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

FORM 10-Q

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

For the quarterly period ended February 29, 2016

OR

☐ **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: 333-192759

CANNABICS PHARMACEUTICALS INC.

(Exact name of registrant as specified in its charter)

Nevada	**46-5644005**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
#3 Bethesda Metro Center, Suite 700 Bethesda, MD	**20814**
(Address of principal executive offices)	(Zip Code)

(877) 424-2429
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the issuer 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 a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☒

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

As of April 18, 2016, the registrant had 105,926,665 shares of its Common Stock, $0.0001 par value, outstanding.

CANNABICS PHARMACEUTICALS INC.
FORM 10-Q
FEBRUARY 29, 2016

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

CANNABICS PHARMACEUTICALS INC.
Balance Sheets

	February 29, 2016 (Unaudited)	August 31 , 2015 (Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 77,397	$ 25,229
Prepaid expenses and other receivables	4,513	274
Total current assets	**81,910**	**25,503**
Equipment, net	**2,370**	**3,201**
Total assets	**$ 84,280**	**$ 28,704**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 243,033	$ 113,847
Derivative liability	644	–
Promissory note, net.	14,351	–
Due to a related party	224,483	224,483
Total current liabilities	**482,511**	**338,330**
Stockholders' equity (deficit):		
Common stock, $.0001 par value, 900,000,000 shares authorized, 102,653,334 and 101,503,333 shares issued and outstanding at February 29, 2016 and August 31, 2015, respectively	10,265	10,150
Common stock to be issued, 3,133,332 shares as of February 29, 2016.	94,000	–
Additional paid-in capital	988,823	959,362
Accumulated deficit	(1,491,319)	(1,279,138)
Total stockholders' equity (deficit)	**(398,231)**	**(309,626)**
Total liabilities and stockholders' equity	**$ 84,280**	**$ 28,704**

See accompanying notes to consolidated financial statements.

CANNABICS PHARMACEUTICALS INC.
Statements of Operations and Comprehensive Loss
(Unaudited)

	For the Three Months Ended		For the Six months Ended	
	February 29, 2016	**February 28, 2015**	**February 29, 2016**	**February 28, 2015**
Net revenue	$ 12,500	$ –	$ 12,500	$ –
Cost of revenue	–	–	–	–
Gross profit	12,500	–	12,500	–
Operating expenses:				
General and administrative expenses	$ 13,138	$ 19,209	$ 20,544	$ 43,830
Professional and Consulting fees	31,351	14,087	64,851	63,908
Legal fees		10,103	15,350	30,048
Sales and marketing expenses	300	–	791	31,000
Research and development expense	98,628	12,805	107,025	13,104
Transfer agent	–	–	974	–
Interest expenses and bank charges	1,586	–	2,366	–
Depreciation	415	368	830	736
Total operating expenses	**149,794**	**56,572**	**212,731**	**182,626**
Loss from operations	137,294	56,572	200,231	182,626
Other income (expense):				
Foreign exchange gain/(loss)	1,386	1,225	1,386	(379)
Financial Loss	11,018		13,336	–
Loss (profit) before income taxes	**(146,926)**	**(55,347)**	**(212,181)**	**(183,005)**
Provision for income taxes	–	–	–	–
Net loss	**$ (146,926)**	**$ (55,347)**	**$ (212,181)**	**$ (183,005)**
Net loss per share - basic and diluted:	**$ 0.001**	**$ 0.001**	**$ 0.002**	**$ 0.002**
Net (profit) loss	**$ (146,926)**	**$ (55,347)**	**$ (212,181)**	**$ (183,005)**
Weighted average number of shares outstanding - Basic and Diluted	**102,290,696**	**100,633,333**	**102,022,014**	**100,549,291**

See accompanying notes to consolidated financial statements.

CANNABICS PHARMACEUTICALS INC.
Statements of Cash Flows
(Audited)

	For the Six months Ended	
	February 29, 2016	**February 28, 2015**
Cash flows from operating activities:		
Net Profit (loss)	$ (212,181)	$ (182,626)
Depreciation	831	736
Stock issued for services	16,000	–
Stock to be issued for services	–	17,500
Amortization of discount	12,873	–
Changes in operating assets and liabilities:		–
Accounts Receivable and pre paid expenses	(4,239)	(23,284)
Accounts payable and accrued liabilities	124,884	(13,810)
Due to (from) related party	–	36,683
Net cash used in operating activities	**(61,832)**	**(164,801)**
Cash flows from investing activities:		
Acquisition of equipment	–	(3,710)
Net cash used in investing activities	**–**	**(3,710)**
Cash flows from financing activities:		
Promissory note	20,000	–
Proceeds from sale of common stock	94,000	78,333
Net cash provided by financing activities	**114,000**	**78,333**
Effects of exchange rates on cash	–	(379)
Net increase (decrease) in cash	52,168	(90,557)
Cash and cash equivalents at beginning of year	25,229	98,768
Cash and cash equivalents at end of Quarter	**$ 77,397**	**$ 8,211**

See accompanying notes to consolidated financial statements.

Note 1– Nature of Business, Presentation and Going Concern

Organization

Cannabics Pharmaceuticals Inc. (the "Company"), was incorporated in the State of Nevada, on September 15, 2004, under the name of Thrust Energy Corp. The Company was originally engaged in the exploration, exploitation, development and production of oil and gas projects within North America, but was unable to operate profitably.

On April 25, 2014, the Company experienced a change in control. Cannabics, Inc. ("Cannabics") acquired a majority of the issued and outstanding common stock of the Company in accordance with stock purchase agreements by and between Cannabics and Thomas Mills ("Mills"). On the closing date, April 25, 2014, pursuant to the terms of the Stock Purchase Agreement, Cannabics purchased from Mills 20,500,000 shares of the Company's outstanding restricted common stock for $198,000, representing 51%.

On May 21, 2014, the Company changed its name, via merger in the state of Nevada, to Cannabics Pharmaceuticals Inc. At this time the Company has changed its course of business to pharmaceutical development.

On July 31, 2014, Cannabics Pharmaceuticals Inc. filed its exclusive Patent Application with the US Patent & Trademark Office (USPTO), which covers the proprietary technology developed by its team of experts in the field of cannabinoid long acting lipid based formulations. This patent is the basis for the company's "CANNABICS SR" technology, which consists of the IP for standardized and long acting medical cannabis capsules, designed for patients suffering from diverse indications. Simultaneously this Patent was filed with the PCT division of the Israeli Patent Office (ILPO) in order to provide International IP protection.

On August 25, 2014, the Company organized G.R.I.N. Ultra Ltd. ("GRIN"), an Israeli corporation, as a wholly-owned subsidiary. GRIN provides research and development activities in Israel.

On February 24, 2016, the Company filed a new patent application for the company's slow release medical capsules, as noted in their Press Release of that date.

Stock Split

On June 3, 2014, the Company's Board of Directors declared a two-to-one forward stock split of all outstanding shares of common stock. The stock split was approved by FINRA on June 25, 2014. The effect of the stock split increased the number of shares of common stock outstanding from 40,880,203 to 81,760,406. All common share and per common share data in these financial statements and related notes hereto have been retroactively adjusted to account for the effect of the stock split for all periods presented prior to June 3, 2014. The total number of authorized common shares and the par value thereof was not changed by the split.

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP")for interim financial statement presentation and in accordance with Form 10-Q. Accordingly, they do not include all of the information and footnotes required in annual financial statements. In the opinion of management, the unaudited financial statements contain all adjustments (consisting only of normal recurring accruals) necessary to present fairly the financial position and results of operations and cash flows. The results of operations presented are not necessarily indicative of the results to be expected for any other interim period or for the entire year.

These unaudited financial statements should be read in conjunction with our 2015 annual financial statements included in our Form 10-K, filed with the U.S. Securities and Exchange Commission ("SEC") on January 7, 2016.

Principles of Consolidation

The consolidated financial statements include the accounts of Cannabics Pharmaceuticals Inc. and its wholly-owned subsidiary, G.R.I.N. Ultra Ltd. All significant inter-company balances and transactions have been eliminated in consolidation.

Going Concern

The accompanying unaudited financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred a net loss of $212,181 for the six months ended February 28, 2016 and has incurred cumulative losses since inception of $1,491,319. These conditions raise substantial doubt about the ability of the Company to continue as a going concern.

The ability of the Company to continue as a going concern is dependent upon its abilities to generate revenues, to continue to raise investment capital, and develop and implement its business plan. No assurance can be given that the Company will be successful in these efforts.

The unaudited financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Management believes that actions presently being taken to obtain additional funding and implement its strategic plans provide the opportunity for the Company to continue as a going concern. No assurance can be given that the Company will be successful in these efforts.

Research and Development Costs

The Company accounts for research and development costs in accordance with ASC 730 "Research and Development". ASC 730 requires that research and development costs be charged to expense when incurred. Research and development costs charged to expense were $98,628 and $12,805 for the three months ended February 28, 2016 and 2015, respectively, and $107,025 and 13,104 for the six months ended February 29, 2016 and 2015, respectively.

Reclassifications

Certain amounts in the prior period financial statements have been reclassified to conform to the current period presentation. These reclassifications had no effect on reported losses, total assets, or stockholders' equity as previously reported.

Note 2 – Intangible Assets

On July 24, 2014, the Company executed a Collaboration & Exclusivity Agreement with Cannabics, Inc. ("Cannabics"), a Delaware corporation and largest shareholder of the Company. Per the terms of the Agreement, the Company has issued 18,239,594 shares of its common stock to acquire the entire institutional knowledge of Cannabics, Inc., which primarily consists of the human Brain Trust in its team of experts, the cumulative result of their years of scientific knowledge in the fields of Molecular Biology, Cancer and Pharmacology research. Additionally Cannabics tendered $150,000 to the Company specifically earmarked as working funds towards prospective short-term projects of the Company.

Since that time, Management has determined that fair value measurement is not allowable where there are entities under common control and cost should be used based on the carrying book value of the seller's intangible. So that the only value ascribed to this transaction was the cash received for the transfer of the additional shares to the controlling parent company.

Note 3 – Related Party Transactions

On July 24, 2014, the Company executed a Collaboration & Exclusivity Agreement with Cannabics, Inc, a Delaware Corporation and largest shareholder of the Company. Per the terms of the agreement, the Company issued 18,239,594 shares of its common stock to acquire the entire institutional knowledge of Cannabics Inc. as well as $150,000.

During the year ended August 31, 2015, Cannabics advanced $175,683 to the Company for working capital purposes. This advance was in addition to $48,800 from 2014 resulting in a balance outstanding at August 31, 2015 of $224,483. No additional money was advanced during the last 6 months and remains the balance as of February 29, 2016. The advance is due on demand and bears no interest.

Note 4 – Stockholders' Equity (Deficit)

Authorized Shares

The Company is authorized to issue up to 900,000,000 shares of common stock, par value $0.0001 per share. Each outstanding share of common stock entitles the holder to one vote per share on all matters submitted to a stockholder vote. All shares of common stock are non-assessable and non-cumulative, with no pre-emptive rights.

Common Stock

On June 3, 2014, the Company's Board of Directors declared a two-to-one forward stock split of all outstanding shares of common stock. The stock split was approved by FINRA on June 25, 2014. The effect of the stock split increased the number of shares of common stock outstanding from 40,880,203 to 81,760,406. All common share and per common share data in these financial statements and related notes hereto have been retroactively adjusted to account for the effect of the stock split for all periods presented prior to June 3, 2014. The total number of authorized common shares and the par value thereof was not changed by the split.

During the year ended August 31, 2014, the Company issued 250,000 shares of its common stock to 5 consultants for services rendered at a fair value of $62,500, or an average of $0.25 per share.

During the year ended August 31, 2015, the Company issued 713,333 shares of its common stock to 2 investors for cash of $128,333.25, or an average of $0.18 per share, one of the issuances included 1,600,000 warrants. During the year ended August 31, 2015, the Company issued 540,000 shares of its common stock to 8 consultants for services rendered at a fair value of $83,123, or an average of $0.16 per share.

During the six month ended February 29th 2016, the company issued to service providers 1,150,000 shares and 5,174,333 options.

Note 5 – Commitments and Contingencies

Effective December 1, 2014, the Company leases office space for its research and development activities in Caesarea, Israel under a multiple year non-cancelable operating lease that expires November 30, 2016. The lease agreement has certain escalation clauses and renewal options.

Note 6 – Material Definitive Agreements

On January 25, 2016, Cannabics Pharmaceuticals Inc. executed an exclusive IP Licensing Agreement with Mountain High Products LLC and the Cima Group LLC for the production and distribution of the Company's CANNABICS SR technology of medical cannabis capsules, as disclosed in the 8-K of January 29, 2016.

Note 7 – Subsequent Events

The Company has evaluated subsequent events through the date the financial statements were issued and filed with the Securities and Exchange Commission. The Company granted total of 3,273,332 new shares to service providers total of 140,000 shares for their services, and 3,133,332 to new investors that invested $94,000 during this quarter. As of February 29, 2016, the shares of common stock have not been issued and have been reflected in common stock to be issued in the accompanying condensed consolidated balance sheet.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

SPECIAL NOTE CONCERNING FORWARD-LOOKING STATEMENTS

We believe that it is important to communicate our future expectations to our security holders and to the public. This report, therefore, contains statements about future events and expectations which are "forward-looking statements" within the meaning of Sections 27A of the Securities Act of 1933 and 21E of the Securities Exchange Act of 1934, including the statements about our plans, objectives, expectations and prospects under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations." You can expect to identify these statements by forward-looking words such as "may," "might," "could," "would," "will," "anticipate," "believe," "plan," "estimate," "project," "expect," "intend," "seek" and other similar expressions. Any statement contained in this report that is not a statement of historical fact may be deemed to be a forward-looking statement. Although we believe that the plans, objectives, expectations and prospects reflected in or suggested by our forward-looking statements are reasonable, those statements involve risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements, and we can give no assurance that our plans, objectives, expectations and prospects will be achieved.

Important factors that might cause our actual results to differ materially from the results contemplated by the forward-looking statements are contained in the "Risk Factors" section of and elsewhere in our Annual Report on Form 10-K for the fiscal year ended August 31, 2015 and in our subsequent filings with the Securities and Exchange Commission. The following discussion of our results of operations should be read together with our financial statements and related notes included elsewhere in this report.

Company Overview

Cannabics Pharmaceuticals Inc. (the "Company", "CNBX", "we", "us" or "our") was incorporated in Nevada on September 15, 2004, under the name of Thrust Energy Corp. The Company was originally engaged in the exploration, exploitation, development and production of oil and gas projects within North America, but was unable to operate profitably.

In May 2011, the Company changed its name to American Mining Corporation, suspending its oil and gas operations and changing its business to toll milling and refining, mineral exploration and mine development.

On April 25, 2014, the Company experienced a change in control. Cannabics, Inc. ("Cannabics") acquired a majority of the issued and outstanding common stock of the Company in accordance with stock purchase agreements by and between Cannabics and Thomas Mills ("Mills"). On the closing date, April 25, 2014, pursuant to the terms of the Stock Purchase Agreement, Cannabics purchased from Mills 20,500,000 shares of the Company's outstanding restricted common stock for $198,000, representing 51%.

Cannabics is a US based company founded in 2012 by a group of researchers from the fields of molecular biology, cancer research and pharmacology.

On May 21, 2014, the Company changed its name, via merger in the state of Nevada, to Cannabics Pharmaceuticals Inc. The Company's principle offices are in Bethesda, Maryland. At the same time the Company has changed its course of business to pharmaceutical research and development.

On June 3rd, 2014, the Company's Board of Directors declared a two-to-one forward stock split of all outstanding shares of common stock. The stock split was approved by FINRA on June 19th, 2014. The effect of the stock split increased the number of shares of common stock outstanding from 40,880,203 to 81,760,406. All common share and per common share data in these financial statements and related notes hereto have been retroactively adjusted to account for the effect of the stock split for all periods presented prior to June 3rd, 2014. The total number of authorized common shares and the par value thereof was not changed by the split.

On June 19th, 2014, FINRA granted final approval of Change of Name & Ticker Symbol of the Corporation from American Mining Corporation to Cannabics Pharmaceuticals Inc., with the new Ticker Symbol of "CNBX". Said approval was predicated upon Cannabics Pharmaceuticals Inc.'s filing of Articles of Merger with American Mining Corporation with the Nevada Secretary of State on May 21st, 2014. Under the laws of the State of Nevada, Cannabics Pharmaceuticals Inc. was merged with and into the Registrant, with the Registrant being the surviving entity. The Merger was completed under Section 92A.180 of the Nevada Revised Statutes, Chapter 92A, as amended, and as such, does not require the approval of the stockholders of either the Registrant or Cannabics Pharmaceuticals Inc.

On July 24, 2014, the Company executed a Collaboration & Exclusivity Agreement with Cannabics, Inc. ("Cannabics"), a Delaware corporation and largest shareholder of the Company. Per the terms of the Agreement, the Company issued 18,239,594 shares of its common stock to acquire the institutional knowledge of Cannabics, Inc., which primarily consists of in-process Research & Development technology, the cumulative result of its years of scientific institutional knowledge in the fields of Molecular Biology, Cancer and Pharmacology research. Additionally Cannabics tendered $150,000 to the Company specifically earmarked as working funds towards prospective projects of the Company.

On July 31st, 2014, Cannabics Pharmaceuticals Inc. filed its exclusive Patent Application with the US Patent & Trademark Office (USPTO), which covers the proprietary technology developed by its team of experts in the field of cannabinoid long acting lipid based formulations. This patent is the basis for the company's "CANNABICS SR" technology, which consists of the IP for standardized and long acting medical cannabis capsules, designed for patients suffering from diverse indications. Simultaneously this Patent was filed with the PCT division of the Israeli Patent Office (ILPO) in order to provide International IP protection. On February 24, 2016 Cannabics pharmaceuticals filed a new patent application for the company's slow release capsules

On August 25th, 2014, Cannabics Pharmaceuticals Inc. incorporated a wholly owned subsidiary in Israel, named "G.R.I.N Ultra Ltd", dedicated to the advanced research and development in the company's research laboratory in Caesarea, Israel.

On October 20th, 2014, Cannabics Pharmaceuticals Inc. received Government Certification from the Ministry of Health in Israel for the establishment of an advanced R&D laboratory dedicated to medical research and development of cannabinoid-based therapies. R&D is conducted to date in Israel and has resulted in an IP portfolio that includes proprietary formulation methods of cannabinoid extracts that enable a sustained release PK profile of the active ingredients upon oral administration. Our first technology is "Cannabics SR" - a standardized, high bioavailability, sustained release medical cannabis capsule that is based on cannabinoid extracts from selected strains of medical cannabis. The Cannabics SR proprietary formulation was shown to provide a steady state level of beneficial therapeutic effects within the therapeutic window for 10-12 hours. In Israel, numerous patients (most of them oncology patients) have already been treated with Cannabics SR capsules; with both patients and doctors reporting high levels of satisfaction from the uniformity and long lasting therapeutic effects of this unique medical technology.

On November 4th, 2014, Cannabics Pharmaceuticals Inc. executed an IP Licensing and Collaboration Agreement with Kalapa Holdings (Spain) for the production and distribution of the Company's CANNABICS SR medical capsules. The IP Licensing Agreement allows for the Company's advanced cannabinoid administration technology to be manufactured and distributed in Spain, exclusively through Kalapa Holdings and its subsidiaries in strict compliance with Spanish law and regulations to certified patients.

On December 18th, 2014, Cannabics Pharmaceuticals Inc. executed a letter of engagement with Mountain High Products in Colorado, for the manufacturing and distribution of Cannabics SR technology in the Colorado market. Cannabics SR medical cannabis technology will be utilized by Mountain High Products in strict compliance with Colorado laws and regulations of "Cannabis Infused Edible Products" and distributed to certified dispensaries through Mountain High's existing distribution channels.

On December 31st, 2014, Cannabics Pharmaceuticals Inc. executed an IP Licensing and Collaboration Agreement with Barak Security Ltd (Israel) for the production and distribution of the Company's CANNABICS SR line of medical cannabis products. The IP Licensing Agreement allows for the Company's advanced cannabinoid administration technology to be manufactured and distributed in Israel and the Czech Republic, exclusively through Barak Security's affiliates and subsidiaries in strict compliance with all local laws and regulations.

On January 29, 2015 the Company executed an Agreement with Rambam Medical Center (Israel) to undertake a controlled pilot study utilizing Cannabics SR Capsules as palliative treatment to improve cancer related Cachexia and Anorexia Syndrome in advanced stage cancer patients. Rambam is a world renowned academic hospital acknowledged for their cutting-edge research projects and integration of innovative new therapies and treatments to over 2 million residents of Northern Israel. You can view the details of this study from the NIH website at http://www.cancer.gov/clinicaltrials/search/view?cdrid=769090&version=HealthProfessional&protocolsearchid=12509449.

On February 15, 2015 the Company executed of a Research Agreement with the Technion Research & Development Foundation Ltd (Israel) to undertake a Research Project entitled " *The Assessment of the Antitumor Activity of the Whole Cannabis Plant Extract, Components and Derivatives Thereof".* The Research Project is scheduled to last one calendar year. Under the terms of the Agreement, Cannabics Pharmaceuticals will collaborate under the supervision of Prof. Dedi Meiri, Head of Technion's Laboratory of Cancer Biology and Cannabinoid Research. The purpose of this Research is to develop a diagnostic and therapeutic system to harness the anti-cancer properties of active cannabis-based ingredients. The study will screen and evaluate different types of human cancer cells treated with a multitude of cannabinoid combinations and observe and catalogue the effects thereof. Technion is consistently ranked among the world's top science and Technology Research Universities. The Faculty of Biology is comprised of 23 independent research groups, focusing on a variety of aspects of Cellular, Molecular and Developmental Biology. The faculty has extensive collaborations with the pharmaceutical and biotechnology industries.

On January 25th, 2016 the Company executed an exclusive IP Licensing Agreement with Mountain High Products LLC and the Cima Group LLC for the production and distribution of the Company's CANNABICS SR technology of medical cannabis capsules as noted in the 8K filed January 29th, 2016.

Plan of Operation

We are dedicated to the development of advanced and sophisticated cannabinoid-based treatments and therapies. The Company's main focus is development and marketing of various new and innovative therapies and biotechnological tools aimed at providing relief from diverse ailments that respond to active ingredients sourced from the cannabis plant. These advanced tools include innovative delivery systems for cannabinoids, personalized medicine therapies and procedures based on cannabis originated compounds and bioinformatics tools. The initial results from our joint research with the Technion Institute have been quite positive. We intend to monetize our laboratory knowledge to other Bio-Tech and pharmaceutical companies through various joint research arrangements; while at the same time bringing our flagship technology, Cannabics SR, a standardized time release capsule, to the market where the licensing regimen is conducive.

Results of Operations

For the Three Months Ended February 29, 2016 and 2015

Revenues

We had received $12,500 from licensing agreements during the three months ended February 29, 2016 compared to zero for the three months ended February 28, 2015.

Operating Expenses

For the three months ended February 28, 2016 our total operating expenses were $149,794 compared to $56,572 for the three months ended February 28, 2015 resulting in an increase of $93,222. The increase is attributable to increases of $85,823 in research and Development expenses and a total increase of $5,466 in General administration, consulting and professional fees.

We incurred foreign currency translation gain of $1,386 and a financial expense of $11,018 for the three months ended February 29, 2016 compared to a translation gain of $1,225 for the three months ended February 28, 2015. The financial expense was amortization of discount of the convertible note. As a result, the net loss was $146,926 for the three months ended February 29, 2016 compared to $55,347 for the three months ended February 28, 2015.

For the Six Months Ended February 28, 2015 and 2014

Revenues

We had received 12,500 from licensing agreements during the Six months ended February 29, 2016 comparred to zero for the six months ended February 28, 2015.

Operating Expenses

For the six months ended February 29, 2016 our total operating expenses were $212,731compared to $182,626 for the six months ended February 28, 2015 resulting in an increase of $30,105. The increase is attributable to increases in research and development expenses of $93,921. The general and administrative expenses, together with consulting and professional fees remained almost flat while the sales and marketing expenses went down from $31,000 during the six months ended February 2015 to $791 during the current period. The reduction in Sales and marketing expenses was due to the fact the expenses were mainly in order to secure license agreements which were signed in January 2016.

We incurred foreign currency translation gain of $1,386 for the six months ended February 29, 2016 compared to a losses of $379 for the six months ended February 28, 2015.we incurred a financial expense of $13,336 in the six months ended February 28, 2016, which was amortization of discount of the convertible note.. As a result the total comprehensive loss for the six months ended February 29, 2016 was $212,181 compared to $183,005 for the six months ended February 28, 2015.

Liquidity and Capital Resources

Overview

As of February 29, 2016, the Company had $77,397 in cash compared to $8,211 on February 28th 2015. We expect to incur a minimum of $1,000,000 in expenses during the next twelve months of operations. We estimate that these expenses will be comprised primarily of general expenses including overhead, legal and accounting fees, research and development expenses, and fees payable to outside medical centers for clinical studies.

Liquidity and Capital Resources during the Six Months Ended February 29, 2016 compared to the Six Months ended February 28, 2015

We used cash in operations of $61,832 for the six months ended February 29, 2016 compared to cash used in operations of $164,801 for the six months ended February 28, 2015. The negative cash flow from operating activities for the six months ended February 28, 2015 is primarily attributable to the Company's net loss from operations of $212,181, offset by depreciation and amortization of $13,704, stock issued for services of $16,000; and increase in accounts payables and accrued liabilities of $124,884.

We did not use any cash in investing activities during the six months ended February 29, 2016, compared to $3,710 cash which was used in investment activities for the six months ended February 28, 2015.

Cash generated in our financing activities was $114,000 consisting of the sale of common stock of $94000 and $20,000 from a promissory note for the six months ended February 29, 2016, compared to $78,333 cash generated from the sale of common stock during the comparable period in 2015.

We will have to raise funds to pay for our expenses. We may have to borrow money from shareholders issue equity or enter into a strategic arrangement with a third party. There can be no assurance that additional capital will be available to us. We currently have no arrangements or understandings with any person to obtain funds through bank loans, lines of credit or any other sources. Since we have no such arrangements or plans currently in effect, our inability to raise funds for our operations will have a severe negative impact on our ability to remain a viable company.

Going Concern

Due to the uncertainty of our ability to meet our current operating and capital expenses, our independent auditors included an explanatory paragraph in their report on the audited financial statements for the year ended August 31, 2014 regarding concerns about our ability to continue as a going concern. Our financial statements contain additional note disclosures describing the circumstances that lead to this disclosure by our independent auditors.

Our unaudited financial statements have been prepared on a going concern basis, which assumes the realization of assets and settlement of liabilities in the normal course of business. Our ability to continue as a going concern is dependent upon our ability to generate profitable operations in the future and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they become due. The outcome of these matters cannot be predicted with any certainty at this time and raise substantial doubt that we will be able to continue as a going concern. Our unaudited financial statements do not include any adjustments to the amount and classification of assets and liabilities that may be necessary should we be unable to continue as a going concern.

There is no assurance that our operations will be profitable. Our continued existence and plans for future growth depend on our ability to obtain the additional capital necessary to operate either through the generation of revenue or the issuance of additional debt or equity.

Off-Balance Sheet Arrangements

We currently have no off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make a number of 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. Such estimates and assumptions affect the reported amounts of revenues and expenses during the reporting period. We base our estimates on historical experiences and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ materially from these estimates under different assumptions and conditions. We continue to monitor significant estimates made during the preparation of our financial statements. On an ongoing basis, we evaluate estimates and assumptions based upon historical experience and various other factors and circumstances. We believe our estimates and assumptions are reasonable in the circumstances; however, actual results may differ from these estimates under different future conditions.

See Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and Note 2, “Summary of Significant Accounting Policies” in our audited consolidated financial statements for the year ended August 31, 2014, included in our Annual Report on Form10-K as filed on December 15, 2014, for a discussion of our critical accounting policies and estimates.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The disclosure required under this item is not required to be reported by smaller reporting companies; as such term is defined by Item 503(e) of Regulation S-K.

Item 4. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this Quarterly Report on Form 10-Q, an evaluation was carried out by the Company's management, with the participation of the principal executive officer and the principal financial officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")) as of February 28, 2015. Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act 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 management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, the Company's management concluded, as of the end of the period covered by this report, that the Company's disclosure controls and procedures were not effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Commission's rules and forms, and that such information was accumulated and communicated to management, including the principal executive officer and the principal financial officer, to allow timely decisions regarding required disclosures.

(b) Changes in Internal Control over Financial Reporting

There were no other changes in our internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We are currently not involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company, threatened against or affecting our company or our common stock in which an adverse decision could have a material adverse effect.

Item 1A. Risk Factors

The disclosure required under this item is not required to be reported by smaller reporting companies; as such term is defined by Item 503(e) of Regulation S-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

We sold 3,133,332 shares to 11 people at $.03 per share for a total of $94,000.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

Exhibit 31.1	Certification by the Principal Executive Officer of Registrant pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14 (a) or Rule 15d-14(a)). *
Exhibit 31.2	Certification by the Principal Financial Officer of Registrant pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14 (a) or Rule 15d-14(a)). *
Exhibit 32.1	Certification by the Principal Executive Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. *
Exhibit 32.2	Certification by the Principal Financial Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. *
101.INS	XBRL Instance 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 **

* Filed herewith.

** XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

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.

Date: April 15th, 2016

By: */s/ Itamar Borochov*
Itamar Borochov, Director
Chief Executive Officer

By: */s/ Dr. Eyal Ballan*
Dr. Eyal Ballan, Director
Chief Technical Officer

By: */s/ Dov Weinberg*
Dov Weinberg,
Chief Financial Officer

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Itamar Borochov, certify that:

1. I have reviewed this Form 10-Q of CANNABICS PHARMACEUTICALS INC.;

2. Based on my knowledge, this 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 present in this report;

4. I am 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 13-a-15(f) and 15d-15(f)) for the registrant and 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) Evaluated the effectiveness of the registrant's disclosure controls and procedures and 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 such 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 fiscal 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; and

5. 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 involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 15th, 2016

By: */s/ Itamar Borochov*
Itamar Borochov
Director, Chief Executive Officer
CANNABICS PHARMACEUTICALS INC.

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Dov Weinberg, certify that:

1. I have reviewed this Form 10-Q of CANNABICS PHARMACEUTICALS INC.;

2. Based on my knowledge, this 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 present in this report;

4. I am 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 13-a-15(f) and 15d-15(f)) for the registrant and 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) Evaluated the effectiveness of the registrant's disclosure controls and procedures and 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 such 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 fiscal 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; and

5. 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 involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 15th, 2016

By: */s/ Dov Weinberg*
Dov Weinberg
Chief Financial Officer
CANNABICS PHARMACEUTICALS INC.

Exhibit 32.1

CERTIFICATION OF
PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report of CANNABICS PHARMACEUTICALS INC. (the "Company") on Form 10-Q for the quarter ending February 28, 2016, as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Report"), I, Itamar Borochov, Director and Chief Executive Officer (Principal Executive Officer) of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

1. Such Quarterly Report on Form 10-Q for the quarter ending February 28, 2016 , 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 such Quarterly Report on Form 10-Q for the quarter ending February 28, 2016 , fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 15th, 2016

By: */s/ Itamar Borochov*
Itamar Borochov
Director, Chief Executive Officer
CANNABICS PHARMACEUTICALS INC.

Exhibit 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

In connection with this6Quarterly Report of CANNABICS PHARMACEUTICALS INC. (the "Company") on Form 10-Q for the quarter ending February 28, 2016, as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Report"), I, Dov Weinberg, Chief Financial Officer (Principal Financial Officer) of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

1. Such Quarterly Report on Form 10-Q for the quarter ending February 28, 2016 , 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 such Quarterly Report on Form 10-Q for the quarter ending February 28, 2016 , fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 15th, 2016

By: */s/ Dov Weinberg*
Dov Weinberg
Chief Financial Officer
CANNABICS PHARMACEUTICALS INC.