,561,258	12,057,702
 Expense			
Sales & Marketing	6,224,797	7,153,767	7,440,649
General & Administrative	2,466,083	3,412,810	4,015,875
Total Expense	8,690,880	10,566,577	11,456,524
 Net Ordinary Income/(Loss)	(1,350,509)	(2,005,319)	601,178
 Interest Income	(77,244)	(38,151)	(39,106)
Interest Expense	457,548	231,326	299,877
Other Expense	1,469	24,701	7,460
Bad Debt Expense	44,965	155,278	-
Litigation Settlement Exp	314,629	(11,413)	-
Gain/Loss on Investments	132,500,890	18,704,941	22,712,511
Total Other Income or Expense	133,242,258	19,066,681	22,980,742
 Net Income/(Loss)	(134,592,767)	(21,072,000)	(22,379,565)

Medical Marijuana, Inc.
Consolidated Statement of Cash Flows
For the Three Months Ending:

	March 31, 2018	June 30, 2018	September 30, 2018
OPERATING ACTIVITIES			
Net Income/(Loss)	(134,592,767)	(21,072,000)	(22,379,565)
Adjustments to reconcile Net Income to net cash provided by operations:			
Depreciation	42,881	(4,112)	(44,085)
Stock Compensation Expense	715,343	(663,790)	(1,303,533)
Inventories Adjustment	-	(2,285,013)	1,154,029
Changes in operating assets and liabilities:			
Inventories	(285,127)	1,356,847	(1,579,494)
Accounts Receivable	(140,104)	(169,719)	(891,514)
Prepaid Epxenses	(51,601)	(182,127)	(444,392)
Merchant Account Reserve	(593,307)	(147,272)	(745,189)
Deposits	(33,634)	(1,372)	(10,425)
Deferred Tax	-	6,102	722
Accounts Payable	496,923	(232,799)	920,602
Accrued Liabilities	798,314	183,710	908,918
Net cash Provided (Used) by operating Activities	(133,643,078)	(20,258,630)	(24,220,338)
INVESTING ACTIVITIES			
Gain/Loss on Investments	132,500,890	18,704,941	21,996,567
Convertible Notes	227,294	(1,960,866)	(604,856)
Capital Purchases	42,194	(34,728)	(149,825)
Net cash provided (used) by Investing Activities	132,770,378	16,709,347	21,241,885
FINANCING ACTIVITIES			
Notes Receivable	(339,102)	255,694	1,014,192
Proceeds from sale of common stock	2,322,402	2,977,373	2,202,981
Net cash provided (used) by financing activities	1,983,300	3,233,067	3,217,174
Net cash increase (decrease) for the period	1,110,600	(316,216)	238,721
Cash At Beginning of Period	2,294,331	3,352,153	3,035,937
Cash at End of period	3,404,931	3,035,937	3,274,658

Medical Marijuana, Inc.
Segmented Balance Sheet
As of September 30, 2018

	<u>US Operations</u>	<u>HempMeds</u>	<u>Kannaway</u>	<u>Total</u>
ASSETS				
Current Assets				
Cash	1,502,233	338,953	1,433,471	3,274,658
Accounts Receivable	259,300	354,417	689,777	1,303,495
Other Current Assets				
Prepaid Assets	668,429	129,063	(119,759)	677,732
Inventory	2,298,123	-	2,049,690	4,347,813
Merchant Account Reserves		168,175	1,333,248	1,501,423
Notes and Loans Receivable	3,717,176			3,717,176
Deposits	38,501	11,238	6,500	56,239
Inter-Company	40,972,240	10,856,758	16,524,882	
Total Other Current Assets	<u>47,694,468</u>	<u>11,165,233</u>	<u>19,794,561</u>	<u>10,300,382</u>
Total Current Assets	<u>49,456,002</u>	<u>11,858,603</u>	<u>21,917,809</u>	<u>14,878,534</u>
Total Fixed Assets Net of Depreciation	<u>209,149</u>	<u>239,266</u>	<u>92,199</u>	<u>540,613</u>
Other Assets				
Other Asset	-			-
Convertible Discount Asset	100,000			100,000
Goodwill	9,266,278	10,671,099	25,437,030	45,374,408
Investments - Equity Securities	42,157,057			42,157,057
Total Other Assets	<u>51,523,335</u>	<u>10,671,099</u>	<u>25,437,030</u>	<u>87,631,465</u>
TOTAL ASSETS	<u>101,188,485</u>	<u>22,768,969</u>	<u>47,447,038</u>	<u>103,050,612</u>
LIABILITIES & EQUITY				
Current Liabilities				
Accounts Payable	600,887	18,117	1,037,973	1,656,978
Accrued Liabilities	844,521	62,276	1,396,212	2,303,008
Deferred Taxes	6,824	-	-	6,824
Total Payables	<u>1,452,232</u>	<u>80,393</u>	<u>2,434,185</u>	<u>3,966,810</u>
Convertible Notes	9,316,564	-	-	9,316,564
Inter-Company	33,830,325	15,686,109	18,837,446	
Total Long Term Liabilities	<u>43,146,889</u>	<u>15,686,109</u>	<u>18,837,446</u>	<u>9,316,564</u>
Total Liabilities	<u>44,599,121</u>	<u>15,766,502</u>	<u>21,271,631</u>	<u>13,283,373</u>
Equity				
Unrealized Accumulated Comprehensi	44,653	-	-	44,653
Common Stock	34,648,274	-	-	34,648,274
Additional Paid in Capital	116,738,186	10,671,099	26,534,880	153,944,165
Retained Earnings	(94,841,748)	(3,668,632)	(359,472)	(98,869,853)
Total Equity	<u>56,589,365</u>	<u>7,002,467</u>	<u>26,175,408</u>	<u>89,767,239</u>
TOTAL LIABILITIES & EQUITY	<u>101,188,485</u>	<u>22,768,969</u>	<u>47,447,038</u>	<u>103,050,612</u>

Medical Marijuana, Inc.
Segmented Statement of Operations

For the Three Months Ending September 30, 2018

Ordinary Income/(Expense)	US Operations	HempMeds	Kannaway	Total
Total Income	1,653,244	1,425,079	13,749,163	16,827,486
Total COGS	(323,814)	557,068	4,536,531	4,769,785
Gross Profit	1,977,058	868,011	9,212,633	12,057,702
Expense				
Sales & Marketing	722,457	426,288	6,291,904	7,440,649
General & Administrative	1,611,013	330,948	2,073,915	4,015,875
Total Expense	2,333,470	757,235	8,365,818	11,456,524
Net Ordinary Income/(Loss)	(356,413)	110,776	846,815	601,178
				-
Other Income	(39,106)	-	-	(39,106)
Interest Expense	295,479	-	4,398	299,877
Other Expense	(13,345)	(3)	20,808	7,460
(Gain)/Loss on Investments	22,460,950	-	251,561	22,712,511
Total Other Income or Expense	22,703,978	(3)	276,767	22,980,742
				-
Net Income/(Loss)	(23,060,391)	110,779	570,048	(22,379,565)

Medical Marijuana, Inc.
Segmented Statement of Cash Flows
For the Three Months Ending September 30, 2018

	<u>US Operations</u>	<u>HempMeds</u>	<u>Kannaway</u>	<u>Total</u>
OPERATING ACTIVITIES				
Net Income/(Loss)	(23,060,391)	110,779	570,048	(22,379,565)
Adjustments to reconcile Net Income to net cash provided by operations:				
Depreciation	(21,136)	(17,519)	(5,430)	(44,085)
Stock Compensation Expense	(1,304,102)		569	(1,303,533)
Inventories Adjustment	1,012,782		141,247	1,154,029
Changes in operating assets and liabilities:				
Inventories	(745,374)		(834,120)	(1,579,494)
Accounts Receivable	(183,463)	(114,099)	(593,951)	(891,514)
Prepaid Expenses	(210,230)	(58,739)	(175,424)	(444,392)
Merchant Account Reserve		(44,903)	(700,287)	(745,189)
Deposits	(10,425)			(10,425)
Deferred Tax	722			722
Accounts Payable	131,981	(85,791)	874,413	920,602
Accrued Liabilities	396,567	(91,691)	604,041	908,918
Accounts Receivable I/C	(9,045,373)	(1,285,810)	(4,805,269)	(15,136,452)
Accounts Payable I/C	8,227,497	1,711,883	5,197,072	15,136,452
Net cash Provided (Used) by operating Activities	(24,498,489)	141,629	136,521	(24,220,338)
INVESTING ACTIVITIES				
Gain/Loss on Investments	21,996,567			21,996,567
Convertible Notes	(604,856)			(604,856)
Capital Purchases	(102,786)	16,433	(63,473)	(149,825)
Net cash provided (used) by Investing Activities	21,288,925	16,433	(63,473)	21,241,885
FINANCING ACTIVITIES				
Notes Receivable	1,014,192			1,014,192
Proceeds from sale of common stock	2,204,102	-	(1,121)	2,202,981
Net cash provided (used) by financing activities	3,218,294	-	(1,121)	3,217,174
Net cash increase (decrease) for the period	8,730	158,063	71,928	238,721
Cash At Beginning of Period	1,493,503	180,890	1,361,544	3,035,937
Cash at End of period	1,502,233	338,953	1,433,471	3,274,658

MEDICAL MARIJUANA, INC.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations.

Medical Marijuana, Inc. ("MJNA" or "Company") is an Oregon corporation, which through its subsidiaries and investment holdings focuses on the development, sale and distribution of hemp oil that contains naturally occurring cannabinoids, including cannabidiol ("CBD") and other products containing CBD-rich hemp oil ("Legal Hemp"). Company products are formulated for the pharmaceutical, nutraceutical and cosmeceutical industries, including dietary supplements, skin care products and prescription-based hemp oil for sale in countries (such as Brazil and Mexico) that have approved, by doctor prescription, the Company's flagship hemp oil product, RSHO™, for the treatment of various illnesses and conditions. The Company is not in the business of selling or dispensing either recreational or medical marijuana, directly or indirectly, so long as marijuana remains a federally controlled substance (the Company's products contain only those substances that are derived from the part of the cannabis plant that is excluded from the definition of marijuana under the Controlled Substances Act and are both federally legal and outside of the purview of the Drug Enforcement Administration). Finally, MJNA services include the licensing of its proprietary testing, genetics, labeling, and packaging, tracking, production and standardization methods for the medicinal cannabinoid industry.

Basis of Financial Statement Presentation. The accompanying financial statements have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Cash Equivalents. Holdings of highly liquid investments with maturities of three months or less when purchased are considered to be cash equivalents.

Marketable Securities. Management classifies all equity investments at fair value and recognizes any changes in fair value in net income pursuant to ASU 2016-01 which went into effect in March of 2018.

Inventories. Inventories are valued at cost. Inventory consists of finished goods and raw materials.

Property, Plant, and Equipment. Property, plant, and equipment are recorded at cost less depreciation and amortization. Depreciation and amortization are primarily accounted for on the straight-line method based on estimated useful lives. The amortization of leasehold improvements is based on the shorter of the lease term or the life of the improvement. Betterments and large renewals which extend the life of the asset are capitalized whereas maintenance and repairs and small renewals are expensed as incurred.

Revenue Recognition. Revenue is recognized in the financial statements (and the customer billed) either when materials are shipped from stock or when the vendor bills the Company for the order. Net sales are arrived at by deducting discounts, and sales taxes from gross sales.

Supplementary Information. A breakdown of consolidating balance sheet by subsidiary has been included along with consolidating statements of income and cash flow.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Goodwill. The fair market value of the Company's investments in its subsidiaries that is in excess of the Company's consolidated tangible assets is recorded as goodwill. The Company tests goodwill for impairment on an annual basis.

Note 2: Inventories

Inventories are comprised of hemp-based raw materials and finished goods. Inventory is valued at cost.

Note 3: Warrants, Options and Stock-Based Compensation.

For the period ending September 30, 2018 the Company had no warrants or options outstanding and incurred (i) \$706,012 of stock-based compensation expense related to the vesting of restricted shares of common stock, (ii) \$370,780 of bonus compensation, and (iii) \$272,750 for services rendered.

Note 4: Common Stock

The Company has 5,000,000,000 authorized shares of common stock. As of September 30, 2018, there are 3,464,827,406 shares outstanding of common stock, of which 1,221,826,611 shares are restricted.

Note 5: Notes Payable – Long Term Convertible Notes

At September 30, 2018, long term convertible notes payable totaling \$9,316,564 consists of two convertible notes issued to a third-party lender including interest accrued thereon. Each of the notes is unsecured, pays interest of 8% per annum, and is convertible at holder's option at any time at a conversion price equal to 70% of the average of the three (3) lowest closing bid prices in the 20-days prior to conversion, however, conversions under the note are subject to a "blocking provision", which restricts conversion of the notes if such conversion(s) would result in holder and its affiliates owning more than 9.99% of the Company's common stock in the aggregate. The two notes are as follows:

- a. A convertible note having a balance due of \$3,437,213 at September 30, 2018 that matures on July 31, 2019, which is limited by to a maximum monthly conversion amount of \$300,000 in addition to the 9.99% blocking provision.
- b. A convertible note having a balance due of \$5,879,351 at September 30, 2018 that matures on April 12, 2020, which is limited to a maximum monthly conversion amount of \$400,000 in addition to the 9.99% blocking provision.

Note 6: Notes and Loans Receivable

Notes and loans receivable totaling \$3,717,176 consist of the following:

- (i) A demand note totaling \$1,249,696, including interest accrued thereon, payable by Axim Biotechnologies, Inc. (OTCBB: AXIM) to Canchew® Biotechnologies, LLC ("Canchew"), a subsidiary of which the Company owns 50% (accordingly, the Company records 50% of the demand notes which total \$2,499,392). The Notes accrue interest at the average rate of 3% per annum until payable upon demand.
- (ii) A demand note for \$60,000 (50% of a \$120,000 demand note held by Canchew) owed to Canchew by the CEO of Axim Biotechnologies, Inc., which accrues interest at the rate of 3% per annum beginning on January 1, 2017 (see also Footnote 7- "Related Party Transactions").
- (iii) \$1,084,611 of note receivable from a third party borrower (which party is the lender on a convertible note issued to the Company having a balance of \$5,879,351 as of September 30, 2018 which is described further in Footnote 5 - "Long term - Notes Payable", Section (b).
- (iv) A demand note receivable from General Hemp, LLC in the amount of \$1,205,072 which accrues interest at the rate of 3% per annum (see also Footnote 7 - "Related Party Transactions").
- (v) Three secured promissory notes, each having a face value of \$7,500 which accrues at 2.25% non-compounding per annum, issued to the Company by its three independent directors, totaling \$22,972 including interest thereon (see also Footnote 7 - "Related Party Transactions")
- (vi) A promissory note totaling \$106,067 including interest accrued thereon, payable by the Company's CEO. The note accrues interest at a rate of 2% per annum and matures on March 30, 2023 (see also Footnote 7 - "Related Party Transactions").

Note 7: Related Party Transactions

The Company has a demand note receivable from General Hemp, LLC in the amount \$1,193,627.

Canchew® Biotechnologies, LLC loaned \$120,000 to its Chief Executive Officer (who is also the Chief Executive Officer of Axim Biotechnologies, Inc.) in the form of a demand note. The Company is a 50% owner of Canchew and accordingly records one half of the \$120,000 (\$60,000) as a note receivable.

In the period ending June 30, 2018 the Company issued 10 million restricted shares of common stock to an affiliate of the Company in exchange for \$100,000 in cash. The Company retains the right to re-acquire all of the shares purchased at a purchase price of \$.01 per share, provided however, such right is decreased by one-third of the number of shares subject to re-acquisition from for every 14 months of continuous service by the affiliate.

In the period ending March 31, 2018 the Company issued 100 million restricted shares of common stock to three individuals who are employees, officers and/or directors of the Company in exchange for \$1,000,000 in cash (50 million shares to Stuart W. Titus Chairman and CEO of the Company, 40 million shares to Blake Schroeder, COO of the Company and 10 million shares to Michelle Sides, a member of the board of directors of the Company). The Company retains the right to re-acquire all of the shares purchased by each individual at a purchase price of \$.01 per share, provided however, such right is decreased by one-third of the number of shares subject to

re-acquisition from each individual for every 14 months of continuous employment/service by the individual.

The Company has an unsecured promissory note receivable from Stuart W. Titus, Chairman and CEO of the Company with a principal balance of \$105,000. The note accrued interest at a rate of 2% per annum and matures of March 30, 2023.

In the year ended December 31, 2017, each of the Company's three independent directors, (Messrs. Scott, Cunningham and Prine) issued a secured promissory note to the Company, each having a face value of \$7,500 (\$22,500 in the aggregate), in exchange for the purchase of 750,000 shares of restricted common stock (2,250,000 shares in the aggregate).

Note 8: Stock Issuances

For the quarter ended September 30, 2018 the Company issued 20,457,539 shares of common stock as follows:

- (i) 14,157,539 shares for the conversion of \$900,000 face value of convertible notes, plus interest accrued thereon,
- (ii) 3,800,000 restricted shares granted as \$370,780 of bonus compensation,
- (iii) 2,500,000 restricted shares granted for \$272,250 of services rendered.

Note 9: Litigation

In the ordinary course of business, the Company defends against and prosecutes various legal actions. The following is a summary of outstanding, potentially material, legal actions the Company is a party to.

Medical Marijuana, Inc. & HempMeds PX, LLC v. CannLabs, Inc. Medical Marijuana, Inc. has filed a \$100,000,000 California Superior Court libel action against CannLabs, Inc., Rifle Mountain, LLC, Genifer Murray, Jason Cranford, Project CBD.com, Aaron Miguel Cantu and Martin Lee for damages resulting from false and libelous statements made by the defendants in regard to HempMeds PX, LLC's RSHO product.

The Company intends to vigorously defend and prosecute all actions.

Note 10: Other Income/Expense

In the period ending September 30, 2018 the Company recorded a net loss of \$22,071,567 under Other Income/Expense. Such expenses are primarily non-cash items that are comprised of changes in the fair value of publicly traded equity investments held by the Company. Under prior applicable accounting standards, the Company previously reported such changes in fair value as comprehensive income (loss) and accumulated and unrealized comprehensive income (loss) in its shareholder equity section of the balance sheet. The Comprehensive Income reported at December 31, 2017 was \$204,574,404, which is now recognized in retained earnings as is the net loss for the period ending September 30, 2018.