

INFORMATION AND DISCLOSURE STATEMENT

Pursuant to Rule 15c2-(11)(a)(5) under the Securities Exchange Act of 1934

Period Ending
December 31, 2013



Medical Marijuana, Inc.

4901 Morena Blvd, Suite 701
San Diego, CA 92117

CUSIP: 58463A105
Trading Symbol: MJNA

**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 DISCLOSURE (FDA)

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")

The Company was originally incorporated as Berkshire Collection, Inc., in Canada in 2003. On May 23, 2005, the Company was incorporated in the State of Oregon. The Company changed its name to Mynewpedia Corp. on January 31, 2007. On May 21, 2008 the Company, with the consent of the majority shareholder of Mynewpedia, agreed to issue common stock of Mynewpedia, Corp. (MYNW) to the shareholders of Club Vivonet (Florida) in exchange for all issued and outstanding common shares of the stock of Club Vivonet, totaling 9,300,000 common shares by way of an exchange of one (1) share of Club Vivonet for twelve (12) shares of Mynewpedia, Inc.. Club Vivonet Inc., formed in August 2006 as a Florida C Corporation, is currently a wholly owned subsidiary of the Company. Total outstanding shares of the Company after the acquisition were 221,176,840. The Company subsequently changed its name to Club Vivonet, Inc. on May 22, 2008, and on August 28, 2008, the Company effected a 20:1 reverse split which resulted in 11,058,842 total issued and outstanding shares of common stock of the Company. On March 23, 2009, the Company resolved to change its name to Medical Marijuana, Inc.; this name change became effective April 28, 2009. On April, 27, 2009, the then-current directors/officers of the company resigned and appointed new Officers/Directors. On April 28, 2009, the Company issued a total of 40,000,000 shares to the new CEO. These actions effected a change in and control of the company. Upon the effective date of the name change, the Company's trading symbol was changed to MJNA. On the date of the name change of the Company to Medical Marijuana, Inc., the Company spun off its wholly owned subsidiaries: Club Vivonet, a Florida corporation and Mynewpedia Corp. On March 23, 2011, an equity/asset exchange was effected between Hemp Deposit and Distribution Corp., a Delaware corporation ("HDDC"), and the Company. The equity/asset exchange called for the Company to issue 260,000,000 shares of common stock to HDDC which required an increase in the authorized share capital from 300,000,000 shares to 600,000,000 shares. The increase was declared effective on March 28, 2011. The issuance of the 260,000,000 shares was effected on March 31, 2011, which then effected a change in and control of the Company. As of June 27, 2013, new management found various misfilings that pertain to authorized shares from former management in which legal counsel was retained to make corrective actions as part of its corporate measures to ensure complete compliance in all matters. These actions have been filed with the State of Oregon. The Company does not have any plans at this time to increase authorized shares beyond the stated amount.

2. ADDRESS OF ISSUER PRINCIPAL EXECUTIVE OFFICES

Company Headquarters:

Address: 4901 Morena Boulevard, Suite 701, San Diego, CA 92117
Phone: (866) 273-8502
Email: info@medicalmarijuanainc.com
Website: www.medicalmarijuanainc.com

Investors Relations Contact:

SmallCapVoice.Com, Inc. - Stuart Smith
Phone: (512) 267-2430
Email: ssmith@smallcapvoice.com
Website: www.smallcapvoice.com

Internal - Investor Relations Contact

Christopher Moreo
Phone: (866) 273-8502
investorrelations@medicalmarijuanainc.com

3. SECURITY INFORMATION

Trading Symbol: MJNA

Exact title and class of securities outstanding: Common Stock
CUSIP: 58463A105

Par or Stated Value: \$.001 per share of Common Stock

Total shares authorized capped by management: 950,000,000

Total shares outstanding: 948,507,961 (as of 12/31/13)

Transfer Agent:

First American Stock Transfer, Inc.
4747 N. 7th Street, Suite 170
Phoenix, AZ 85014
602) 485-1346; (602)788-0423 fax
<https://firstamericanstock.com>

First American Stock Transfer, Inc. is registered under the Exchange Act with the Securities Exchange Commission as a Registrar and Transfer Agent.

Is the Transfer Agent registered under the Exchange Act? Yes No

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

DATE OF ISSUE	NATURE OF OFFERING (E.G., RULE 504, RULE 144, Intrastate etc.)	SHARE AMOUNT OFFERED/ SOLD		PPS	PRICE PAID TO ISSUER	TRADING STATUS/ RESTRICTION(S)
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4th QUARTER 2013						
10/10/13	144	32,143		.14		Restricted 144
10/10/13	144	500,000		.14		Restricted 144
10/10/13	144	500,000		.14		Restricted 144
12/12/13	144	900,000		.14		Restricted 144

5. FINANCIAL STATEMENTS

- A. Balance sheet;
- B. Statement of income;
- C. Statement of cash flows;
- D. Financial notes; and
- E. Audit letter

Medical Marijuana, Inc.
Balance Sheet
As of December 31, 2013

	<u>Dec 31, 13</u>
ASSETS	
Current Assets	
Cash & Cash Equivalents	481,120
Other Current Assets	
Inventory Note 3	31,248
Receivable RDH Note 5	2,977,632
Other Receivables	114,275
Investments Note 4	30,417,671
Total Other Current Assets	<u>33,540,826</u>
Total Current Assets	34,021,946
Fixed Assets	
Furniture and Equipment	102,900
Total Fixed Assets	<u>102,900</u>
Other Assets	
Website Development	50,400
CanChew Biotech Note 7	8,559,279
Extract Dev, Marketing	3,524,085
HempMeds PX	271,100
HempVAP	4,726
Kannalife	500,000
Red Dice Holdings Note 6	1,450,000
Fixed Assets Note 9	141,865
Total Other Assets	<u>12,501,455</u>
TOTAL ASSETS	<u><u>46,626,301</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Loan Payable HDDC	1,363,333
Total Long Term Liabilities	<u>1,363,333</u>
Total Liabilities	1,363,333
Equity Note 10	
Common Stock	948,508
Additional Paid in Capital	10,463,638
Retained Earnings	33,850,822
Total Equity	<u><u>45,262,968</u></u>
TOTAL LIABILITIES & EQUITY	<u><u>46,626,301</u></u>

The accompanying notes are an integral part of the financial statements

Medical Marijauna, Inc.
Statement of Income

October through December 2013 and January through December 2013

	Total Oct - Dec 13	Total Jan- Dec 13
Ordinary Income/Expense		
Income		
Sales	\$ 1,435,720	\$ 5,059,924
Total Income	1,435,720	5,059,924
Cost of Goods Sold	438,570	1,049,065
Products	112,464	281,169
Cost of Goods Sold	551,034	2,119,851
Gross Profit	\$ 884,686	\$ 2,940,073
Expense		
Bank & Merchant Service Charges	36,180	46,900
Business License	281	281
CanChew Gum Marketing	5,075	5,075
Cleaning Expense	3,766	3,766
Community Outreach	1,828	1,828
Computer and Internet Expenses	69,444	85,597
Lab Testing	640	640
Marketing	92,992	231,858
Meals and Entertainment	10,101	16,458
Memberships and Dues	5,544	5,544
Office Expense	54,531	120,504
Payroll Expenses	259,147	671,640
Product Development	4,437	18,083
Professional Fees	168,087	1,229,023
Rent Expense	20,137	79,344
Security	7,039	7,039
Shipping Expense	41,499	68,890
Telephone Expense	2,404	12,469
Travel Expense	49,408	109,402
Utilities	8,157	14,113
Total Expense	836,807	2,728,654
Net Ordinary Income	45,879	211,419
Income Before Extraordinary Item	\$ 45,879	\$ 211,419
Extraordinary Item Note 11		
Phytosphere Licensing & Inventory Sale	6,500,000	30,500,000
Less Amounts Due to HDDC	1,300,000	6,100,000
Net Income	\$ 5,245,879	\$ 24,611,419

The accompanying notes are an integral part of the financial statements

Medical Marijuana, Inc.
Statement of Cash Flows
October through December 2013

	Oct - Dec 13
OPERATING ACTIVITIES	
Net Income	\$ 6,245,879
Adjustments to reconcile Net Income to net cash provided by operations:	
Other Receivables	(25,980)
Investments	(5,227,500)
Net cash provided by Operating Activities	\$ (7,601)
INVESTING ACTIVITIES	
HempVAP	(4,726)
CanChew Biotech	(48,791)
HempMeds PX	(90,164)
Red Dice Holdings	(259,877)
Net cash provided by Investing Activities	\$ (403,558)
FINANCING ACTIVITIES	
Loan Payable HDDC	1,363,333
Loan Payable Tonaquint	(893,333)
Net cash provided by Financing Activities	\$ 470,000
 Net cash increase for period	 \$ 58,840
 Cash at beginning of period	 \$ 422,279
Cash at end of period	\$ 481,120

The accompanying notes are an integral part of these financial statements

Medical Marijauna, Inc.
Supplemental Information
Statement of Income by Subsidiary
October through December 2013

	Consolidated Oct - Dec 13	MJNA Oct - Dec 13	HempMeds PX Oct - Dec 13	RDH* Oct - Dec 13	CanChew Oct - Dec 13	HempVAP Oct - Dec 13
Ordinary Income/Expense						
Sales	\$ 1,943,005	\$ -	\$ 1,403,017	\$ 433,129	\$ 57,620	\$ 49,239
Total Income	1,943,005	-	1,403,017	433,129	57,620	49,239
Cost of Goods Sold	703,018	-	665,082	-	-	37,936
Gross Profit	\$ 1,239,987	\$ -	\$ 737,935	\$ 433,129	\$ 57,620	\$ 11,303
Expense						
Bank & Merchant Service Charges	45,121	420	44,701	-	-	
Business License	351	-	351	-	-	
CanChew Gum Marketing	6,344	-	6,344	-	-	
Cleaning Expense	4,707	-	4,707	-	-	
Community Outreach	2,285	-	2,285	-	-	
Computer and Internet Expenses	84,298	10,037	74,259	-	-	
Lab Testing	800	-	800	-	-	
Marketing	111,924	20,038	90,036	-	-	1,850
Meals and Entertainment	12,522	816	11,706	-	-	
Memberships and Dues	6,930	-	6,930	-	-	
Office Expense	57,086	44,313	12,773	-	-	
Payroll Expenses	298,777	100,627	198,150	-	-	
Product Development	5,547	-	5,547	-	-	
Professional Fees	181,411	114,792	66,619	-	-	
Rent Expense	23,127	8,175	14,952	-	-	
Security	8,799	-	8,799	-	-	
Shipping Expense	60,590	5,135	45,455	-	-	
Telephone Expense	2,550	1,818	732	-	-	
Travel Expense	60,743	4,068	56,675	-	-	
Utilities	7,104	2,520	4,584	-	-	
Total Expense	971,013	312,759	656,404	-	-	1,850
Income Before Extraordinary Item	\$ 268,974	\$ (312,759)	\$ 81,531	\$ 433,129	\$ 57,620	\$ 9,453
Extraordinary Item						
Phytosphere Licensing & Inventory Sale	6,500,000	6,500,000	-	-	-	-
Less Amounts Due to HDDC	1,300,000	1,300,000	-	-	-	-
Net Income before MJNA Ownership Allocation	\$ 5,468,974	\$ 4,887,241	\$ 81,531	\$ 433,129	\$ 57,620	\$ 9,453
Ownership Allocation Factor	100%	100%	80%	60%	50%	50%
Income after MJNA Ownership Allocation	\$ 5,245,880	\$ 4,887,241	\$ 65,225	\$ 259,877	\$ 28,810	\$ 4,727
Less Allocated Expenses Paid by MJNA	0	\$ 163,095	\$ (73,716)	\$ (57,396)	\$ (31,984)	\$ -
Net Income	\$ 5,245,879	\$ 5,050,336	\$ (8,491)	\$ 202,481	\$ (3,174)	\$ 4,727

* The Company was unable to verify the financial information from RDH. The income reported above was provided by third parties and the Expenses were allocated to RDH and paid directly by the Company on behalf of RDH.

EXHIBIT 1

This Supplementary Information is Being Supplied to Illustrate Activity by Subsidiary

Medical Marijuana, Inc.
Supplementa Information
Statement of Income by Subsidiary
January
through December 2013

	Consolidated 2013	MJNA 2013	HempMeds PX 2013	RDH* 2013	CanChew 2013	HempVAP 2013
Ordinary Income/Expense						
Sales	\$ 3,402,298	\$ -	\$ 1,558,324	\$ 1,549,740	\$ 144,995	\$ 49,239
Total Income	3,402,298	-	1,558,324	1,549,740	144,995	49,239
Cost of Goods Sold	\$ 886,266	-	665,082	113,456	69,792	37,836
Gross Profit	\$ 2,516,032	\$ -	\$ 893,242	\$ 1,436,284	\$ 75,203	\$ 11,303
Expense						
Bank & Merchant Service Charges	50,499	5,798	44,701	-	-	-
Business License	351	-	351	-	-	-
CanChew Gum Marketing	5,344	-	6,344	-	-	-
Cleaning Expense	5,651	944	4,707	-	-	-
Community Outreach	2,285	-	2,285	-	-	-
Computer and Internet Expenses	130,168	55,909	74,259	-	-	-
Lab Testing	14,446	13,646	800	-	-	-
Marketing	157,179	65,293	90,036	-	-	1,850
Meals and Entertainment	16,857	4,151	11,706	-	-	-
Memberships and Dues	7,426	496	6,930	-	-	-
Office Expense	67,231	74,458	12,773	-	-	-
Payroll Expenses	460,293	262,143	198,150	-	-	-
Product Development	5,547	-	5,547	-	-	-
Professional Fees	837,732	771,113	66,619	-	-	-
Rent Expense	63,111	48,159	14,952	-	-	-
Security	8,799	-	8,799	-	-	-
Shipping Expense	55,313	9,858	45,455	-	-	-
Telephone Expense	7,258	6,526	732	-	-	-
Travel Expense	63,890	27,215	66,675	-	-	-
Utilities	12,607	8,023	4,584	-	-	-
Total Expense	2,011,986	1,353,732	656,404	-	-	1,850
Income Before Extraordinary Item	\$ 504,046	\$ (1,353,732)	\$ 336,838	\$ 1,436,284	\$ 75,203	\$ 9,453
Extraordinary Item						
Phytosphere Licensing & Inventory Sale	30,500,000	30,500,000	-	-	-	-
Less Amounts Due to HDDC	6,100,000	6,100,000	-	-	-	-
Net Income before MJNA Ownership Allocation	\$ 24,904,046	\$ 23,046,268	\$ 336,838	\$ 1,436,284	\$ 75,203	\$ 9,453
Ownership Allocation Factor	100%	100%	80%	60%	50%	50%
Income after MJNA Ownership Allocation	\$ 24,215,111	\$ 23,046,268	\$ 269,471	\$ 861,770	\$ 37,602	\$ 4,727
Less Allocated Expenses	0	\$ 1,443,165	\$ (333,486)	\$ (319,090)	\$ (399,007)	\$ -
Net Income	\$ 24,811,419	\$ 24,489,433	\$ (64,015)	\$ 542,680	\$ (361,406)	\$ 4,727

* The Company was unable to verify the financial information from RDH.
The income reported above was provided by third parties and the Expenses were allocated to RDH and paid directly by the Company on behalf of RDH.

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 vested in the medical marijuana and industrial hemp markets. The company is comprised of a diversified portfolio of products, services, technology and businesses solely focused on the cannabis and hemp industries.

These products range from patented and proprietary cannabinoid-based products, to whole plant or isolated high value extracts specifically manufactured and formulated for the pharmaceutical, nutraceutical and cosmeceutical industries.

The Company’s services are extensive and varied, ranging from medical clinic management to the capitalization and development of existing industry business and product leaders. Services include development of cannabinoid-based health and wellness products, and the development of medical-grade cannabinoid compounds. Finally, MJNA services include the licensing of its proprietary testing, genetics, labeling, and packaging, tracking, production and standardization methods for the medicinal cannabinoid industry.

Medical Marijuana Inc.’s proprietary technologies include the only pharmaceutical-level vertical biotechnology company specializing in the standardization, production, and extraction of medicinal cannabinoids. MJNA’s PhytoSPHERE Systems (under exclusive license for use by CannaVest Corp.) and their advanced plant growth technologies save significantly on resources necessary for production of medical-grade cannabis. In addition to providing a medical grade end product, extracts, and compounds, PhytoSPHERE Systems also offers pre- and post-production tracking, germplasm references, packaging, and processing to ensure consistency and genetic purity. PhytoSPHERE current offerings include federally legal cannabidiol (CBD)-rich industrial hemp oils and related products.

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 investments as available-for-sale. Available-for-sale securities are carried at fair value.

Inventories. Inventories are valued at cost. Inventory consists of CanChew gum and raw materials.

MEDICAL MARIJUANA, INC.

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, freight, and sales taxes from gross sales.

Supplementary Information. A breakdown of consolidating income by subsidiary has been included.

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.

Subsidiaries and Corporate Investments

<u>Corporate Holdings</u>	<u>Ownership Percentage</u>
Wellness Managed Services	100%
Canipa Holdings	80%
HempMedsPX	80%
Red Dice Holdings	60%
CanChew Biotechnologies	50%
HempVAP™	50%
KannaLife Sciences	16.5%

Wellness Managed Services

Wellness Managed Services engages in the management, capitalization and development of health and wellness facilities, medical clinics and cooperatives throughout North America.

Wellness Managed Services provides a comprehensive array of clinically-supporting health and wellness products and services that will attract patients while providing for a fully operational, profitable enterprise. We seek to provide facilities and patients alike with the latest in quality products and support services that will serve the health and wellness community. Wellness Managed Services has been actively acquiring and developing its services. This subsidiary is in negotiations for several additional facilities

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in Canada, California, Colorado and Arizona at present, and is looking to further expand throughout the US as well as develop an international division.

Canipa Holdings

Canipa Holdings was formed to assist Medical Marijuana Inc.'s expansion efforts in Europe, the Middle East and Asia. Canipa Holdings focuses its efforts on obtaining product and marketing approvals as well as distribution partners for the entire Medical Marijuana Inc. portfolio of products.

HempMedsPX

HempMedsPX, is a subsidiary of Medical Marijuana Inc. that focuses on the online marketing, distribution and sales of our portfolio of products. Working with various industry companies, HempMedsPX develops the content and presentations for the various ecommerce sites that promote and sell the products.

Red Dice Holdings

Red Dice Holdings, LLC is the owner of the Dixie Brand of products including Dixie Botanicals. The company has over 70 unique consumer products and is one of the most recognizable cannabis and hemp brands in the world. The brands have been featured by *60 Minutes*, *Forbes*, *Fortune*, and *Fast Company*, to name a few.

The company sells direct-to-consumer products, looks to integrate additional brands into its distribution and manufacturing platform, and licenses its brand(s) and IP to others looking to manufacture and distribute the products within their markets. Besides marketing, sales and licensing, the company has a full-time team of researchers and product development specialists who are tasked with improving the products and developing additional delivery methods.

CanChew Biotechnologies

CanChew Biotechnologies focuses on the treatment of pain and other medical disorders with the application of chewing gum-based cannabis/cannabinoid medical products. The company is focused on the R&D and execution of their clinical development plan for these products and the out-licensing of their technology. Clinical development focuses on the R&D of the formulation, production, and development of chewing gum-based cannabinoid products for the treatment of issues like pain, nausea and vomiting, anorexia, spasticity and various other medical issues.

HempVÄP™

HempVÄP™, a subsidiary of MJNA (50% MJNA and 50% HDDC), is the first hemp-based cannabidiol (CBD) vaporizer product line on the market. HempVÄP™ products include flavored CBD-rich hemp oil that is used with a custom-designed HempVÄP™

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vaporizer pen. HempVAP™ is sold through HempMedsPX and was launched in the 4th quarter of 2013.

KannaLife Sciences

KannaLife Sciences (“KannaLife”) is a late-stage biopharmaceutical and phytomedical technology company. They were created to develop natural, phytomedical products to be used in health and wellness regimens. They are also involved in the research and development of novel new therapeutic agents to be used as transport carriers for other compounds seeking to break the blood/brain barrier. They are also developing their own compounds to be used for the treatment and prevention of oxidative and neurotoxic stresses borne from a variety of ailments and illnesses.

Note 2: Related-Party Transactions

Hemp Deposit and Distribution Company

The Company has an agreement with Hemp Deposit and Distribution Company (“HDDC”, d.b.a. CannaBANK Inc.). HDDC is the majority shareholder and acts as the merger, acquisition, and due diligence arm for the Company. HDDC also provides working capital for the Company as needed, or can and has previously provided capital or its equity in MJNA to invest in and purchase companies, products, or services for MJNA.

HDDC paid off the loan from Tonaquint during the 4th quarter 2013 for \$893,333. In addition, HDDC loaned the Company \$470,000. The total amount due HDDC is \$1,363,333.

Sale and Licensing of Certain Assets of PhytoSPHERE Systems, LLC

In December 2012, PhytoSPHERE entered into an agreement for the sale of assets with CannaVest Corporation, (“CannaVest”), whereby the Company sold certain assets of PhytoSPHERE in exchange for an aggregate payment of \$35,000,000, payable in five (5) installments of either cash or common stock of CannaVest, at the sole discretion of CannaVest. Pursuant to the Agreement, PhytoSPHERE sold to CannaVest certain tangible assets, including equipment and inventory, all web domains of PhytoSPHERE, existing bank accounts with a total balance of \$50,774.55, phone numbers, e-mail addresses and postal addresses, vendor lists, permits, licenses and other approvals, and all existing and pending contracts. Notably, pursuant to the Purchase Agreement, PhytoSPHERE sold all of its rights, and surrendered all of its liabilities, and contracts with hemp production and processing facilities in three foreign countries, which allowed CannaVEST to secure raw product for the development and production of products. PhytoSPHERE also entered into an exclusive license of its brand name “PhytoSPHERE”

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and “PhytoSPHERE Systems” for use in the development and commercialization of hemp-based products.

The purchase agreement requires payment as follows: (a) \$4,500,000 on or before January 31, 2013; (b) \$6,000,000 on or before March 31, 2013; (c) \$8,000,000 on or before June 30, 2013; (d) \$10,000,000 on or before September 30, 2013; and \$6,500,000 on or before December 31, 2013. For any installments paid by the issuance of stock, the number of shares of stock issuable by the Company is determined by reference the closing price of the common stock on the day prior to issuance. The price is subject to a “collar,” whereby in no event will the shares issuable pursuant to the Purchase Agreement be priced at more than \$6.00 per share, and in no event will the shares be priced at less than \$4.50 per share.

Note 3: Inventories

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

Note 4: Investments

The Company maintains a portfolio of equity securities.

Note 5: Receivable RDH

Red Dice Holdings (RDH) is a holding company that owns formulas, equipment, and extraction processes for cannabis-based products. RDH’s revenue model is to continue to develop these products and license them to distributors throughout the world. The Company owns 60% of RDH. The Company has furnished RDH working capital for operations and inventory. As of December 31, 2013, it is estimated that RDH owes the Company \$2,977,632. This figure is based upon limited information supplied to the Company by RDH.

The Company has been unable to verify the wholesale sales, cost of goods sold, or any expenses. The actual amount owed to the Company by RDH cannot be determined until independent, audited financial information has been supplied to the Company.

On the listing of Supplemental Information, the Company has broken out sales by subsidiary. Under the heading “RDH”, the schedule shows income from RDH of \$259,877. This amount is sales reported to the Company and verified through third parties. Expenses were not included in the Company’s calculation of net income.

As part of the obligation under the RDH joint venture, the Company utilized \$1,450,000 of its securities portfolio as part of its financing strategy to satisfy equity requirements for the transaction. The Company and its management anticipate but have not concluded offsetting a portion, or the entire debt of RDH, by transferring all or a portion of the \$1,450,000 worth of securities in its possession.

MEDICAL MARIJUANA, INC.

Note 6: Red Dice Holdings

The Company purchased Red Dice Holdings in 2012. Red Dice Holdings (RDH) is a holding company that owns the formulas, equipment, and extraction processes for cannabis-based products. RDH's revenue model is to continue to develop these products and license them to distributors throughout the world. The Company owns 60% of RDH. RDH also has direct-to-consumer products on the market, such as Dixie Botanicals (a hemp CBD product line that MJNA introduced and paid \$250,000 in fees to launch said product line), and has a Colorado-based licensee that currently has products in over 500 retail outlets.

As part of the obligation under the RDH joint venture, the Company utilized \$1,450,000 of its securities portfolio as part of its financing strategy to satisfy equity requirements for the transaction. The Company and its management anticipate but not have concluded offsetting a portion or the entire debt of RDH by transferring a portion of the \$1,450,000 worth of securities in its possession.

Note 7: CanChew Biotechnologies

The Company purchased CanChew Biotechnologies in 2012. CanChew Biotechnologies focuses on the treatment of pain and other medical disorders with the application of chewing gum based cannabis/cannabinoid medical products. The Company owns 50% of CanChew Biotechnologies. CanChew Biotechnologies has developed an over-the-counter product called CanChew hemp CBD gum, and is also developing its medical product called MedChewRX. The company issued 47,000,000 shares or (\$4,700,000 as of date of issuance) to CanChew Biotechnologies for its use in the clinical development of MedChewRX and the launch of its over-the-counter CanChew gum. To date, none of these shares have been sold or collateralized.

CanChew Biotechnologies' day to day operations are completely controlled and operated by CanChew Biotechnologies' executive management.

Note 8: Research & Development

The Company incurred direct costs for developing their products and intellectual properties.

Note 9: Fixed Assets

Fixed assets are entirely comprised of office equipment. Fixed assets are shown net of depreciation.

Note 10: Stockholders' Equity

At December 31, 2013, the number of authorized and issued shares and the related par value:

MEDICAL MARIJUANA, INC.

Class A Common Stock Authorized:	950,000,000
Class A Common Stock Issued:	948,507,961
Par Value:	\$0.001

Note 11: Extraordinary Income

The Company sold certain assets of PhytoSPHERE Systems. The fifth installment payment of \$6,500,000 as per the PhytoSPHERE asset purchase agreement was received in stock. The Company will distribute the 20% of the installment payment at their discretion. The shares were issued to the Company on December 3, 2013. The Company received \$30,500,000 during 2013. In 2012, the Company received \$4,500,000. The total received was \$35,000,000.

The Company is obligated to distribute 20% of the installment payment to Hemp Deposit and Distribution Corp ("HDDC"). HDDC has agreed to allow the Company to hold the distribution for one year. At that time, the Company will reconsider their financial position and act in the best interest of the Company. Interest on the distribution will accrue at prime plus two percent per annum.

Note 12: Asset Valuation Correction

The Company re-evaluated the value of certain assets on the balance sheet. This was done to correct estimates made during the preparation of financial statements in prior quarters during the present fiscal year.

Inventory was written down to net realizable value. This change did not affect earnings for the year.

Independent Auditor's Report

To the Board of Directors and Stockholders of Medical Marijuana, Inc.:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Medical Marijuana, Inc., which comprise the balance sheet as of December 31, 2013, and the comparative related statements of income and cash flows for the period October 1, 2013 through December 31, 2013 and January 1, 2013 through December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to previously present fairly, in all material respects, the financial position of Medical Marijuana, Inc. as of December 31, 2013, and the results of its operations and its cash flows for the periods then ended in accordance with accounting principles generally accepted in the United States of America.

Anthony W. Imbimbo, CPA & Associates

San Diego, California
February 12, 2014

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

- A. A description of the issuer's business operations;
1. The Company is in the development stage.
 2. To the best of our knowledge the Company is not, nor has ever been, a "shell company."
- B. Date and state (or jurisdiction) of incorporation:
- The issuer was originally incorporated in Canada as Berkshire Collection. On May 23, 2005, the Company was re-incorporated in the State of Oregon.
- 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:

The Company currently has the following divisions, subsidiaries and affiliates:

Divisions

1. The Hemp Network
2. CannaFuel
3. The Pet Hemp Emporium

Subsidiaries (Companies Owned 50% or more)

1. Wellness Managed Services
2. Ace Hydro
3. HempMedsPX (formerly HempMedsRX)
4. Red Dice Holdings (Dixie Brand)
5. PhytoSPHERE Systems
6. CanChew Biotechnologies
7. Canipa Holdings

Investment Holdings

1. KannaLife Sciences
2. CannaVest Corp.

Affiliates

CannaBANK, Inc. (Hemp Deposit and Distribution Corporation)

Government Regulation

The effect of existing or probable government regulations on the business of the Company is not known at this time. Due to the nature of the business of

the Company, it is anticipated that there may be increasing regulation upon the business of the Company and that may cause the company to have to take serious corrective actions, changes in business plan, or even close or stop its business practices and/or operations.

The Company presently has forty-six (46) team members—including part-time or contracted—within our corporate structure (including subsidiaries).

Prior to new management and the issuance of shares to Hemp Deposit and Distribution, the Company was involved in the following:

(The company's management is continuing its evaluation of the following divisions, strategies, partnerships, business and operational plans for productivity, profitability, marketability and to make sure these fit into the Company's business strategies. The following excerpts were taken directly from prior management's annual reports.)

Medical Marijuana, Inc. was to provide institutional-level financial services to local, state and federal governments, testing and certification services, education programs, as well as consulting and turn-key solutions to all levels of government and the medical marijuana industry. A division, The Hemp Network, established in June 2010, sold hemp-based products to consumers through a network of home-based sales representatives.

EDUCATIONAL SYMPOSIUM AND SEMINARS

The Company began its expanded seminars with its first education forum at the Los Angeles Convention Center on January 16-17, 2010. Shortly thereafter, the Company held its second seminar in April 2010 in San Diego at that city's convention center. The focus of these seminars was on educating entrepreneurs, existing industry operators, regulators, city officials, law enforcement officials and the general public on the benefits of a legitimate medical marijuana industry. Currently no symposium or seminars are planned pending evaluation of the business efficacy of this division.

FINANCIAL SOLUTIONS

Medical Marijuana Inc. had a provisional patent pending for a tax remittance card, which in the early part of 2010 was upgraded and expanded to a utility patent. This would have provided local, state, and federal governments with a closed loop financial accounting system to monitor compliance and collect tax revenues in a near real-time environment. The Company looked to provide an integrated business system for medical marijuana industry participants, from growers to distributors to dispensaries. The Company is putting this product on hold for the time being to focus on other areas of the business.

UNDER NEW MANAGEMENT, FUTURE AREAS OF CONCENTRATION MAY INCLUDE BUT ARE NOT LIMITED TO THE FOLLOWING:

We are currently in discussions with multiple companies for testing, grading and general cannabinoid research.

Co-Op/Collective Management – As the market matures, we intend to provide outsourced management services to dispensaries under contract. We intend to standardize operations and product selection in its group of managed dispensaries.

Hemp Products – We are actively searching for a greatly expandable product line to increase network marketing production.

Medical Marijuana Inc. is currently developing the following divisions and subsidiaries:

1. The Hemp Network.

The Hemp Network's main objective is to educate the general population about the versatility and benefits of the hemp plant. By sharing the story of hemp with individuals across the country and around the world, the network strives to raise awareness and ultimately change public perception about industrial hemp. In changing public perception, we can help support changes in the laws associated with the cultivation of industrial hemp and the domestic production of hemp-related products and services.

Additional Notes: As of this date, the Company has evaluated expenses and overhead to proceed under this option and have elected to run all products through the well-established and nationally-branded HempMedsPX in order to reduce expenditures and maintain consistent control of processes.

2. MMI Nutraceuticals.

MMI Nutraceuticals (MMIN) is a division of the Company that deals with all nutraceutical products including CBD (cannabidiol) and THC-free brands and products. The MMIN team handles the development, research, contracting, patents and sales of these products.

Additional Notes: The CBD nutraceutical product line is expected to generate attention in the United States and abroad because of its purported beneficial properties for humans and animals. Currently we are not aware of any other direct competitors in this marketplace. The Company will look for distributors to sell the future nutraceutical products.

3. MMI Biotechnology

MMI Biotechnology is the division that will build and develop specialty equipment and technology for the medical, herbal, pharmaceutical and nutraceutical markets. The Company has put this focus on hold to concentrate its efforts on product launches and new product acquisitions with existing subsidiaries in the best interest of the Company.

4. CannaFuel

CannaFuel, is a division of the Company that oversees and coordinates the research and development of hemp-based and other biomass-based fuels. Currently the company has put this focus on hold to concentrate its efforts on product launches and new product acquisitions with existing subsidiaries in the best interest of the Company.

5. The Pet Hemp Emporium

Pet Hemp Emporium is a division of the Company that has developed everyday pet products, consisting of everything from hemp leashes to hemp beds and hemp-based bio plastics that are much more suitable for pet use than conventional products that are petroleum (oil)-based. These products are not available to consumers yet. Instead, the Company is anticipating expanding into wholesale distribution and direct distribution to pet stores before investigating marketing these products directly to consumers.

Additional Notes: Currently, the Company can only supply the products in bulk. The Company continues to evaluate the possibility of selling direct to consumer.

Subsidiaries

6. Wellness Managed Services, LLC

Wellness Managed Services provides management support and services to cooperatives, collectives, health and wellness facilities, and medical clinics. The services offered range from management to product distribution.

The Company continues to focus on the viability and structuring of this objective for several reasons:

- a. The accounts will provide, in most cases, an immediate cash flow;
- b. In most cases, the account has shelf space for our products;
- c. In most cases, the accounts provide direct sales access for our products to end-consumers and, most importantly, to the individuals who recommend specific products;
- d. Because the accounts, in most cases, are established businesses, our operating costs are much lower because we aggregate the operating costs in administration, legal, accounting and marketing, giving the company a strategic advantage.

7. HempMedsPX (formerly HempMedsRX) (80% owned by the Company and 20% owned by Hemp Deposit and Distribution Corporation.)

HempMedsPX, LLC is the master distributor and contracted marketing company for the Medical Marijuana Inc. portfolio of hemp-based CBD products. This division is in the process of finalizing exclusive distribution agreements with internal subsidiaries as well as outside parties for a fixed percentage fee plus costs. At the present time, the distribution agreements are with CanChew Biotechnologies for CanChew gum and CannaVest for Real Scientific Hemp Oil (RSHO), Cibdex, and Cibaderm. HempVAP is exclusively marketed and distributed through HempMedsPX. Other entities are being considered for exclusive agreements with HempMedsPX. The name was changed upon advice of our counsel due to our products being plant-based (PX) and not pharmaceutical-based (RX).

The company is in the process of evaluating several potential employees or new hires to run and further develop HempMedsPX. We have recently hired internal legal and patent consultants, writers, marketing/sales managers, sales staff, distribution staff, a Director of Communications as well as various marketing, website management and product consultants.

8. Red Dice Holdings (60% owned by Medical Marijuana Inc.)

Red Dice Holdings, LLC owns the Dixie Botanical and Dixie Classic brands of consumable products. The Company utilizes PhytoSPHERE Systems to provide all of the necessary hemp-based CBD oil to Red Dice Holdings brands. Their products range from a topical salve to the Dixie Dew Drops. The products can be found at retail locations throughout Colorado. The company intends to further develop its sales through several key areas:

1. Wholesale
2. Affiliated Marketing Sales
3. Retail

Once brand awareness is further established through online presence and media presence, the company anticipates offers from national and international marketing and distribution companies, at which time the company may need to re-evaluate and modify its sales and marketing strategies to conform to a more typical sales and distribution organization.

9. PhytoSPHERE Systems

PhytoSPHERE Systems, LLC (80% owned by the Company and 20% owned by Hemp Deposit and Distribution Corporation ["HDDC"]) entered into an agreement in December, 2012 to grant CannaVest Corp. a license to PhytoSPHERE Systems to sell its inventory and supply contracts, as well as certain other assets to CannaVest Corp., a hemp-based agricultural company

specializing in the development and sales of hemp-based products. The terms of the Purchase Agreement require payment by CannaVest to PhytoSPHERE of \$35 million in cash and/or stock. CannaVest made its final payment of 1,083,333 shares of CannaVest common stock, of which (80%) is distributed to the Company, although the physical certificate was not delivered to MJNA until the February 26, 2014.

NO OFFICER OR DIRECTOR OF MJNA HAS AN EQUITY INTEREST IN CANNAVEST.

This significant reduction of overhead and operational cost will enable the Company to focus on building its core business through the expansion of its branded products and acquisition of additional brands within our core competencies. In addition, the Company will continue to benefit from the solid supply chain relationships with CannaVest through partnering arrangements that are currently in discussion, with the goal of ensuring future purchases of high-value CBD hemp oil at a significant cost savings.

10. CanChew Biotechnologies

CanChew Biotechnologies focuses on the treatment of pain and other medical disorders with the application of chewing gum-based cannabis/cannabinoid medical products. The company is focused on the R&D and execution of their clinical development plan and the out-licensing of their technology. 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.

Product Development

CanChew gum was brought to market first for over-the-counter use. MedChewRX is being developed for medical purposes, specifically pain treatment associated with a variety of long-term, chronic or degenerative diseases whereby cannabinoid therapy is finding increasing application in a global marketplace.

CanChew Advantage

The CanChew formulation offers a unique, socially acceptable, patient-friendly, taste-masked and convenient delivery format for delivery of cannabidiol (CBD) via the oral mucosal membranes.

Advantages of Oral-Mucosal Delivery System for MedChewRX:

- Bypass of the gastrointestinal tract and hepatic portal system, increasing the bioavailability of orally-administered drugs that otherwise undergo hepatic first-pass metabolism.
- Drug is protected from degradation due to pH and digestive enzymes of the middle gastrointestinal tract.

- Improved patient compliance due to the elimination of associated pain with injections.
- Sustained drug delivery.
- A relatively rapid onset of action can be achieved relative to the oral route.
- Oral mucosal systems exhibit a faster initiation and decline of delivery than do transdermal patches.
- The large contact surface of the oral cavity contributes to rapid and extensive drug absorption.

The Company is currently seeking a GMP pharmaceutical manufacturer for its MedChewRX pharmaceutical drug, as well as a partner for clinical development and trials. The two require different GMP certifications. The pharmaceutical drug GMP certification is much more strenuous and is required for MedChewRX's clinical development.

The Company anticipates starting its MedChewRX clinical trials in Europe I 2014, with the overall clinical development taking three to five years. The company has a significant strategic advantage to its product and the development of this business:

1. The company has already developed an over-the-counter product (CanChew), which is available for sale currently. Most companies developing a pharmaceutical drug do not also have a product for sale on the over-the-counter market. This gives CanChew Biotech the ability to fuel its own growth and the growth of its pharmaceutical unit.
3. Gum-based delivery has a much greater efficacy over traditional methods of consuming cannabinoid-based products.
4. The safety profile of MedChewRX's APIs allows for more attractive sponsoring opportunities for research universities and doctors.

11. KannaLife Sciences

KannaLife Sciences ("KannaLife"), is a late-stage biopharmaceutical and phytomedicine technology company. They were created to develop natural, phytomedicine products to be used in health and wellness regimens. They are also involved in the research and development of novel new therapeutic agents to be used as transport carriers for other compounds seeking to break the blood/brain barrier. They are also developing their own compounds to be used for the treatment and prevention of oxidative and neurotoxic stresses borne from a variety of ailments and illnesses.

KannaLife's unique approach to drug development combines traditional and integrative healthcare practices with modern technology to create a pipeline of potential biopharmaceutical drug candidates for clinical development.

The KannaLife scientific team is comprised of dedicated professionals, clinicians, and biochemists who have a strong background in phytopharmaceutical, biological, and Ayurvedic sciences. This team brings a long track record of successfully developing drugs from plant sources that are complex in nature and structure. The team also has the requisite relationships with nationally-supported institutions of health as well as top academic food and science departments at several recognized universities in the United States.

KannaLife depends on the sustainability of plant life to create its products and practices environmentally-sound business practices. Their ultimate goal is to become a profitable and socially responsible company that seeks to improve the quality of life of the patients needing and using their products.

KannaLife Sciences, Inc.
363 West Hills Road
West Hills, NY 11743
Phone: (516) 669-3219
Fax: (516) 628-8282
URL: <http://www.kannalife.com>

General Inquiries

Email: info@kannalife.com

Public Relations

Email: media@kannalife.com

Medical Marijuana, Inc. is currently working with the following affiliates:

Hemp Deposit and Distribution Corporation (d.b.a. CannaBANK) performs mergers and acquisitions and acts as a conduit through which assets are transferred from Hemp Deposit and Distribution Corporation ("HDDC") to the Company pursuant to the agreement dated March 23, 2011. CannaBANK is also financing the acquisitions and development of certain approved purchases, acquisitions, and products. CannaBANK is at the forefront of hemp-based investments. Through liquidation of its equity and financial raises, in which CannaBANK guaranteed said funding, CannaBANK provided in excess of \$4 million in financing for the acquisition and development of several pending transactions, including the Dixie Elixirs Brand, PhytoSPHERE Systems, CanChew Biotechnologies, several cannabinoid-based hemp delivery systems, KannaLife Sciences, and several Wellness Managed Services accounts. CannaBANK is expanding its funding resources for the Company.

The nature of products or services offered:

Currently the entire Company's product and service portfolio is being evaluated by new management for marketability and profitability. The company has investments in other companies and brands which also have products and services.

7. DESCRIBE THE ISSUER'S FACILITIES

As of June 30, 2013, the Company relocated its corporate office to provide for expansion of personnel and to add warehouse/distribution capabilities. The new corporate office has approximately 7,000 square feet. The office has a call center, customer service center, shipping and receiving center and warehouse. The new corporate office is located at 4901 Morena Boulevard, Suite 701, San Diego, CA 92117.

Due to rapidly expanding growth, the Company is in the process of securing additional office space to relocate the corporate office and obtain a warehousing distribution center. It is anticipated that sales and customer service will remain at the existing facility.

8. OFFICERS, DIRECTORS AND CONTROL PERSONS

Board of Directors

The Company's Board of Directors is comprised of highly qualified and industry professionals. The Board assists the Management team in making appropriated decisions and taking effective action. Currently there are two members on the board:

Chairman:	Michelle Sides
Director:	Michael D. Julian

New Board Member(s):

The Company has and continues to search for qualified individuals that will provide guidance and leadership lending to the success of the business objectives. As such, the Company is proud and honored to have Michael Julian on its board. Mr. Julian has been a highly respected investigator for the State of California and is President/CEO of NBI Professional Investigative Services as well as MPS Security. Mr. Julian will provide assistance not only in business-related matters, but will also lend expertise in locating and vetting future executives, existing partnerships, and future opportunities to ensure that we locate the most qualified individuals and partnerships that are both viable and in line with Company objectives.

Mr. Julian's bio is as follows:

Michael Julian, CPI PPS CSP

Michael grew up working in the PI and security company his father founded in 1967. Beginning in 1990, he started work there full time, specializing in surveillance operations. He obtained his Private Investigators license in 1994 and majored in Administration of Justice in college where he was inducted into the Phi Theta Kappa International Scholastic Order for academic excellence.

After joining the California Association of Licensed Investigators (CALI) in 1995, he served as a District Governor, a member of the Legislation and Technology Committees, Education & Training Task Force, chaired the Bi-Laws Committee, and held the Vice President of Administrative Services position for five terms before becoming president in 2012.

Michael regularly teaches continuing education courses offered by CALI, as well as industry-related classes for California State University Fullerton, and National Business Institutes on topics such as business, technology, personal locates, asset discovery, and basic, intermediate, and advanced surveillance techniques.

Michael is a 2003 Executive Protection Institute class 55 graduate and member of the Nine Lives Associates. He has personally provided executive and asset protection to corporate executives, celebrities, natural and man-made disaster victims, and persons-at-risk for over two decades. He also instructs on multiple executive protection topics at EP schools and industry conferences. Michael is one of less than 50 Certified Security Professionals (CSP) in California.

Mr. Julian owns shares of Medical Marijuana Inc.

The Company continues with its efforts to find additional Board Members and Advisor Board Committee Members.

Advisors to the Board

The Company has an informal Advisory Board that is available to provide business advice and counseling to the Management Team of the Company. The Advisory Board is appointed by the President and/or other key executive members, and does not involve itself in any matters involving corporate governance of the Company. There are currently three Advisors to the Board:

Dr. Philip A. Van Damme
Dr. George Anastassov
Lekhram Changoer

Management

Michelle Sides

Chairman of the Board, Chief Operating Officer
4901 Morena Blvd, Suite 01
San Diego, CA 92117

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 of these positions focused mainly on corporate and real estate transactional law.

Ms. Sides is on the Board for Hemp Deposit and Distribution Corporation.
Ms. Sides owns shares of Medical Marijuana, Inc.

Dr. Philip A. Van Damme

Chief Scientific Officer, CanChew Biotechnologies
Kuyperstraat 5
3404 HL IJsselstein, Netherlands

Dr. Philip. A. Van Damme, DMD MD PhD, was born in Yerseke, The Netherlands Dr. Van Damme is an oral & cranio-maxillofacial surgeon living and working in the Netherlands. Dr. Van Damme first studied dentistry at the Utrecht University Dental School (Rijksuniversiteit Utrecht, The Netherlands) from 1971 through February 1977. He then fulfilled his military duty in the Dutch Royal Navy from May 1977 through October 1978, as Lieutenant-Dentist. Dr. Van Damme studied medicine at the Utrecht University Medical School, the Netherlands from 1978 through January 1983. He trained in general surgery at the Joannes de Deo Stichting Hospital from July 1983 through April 1984, while taking the International ECFMG/VQE examinations in Paris, France. Dr. Van Damme was trained in Oral & Maxillofacial Surgery in the University Hospital Nijmegen, The Netherlands from May 1984 through May 1988.

His PhD Thesis titled: *Sub periosteal Palatal Soft Tissue Expansion* was submitted on December 6, 1996 at the Nijmegen University (Katholieke Universiteit Nijmegen). Dr. Van Damme has been Section Editor of the Journal of Cranio-Maxillo Facial Surgery, for the sections Research, Development and New Horizons, and Reviewer for different other scientific journals. There are more than 70 PubMed listed publications and he presented

more than 100 times at national and international scientific meetings. In 2004, Dr. Van Damme had dual roles of being Visiting Professor in the Mount Sinai Hospital in New York, USA, and Visiting Surgeon in the Burdenko Institute in Moscow, Russia. In subsequent years he held numerous staff positions at several well respected medical clinics in the Netherlands. Together with Prof. George E. Anastassov MD DDS FAC, he has a patent application (US20110097283 – EP2280687 – CA2719830) on chewing gum compositions comprising cannabinoids.

In December 2007, he became Director-owner of Mareda Holding BV (Investment Company) and President-founder of Stichting Sanammad (intellectual property foundation) together with Lekhram Changoer MSc BSc).

Dr. Philip A. Van Damme owns shares of Medical Marijuana Inc.

Dr. George E. Anastassov

Chief Executive Officer, CanChew Biotechnologies

Kuyperstraat 5

3404 HL IJsselstein, Netherlands

Dr. Anastassov graduated with BA Degree in Fine Arts, followed by MD Degree and a DDS Degree, and currently is completing his Executive Physician MBA degree.

Dr. Anastassov is trained in Surgery, Oral and Maxillofacial Surgery, Plastic Surgery and Craniofacial and Base of the Skull Surgery both in the United States and Europe. His training was acquired at the following institutions: A Fellowship in Cranio-Maxillofacial Surgery (Prof. H.P.M. Freihofer), The Catholic University, St. Radboud Hospital, Nijmegen, the Netherlands, Residency at the Department of Oral and Maxillofacial Surgery, Montefiore Medical Centre, Albert Einstein College of Medicine, New York, Followed by a further Fellowship in Craniofacial and Base of Skull Surgery, at the department of Cranio-Maxillofacial and Plastic and Reconstructive Surgery (Prof. Dr. Dr. Dhc Ulrich Joos), Wilhelms University, Münster, Germany.

He has variety of clinical and administrative appointments including Associate Clinical Professor Maxillofacial Surgery, The Mount Sinai School of Medicine, Associate Director, Department of Maxillofacial Surgery, Elmhurst Hospital Centre, N.Y., Attending, Department of Maxillofacial Surgery, The Mount Sinai Hospital, New York. Consultant in Maxillofacial Surgery, Bronx VA Hospital Centre, N.Y., Attending Surgeon, Department of Otolaryngology/Head and Neck Surgery, Beth Israel Medical Centre, New York. He also is a Visiting Professor, Department of Cranio-Maxillofacial Surgery and Plastic and Reconstructive Surgery, Wilhelm's University, Munster, Germany.

He is the principal at Maxillofacial Surgery Services in New York City.

Editorially, Dr Anastassov is presently active as Editorial Consultant for 'Head and Face Medicine', 'Graefe's Archives for Clinical and Experimental Ophthalmology', 'Journal of Oral and Maxillofacial Surgery', 'The Journal of Oral Surgery, Oral Medicine, Oral Pathology and Radiology', 'Issues in Maxillofacial, Plastic and Reconstructive Surgery, Implantology and Clinical Stomatology' and 'Craniofacial Trauma and Reconstruction'. He is on the Editorial Board of 'The International Journal of Oral and Maxillofacial Surgery' and 'Folia Medica'.

Dr. Anastassov holds 9 US & European Professional Society Memberships and is double board certified. Dr. Anastassov has published books and chapters in 3 professional textbooks as well as 46 peer-reviewed journal publications and has presented in as an invited guest lecturer on 104 national and international professional meetings.

Dr. Anastassov owns shares of Medical Marijuana Inc.

Lekhram Changoer

Chief Technology Officer, CanChew Biotechnologies
Kuyperstraat 5
3404 HL IJsselstein, Netherlands

Lekhram Changoer was born in Surinam (South America). Lekhram holds a Bachelor Degree in Analytical/Organic Chemistry and Masters Degree in Organic Chemistry. He has over 20 years of experience in the area of Sales & Marketing, R&D, product development, and quality assurance of technical, consumer healthcare and pharmaceutical products – all servicing European and other international markets.

In 1992, Lekhram first joined IWC Chemical products BV where he was responsible for the development of functional coatings and corrosion inhibitors for the chemical industry: Yara, Kemira, and others. In his second corporate role, Lekhram joined Scott Specialty Gases BV where he was responsible for managing the R&D, QC and QA of functional calibration gases for the petrochemical and automotive Industry for companies such as Mercedes Benz, Rolls Royce, Dera, Shell, Exxon, and General Electric.

In the area of consumer healthcare products, Lekhram worked on the development of cosmetics and medical device products for various retail chains and consumer healthcare companies. At Codi International BV he was responsible for managing product development in the field of wet wipes and successfully developed products for companies such as Proctor & Gamble, Sara Lee, Henkel and Reckitt Benckiser. In 1999 Lekhram's career took him to Royal Sanders BV with the position of R&D & QC manager – here, he was responsible for the development of cosmetics, medical devices and other healthcare products for clients: Sara Lee, Colgate Palmolive, Virgin Cosmetics, Keune Cosmetics and private labels for various retail chains: Ahold, AC Watson, DM and Rossmann.

In 2002, Lekhram joined the Ardoz/NGen group of companies as a Managing Director. During his tenure his achievements included the filing new patents in the field of active oxygen therapy. This incorporated the accreditation of the products by the Dutch Skin

Foundation and the British Dental Health Foundation. He developed new oral healthcare drug applications for periodontitis, peri-implantitis / bone repair and oral mucositis. The OTC products with active oxygen, amongst others also a new chewing gum application (for Perfetti van Melle in Italy), were successfully launched under his directorship in markets at: Boots, Ahold and El Corte Ingles Pharmacy retail and pharmacy chains under the cosmetic 76/768/EEC and medical device 93/42/EEC directive.

In 2010, Lekhram co-founded APeT BV (www.apetholding.com) which focuses on a first of its kind patented therapy for psychiatric diseases like ADHD and Autism as a replacement for methylphenidate and analogs. This therapy involves an in-house developed diagnostic and treatment with the human body's own internal compound(s). The impact on national healthcare has been so important that he has been able to get the largest Dutch insurance company to fund the clinical trial, after which it will most probably become the new standard of care. A new patented pharmacotherapy was filed, which will guarantee protection of the therapy as well as patient therapy loyalty.

In association with Prof. George E. Anastassov MD, DDS, FAC and Dr. Philip A. Van Damme, DMD, MD, PhD, the Sanammad Foundation (www.sanammad.com) was established in 2010 – the Sanammad Foundation holds internationally patent pending technology on chewing gum compositions comprising Cannabinoids.

Lekhram is also involved and co-founder in: CFM Pharma BV (www.cfmpharma.com) which holds patented technologies and focuses on the prevention of secondary injury in indications such as deep burn wounds, myocardial infarct and general trauma, GCP Dental BV (www.gcp-dental.com) has developed a 100% patented biocompatible material for restorative dental applications (where Glass Carbomer® Technology allows the tooth to heal itself) with a global market approach.

Mr. Changoer owns shares of Medical Marijuana Inc.

Tripp Keber

President, Red Dice Holdings

Tripp Keber is President of Left Bank, Inc., a Denver-based real estate investment firm with holdings in Aspen and Denver, Colorado, and Florida. Prior to Left Bank, Mr. Keber held several senior level positions in the telecommunications industry as General Manager of ICG Communications, Senior Vice President for Sales and Marketing at eLink Communications, Sales Director for National Accounts for Pathnet, and as Sales Manager for Winstar Telecommunications. He also served as the Director of Sales and Site Acquisition for Milliwave, LP, and spent three years in sales and sales management in the cable industry. Mr. Keber has a BS in Political Science from Villanova University and currently resides in both Aspen and Denver, CO with his family.

Chuck Smith

Chief Operating Officer, Red Dice Holdings

NOTE: *The Company has and continues to retain various legal, financial and administrative professionals to assist with operations until the right individuals can be vetted and brought on with the Company. We are actively seeking experienced qualified professionals for executive positions as well as Board vacancies. Any interested party may submit their resume to the attention of Michelle Sides at HR@MedicalMarijuanaInc.com*

B. **Legal/Disciplinary History.**

None of the above named persons 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 Shareholders of 5% or more.**

<u>Name</u>	<u>Address</u>	<u>Shares or Controlled</u>	<u>Percent</u>
Hemp Deposit and Distribution Corp. And its affiliates: CanChew CannaBANK Management Investors	2665 Ariane Dr., Ste. 207 San Diego, CA 92117	445,798,742 Restricted/Affiliated	47%

**** NOTE:** *Additional shares are owed to Hemp Deposit & Distribution Corp, Investors as well as MJNA Officers based upon funding and employment agreements which have not been issued as of this date and are not included in the above percentage.*

9. **THIRD PARTY PROVIDERS.**

Security and Exchange Counsel

Securities Attorney
Law Offices of Michael Corrigan
Michael Corrigan, Esq.
Carmel Valley Centre II
11995 El Camino Real, Suite 301
San Diego, CA, 92130

Auditor

Anthony W. Imbimbo
Anthony W. Imbimbo & Associates
2445 5th Avenue, Suite 350
San Diego, CA 92101

Investor Relations Consultant

Stuart Smith
SmallCapVoice.Com, Inc. - Stuart Smith
(512) 267-2430
ssmith@smallcapvoice.com
www.smallcapvoice.com

Internal - Investor Relations Contact

Christopher Moreo
Phone: (858) 926 5588
investorrelations@medicalmarijuanainc.com

Update: As of 1st Quarter of 2014

Perry Coleman has replaced Christopher Moreo as Internal IR Contact.
Phone: (443) 453-5088
perry@medicalmarijuanainc.com

Company Consultants

Equiti-Trend Advisors, LLC
Carmel Valley Center II
11995 El Camino Real, Suite 301
San Diego, CA 92130
(800) 953-3350
admin1@equititrend.com
www.equititrend.com

YEAR END UPDATES: (Subsequent Events and Updates are Italicized after the appropriate section to provide the most current information as of the date of this posting.)

Depository Trust Company ("DTC") Chill - The Company is proud to announce that after full compliance with all requested information, the DTC notified the Company that it lifted the chill as of August 21, 2013.

2-Year Audit Status - As of December 31, 2013, the auditor has completed 16 of 24 months of audits. In the meantime, we are actively seeking an SEC auditing firm that will review all audited financials upon completion to move forward as part of the uplisting requirements. This option was the chosen course of action to save significant cost to the Company to have all quarters audited and then submitted together to an SEC firm to finalize.

Due to the inability to audit information provided by former management upon acquisition and transition of MJNA, the Company has elected to base the uplisting requirements strictly on audited financials which has caused a delay in the initial date estimate but the decision was made in the best interest of the Company.

Office Move - As of June 30, 2013, we have officially moved our corporate office to a new location. This move allows for significant current and future growth capabilities. The Company will continually post updates on its website and through social media, and welcomes shareholders to visit these sites and post any comments and/or suggestions that may help us better keep you apprised of matters of interest..

Due to rapidly expanding growth, the Company is in the process of securing additional office space to relocate the corporate office and obtain a warehousing distribution center. It is anticipated that sales and customer service will remain at the existing location.

Security Exchange Commission (SEC) Inquiry - As with many in this progressive industry and emerging market, on June 17, 2013, we received a letter from the Staff of the Division of Enforcement of the SEC informing the Company that it is conducting an *informal inquiry (NOT an investigation)* and requesting that the Company provide certain documents and information relating to current and former management of the Company, communications between the Company and governmental agencies, operations of the Company, and other matters referenced in the letter. **The letter advised that the informal inquiry should not be construed as an indication by the SEC or its staff that any violations of law have occurred, or as an adverse reflection upon any person or security.**

The Company has fully cooperated with the SEC with requested information. To further show full disclosure, the Company has voluntarily elected to continue to provide information on a rolling basis and will continue to do so upon any request.

The Red Dice Holdings, LLC (RDH) Matter

MJNA and Dixie Holdings LLC, a/k/a Dixie Elixirs (“Dixie”) are the sole members of a limited liability company formed in 2012 known as Red Dice Holdings, LLC (“RDH”). RDH was formed for the purpose of engaging in the manufacture and distribution of legal hemp and cannabis-based products. A dispute has arisen between MJNA and Dixie pertaining to the management, operations and capitalization of RDH. Dixie operates RDH’s business activities on a day-to-day basis and MJNA has demanded a proper accounting from Dixie on numerous occasions, to no avail. On July 12, 2013, MJNA issued termination letters for the existing management of RDH based upon failure to comply with the RDH Operating Agreement and several claims of mismanagement. While MJNA and Dixie were engaged in discussions relative to a possible mediation of the dispute, on July 18, 2013, Dixie filed a lawsuit against MJNA in Superior Court for the State of California, County of San Diego, alleging (1) breach of contract; (2) specific performance; and (3) declaratory relief. Each cause of action is expressly based upon an allegation that MJNA is in breach of RDH’s Operating Agreement by failing to contribute shares of common stock of MJNA to RDH for capitalization purposes. As Dixie has been advised, MJNA intends to assert several affirmative claims against Dixie for money damages and other provisional relief. However, because RDH’s Operating Agreement states that all disputes “between Members arising out of this Agreement” must be arbitrated, in compliance with the Operating Agreement, MJNA filed a petition to compel transfer of the matter to private arbitration (rather than a court proceeding). On November 15, 2013, The Honorable Richard E.L. Strauss, judge presiding, granted MJNA’s petition to compel arbitration. While the parties have engaged in settlement discussions and are attempting to resolve the dispute, the matter is currently pending. If the matter proceeds through arbitration, MJNA intends to vigorously defend Dixie’s claims while vigorously prosecuting its affirmative claims against Dixie. At this time, the MJNA and Dixie are continuing to work amicably and diligently on a resolution in the best interest to all parties. The Company will keep shareholders posted as to the status and/or resolution.

COMMUNITY OUTREACH

MJNA, through HempMedsPX, is committed to giving back to the communities in which its customers call home. The Company’s outreach initiatives range from awareness campaigns about CBD-rich hemp oil at local, national, and international events to providing ongoing support of individuals and families.

The Company’s first community outreach initiative began on September 7, 2013. HempMedsPX donated industrial hemp-based CBD products to eligible participants at the 2nd Annual “Run4Hope 5K and Fun Run” as the Texas-based organization raised funds to support CDKL5 seizure disorder research. Participation brought CBD-rich hemp oil products to hundreds of participants and supporters—many of whom have family members who suffer from epilepsy, seizure disorders, or CDKL5—at the event. Awareness of HempMedsPX and the CBD-rich hemp oil products it represents continues

through the organization's social media, website, and blog posts by the event organizer, whose three year-old daughter suffers from CDKL5.

In November, the Company brought holiday cheer to a Florida family by reuniting a mother and her three-year-old daughter—who is recovering from brain surgery for a rare condition—with their family for Thanksgiving. In early December, the Company sponsored the Epilepsy Foundation of San Diego County's 12th annual Gingerbread City Gala. The organization is the only private non-profit health agency providing services to the estimated 30,000 people in San Diego County who have seizure disorders. Funds raised at the event help further research for treatments and a possible cure for seizure-related disorders.

Social media and grassroots marketing created awareness of CBD-rich hemp oil products in December. A customer from Texas responded to a blog post written by a mother from Los Angeles about her nineteen-year-old son who has struggled with health challenges throughout his life. The customer's recommendation to use Real Scientific Hemp Oil (RSHO) was made. The Company learned of the online introduction and arranged for both families to meet in-person for the first time before the Christmas holiday in San Diego. Both families had a wonderful time, and the meeting resulted in increased camaraderie between the Company and the customers it serves. Although they may not always be publicly announced, the Company's outreach initiatives and CBD-rich hemp oil awareness campaigns are ongoing.

WEBSITES

In its first year, HempMedsPX.com began representing, marketing, and distributing the following first-of-their-kind CBD-rich hemp oil brands online:

- [CanChew](#)
- [Real Scientific Hemp Oil](#)
- [Cibaderm](#)
- [Cibdex](#)
- [HempVAP](#)

MEDIA

As part of the Company's strategic plan to increase public awareness of industrial hemp-based CBD oil products, Company executives participated in several mainstream news interviews. The Company also gained print, online, social media, television and radio coverage throughout the last two quarters of 2013. To further product awareness and brand recognition, Brand Ambassador Cheryl Shuman was retained in October, 2013. Mainstream media outlets that featured the Company and/or the Company's CBD-rich hemp oil products included:

- BBC
- CNBC
- *Geraldo at Large*
- Univision
- Fox 31 Denver
- NBC Cincinnati

- *The Robert Scott Bell Show*
- *The Danielle Lin Show*
- MedicalJane.com (product reviews)
- *The Ohio Free Press*
- *THC Connoisseur* (product review)
- *ERB* magazine

INDUSTRY TRADE SHOWS

One of the Company's core goals is to create awareness of CBD-rich hemp oil products to the point that "CBD" becomes an everyday household item—like sugar or salt—amongst consumers, and therefore becomes a desirable commodity for a variety of industries. To that end, each trade show that HempMedsPX participated in was target marketed with the goal of either increasing distribution or increasing consumer sales.

In an article published by *The Huffington Post*, the cannabis industry is positioned to grow faster than the smartphone market, with revenues estimated to be \$2.34 billion in 2014. (http://www.huffingtonpost.com/2013/11/04/marijuana-market_n_4209874.html)

To reach a wider audience, HempMedsPX chose to participate in cannabis industry, personal care and spa, international reform policy, and natural products events to showcase their diverse hemp CBD product offerings. The Company's efforts have been well received and resulted in thousands of business-to-business and business-to-consumer impressions, distribution contacts, and sales leads. There was a profound increase in sales as a direct result of participating in an aggressive exhibit schedule that began in Q3 2013 and consisted of:

Michigan Medical Marijuana Conference - Ann Arbor, MI: Aug. 23-25

In addition to national cannabis-related vendors, the Michigan Medical Marijuana Conference hosted doctors on-site to assist those looking to join the state's medical marijuana program.

High Times Medical Cannabis Cup - Seattle WA: Sept. 7-8

Won Highest (Hemp) CBD Concentrate award.

New York Wholesale Expo: Sept. 8-9.

This show serves the Northeast and attracts attendees from every retail and distribution channel including retailers, distributors and importers. The New York Wholesale Expo draws approximately 4,000 attendees each show.

International Esthetics, Cosmetics & Spa Conference - Ft. Lauderdale, FL: Sept. 22-23

Open to licensed professionals only, IECS Florida is host to 200 exhibitor and 5,500 attendees ranging from: salon & spa owners and managers, estheticians, makeup artists, skin care specialists, instructors/students, distributors, massage therapists, medical estheticians, plastic surgeons, wellness practitioners and cosmetologists.

Natural Products Expo East - Baltimore, MD: Sept. 25-28

The East Coast represents 33% of the Natural Products industry and saw 10% growth in 2012. This buying power is unmatched by any other region. Participating in "Expo East" allowed HempMedsPX to reach one of the largest buying audiences for natural, organic and healthy products on the East Coast.

Michigan Medical Marijuana Conference - Traverse City, MI: Sept. 29

The Traverse City conference featured medical cannabis physician certification, medical cannabis patient registration, a legislation panel, classes, industry-related speakers and exhibitors. At the conference, the CBD-rich hemp oil entered into the "Green Cup" competition won for Highest (hemp) CBD Concentrate.

Miami Wholesale Expo - Miami, FL: Sept. 30-Oct. 2

Participating in the Miami Wholesale Expo generated opportunities to meet with many large vendors from places like New York and Los Angeles. This annual event offers vendors a chance to reach the "Hub of the Americas" by targeting retailers, importers and distributors including general merchandise stores, discount/outlet stores, dollar stores, drug stores, electronics stores, grocery stores, hardware stores, convenience stores, warehouse clubs and more.

Ohio Rights Group Tour: Oct. 10-20

The Ohio Rights Group is a non-partisan, non-profit organization that advocates for the rights of Ohioans to make medical, therapeutic and industrial use of the Cannabis plant and supports the growing number of individuals, organizations and industries facilitating those uses.

Ultimate Women's Expo - Phoenix, AZ: Oct. 19-20

Arizona's Ultimate Women's Expo is one of Arizona's largest consumer trade shows. Women represent 85% of consumer spending, and that translates into a \$5 trillion market. The Ultimate Women's Expo provides an unprecedented opportunity to meet with thousands of women with a high degree of disposable income.

Champs - Denver, CO: Oct. 22-24

Champs Trade Shows are widely recognized as the largest and most trusted counter-culture trade shows in the world. Since 1999, Champs has hosted the premier exhibitors in the industry and have drawn in buyers by the thousands from all over the world. The event expanded to Denver, Colorado for the first time in 2013.

International Spa Association (ISPA) - Las Vegas NV, Mandalay Bay: Oct. 22-24

The ISPA Conference & Expo is the premiere spa industry event. The annual event provides an opportunity to network with spa industry professionals, 30+ educational speakers covering a variety of business-related topics, the latest trends in spa products and much more. In addition, the ISPA Expo brings together the

leading product suppliers in the industry for one-on-one time with spa decision-makers.

DPA Conference - Denver, CO: Oct. 23-26

The international Drug Policy Alliance (DPA) conference was held in Denver, Colorado and was host to more than 1,000 experts and advocates to strategize about marijuana legalization, criminal justice reform, public health and post-prohibition models for drug control.

LA Ultimate Women's Expo - Los Angeles, CA: Oct. 26-27

The two-day Los Angeles Ultimate Womens Expo featured 600 companies displaying the latest products and services related to women's accessories, fashion, household goods, bags, cosmetics, interior design and many other lifestyle products. The annual conference draws interested consumers, potential buyers, trade visitors, traders, families, wholesalers, retailers, the general public, retail shop owners, importers and exporters.

2nd Annual Marijuana Business Conference & Expo - Seattle, WA: Nov 6-8

HempMedsPX participated as the exclusive Gold Sponsor of the MMJ Business Daily 2nd Annual Marijuana Business Conference & Expo. The sold-out conference hosted 600+ dispensary executives, MIPs, growers, attorneys, investors, and "cannabusiness" professionals. Fox 31 Denver, who were covering the show for the Colorado market, did an exclusive report on HempMedsPX's products:

<http://kdvr.com/2013/11/07/fox31-exclusive-a-behind-the-scenes-look-at-the-future-of-marijuana/>

CNBC was present at the expo as well, and included HempMedsPX in their feature story covering the financial aspects of the cannabis industry:

<http://finance.yahoo.com/video/legal-pot-grows-weed-185400166.html>

San Francisco Green Festival - San Francisco, CA: Nov. 9-10

Promoted as the nation's premier sustainability event, the annual festival features 125 renowned authors, leaders and educators; great how-to workshops; cutting-edge films; fun activities for kids; organic beer and wine; delicious vegetarian cuisine and diverse live music. Shoppers have access to more than 300 eco-friendly businesses including all-natural body care products.

Supply Side West - Las Vegas, NV: Nov. 14-15

Supply Side West offered a unique opportunity to reach leading product development teams and C-level executives at an event that drew together key decision-makers from around the world in the animal nutrition, personal care, food, beverage, and dietary supplement markets.

Michigan Medical Marijuana Trade Show: Nov. 15-17

Focused on the current and new technologies of the cannabis industry, local,

national and international vendors from around the country shared industry insights. Speakers discussed important information about the future of medical cannabis legislation and business in the groundbreaking medical cannabis state of Michigan, along with the implications of their state-wide at the national level.

SOHO Natural Products Expo - Orlando FL: Dec. 5-8

The *SOHO* Expo, produced by the Southeast Natural Products Association, is celebrating 42 years as the most successful *natural products trade show* held in the Southeast USA.

High Times Cannabis Cup - Amsterdam, The Netherlands: Dec. 3

HempMedsPX accepted the Amsterdam Cannabis Cup award for Highest CBD Concentrate.

American Academy of Anti-Aging Medicine (A4M) - Las Vegas, Dec. 12-15

The A4M global conference on anti-aging, regenerative and aesthetic medicine markets to more than 26,000 physicians and scientists from 120 countries.

INDUSTRY ACCOLADES

Presenting a first-of-its-kind product, PhytoSPHERE's "CBD Simple", created an eye-opening experience for judges and audiences at medical cannabis product contests. It all began when CBD Simple was entered by HempMedsPX for the Seattle High Times Medical Cannabis Cup Highest CBD Concentrate contest. The judges were shocked when CBD Simple's concentration exceeded the maximum 96% purity for CBD oils, which is the highest CBD percentage their testing machine could measure. The judges confirmed that it was not a machinery malfunction and, as a result, awarded CBD Simple the title of world's most concentrated form of CBD (from hemp). CBD Simple went on to win top "Highest CBD Concentrate" honors at the Michigan Medical Marijuana trade show's "Green Cup" and, most recently, the High Times Cannabis Cup in Amsterdam.

HEMPMEDSPX RECAP:

2013 saw the creation of HempMedsPX sales, marketing, distribution, communications and Customer service platforms. The Company began securing distribution and marketing agreements, beginning with CanChew Biotechnologies. Following this, HempMedsPX secured a distribution and marketing agreement with CannaVest for CannaVest products, bringing to market the first CBD-rich hemp oil product, Real Scientific Hemp Oil. Subsequent distribution and marketing agreements were reached for Cibdex, Cibaderm, and HempVAP.

An aggressive trade show and media exposure campaign is launched, focused on increasing awareness of CBD and CBD-rich hemp oil products. Along with this launch was the promotion of Charles Vest into the role of VP of Communications in an effort to enhance communications with shareholders, the general public, and the cannabis industry as a whole.

The Company retainer of Cheryl Shuman as its Ambassador has reached a conclusion and will not be renewed at this time. The Company will continue its aggressive dedication to the community and education awareness. We wish Ms. Shuman well in her endeavors and thank her for her continued relentless commitment to this industry.

As a result of marketing efforts and trade show appearances, HempMedsPX product lines were featured on MSNBC, ABC and CNN. Sanjay Gupta's reversal of his previously anti-medical marijuana stance dramatically increased awareness of and demand for a high CBD/ low THC hemp oil product. This resulted in a significant increase in web inquiries, customer service calls, and sales of the products HempMedsPX represents.

National community outreach programs were also launched in an effort to support families facing epilepsy, autism, and other debilitating health challenges. Significant donations were made to the Hope4Harper 5K Run, and the San Diego Epilepsy Foundation. HempMedsPX will continue and expand its charitable outreach efforts in 2014.

Additional Departments Created and New Hires - As the Company grows, we will continue to add appropriate personnel to better market, sell, and distribute our products. In 2013, the following departments were created:

Sales and Customer Service – The staff for this department are comprised of trained sales professionals to implement sales strategies, follow-up calls, and customer/general public inquiries. The Sales and Customer Service teams are supervised by the Director of Sales.

Marketing – In addition to hiring a VP of Communications to oversee all marketing and outreach initiatives, the new marketing staff currently includes graphic designers, copywriters, web developers, and other marketing professionals.

Social Media – This department is developing a complete social media presence for the Company and its subsidiaries. These team members report to the Director of Sales and the Director of Communications.

As more team members and departments are added, we will update shareholders and the general public via email and/or social media communications.

10. ISSUER CERTIFICATION.

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other person with different titles, but having same responsibility).

The certification shall follow the format below.

I, Michelle L. Sides, Chairman and Chief Operating Officer, certify that:

1. I have reviewed this quarterly 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 auditor, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: March 11, 2014

Chairman and COO Signature:

