

INFORMATION AND DISCLOSURE STATEMENT

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

Period Ending
September 30, 2014



Medical Marijuana, Inc.

12975 Brookprinter Place, Suite 160
Poway, CA 92064

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”) was originally incorporated as Berkshire Collection, Inc., in Canada in 2003. Subsequently, we changed our domicile to Oregon and changed our name on two separate occasions. On April 28, 2009, we changed our name Medical Marijuana, Inc. and trading symbol to “MJNA.”

2. ADDRESS OF ISSUER PRINCIPAL EXECUTIVE OFFICES

Company Headquarters:

Address: 12975 Brookprinter Place, Suite 160
Poway, CA 92064
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

Perry Coleman
Phone: (443) 453-5088
perry@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: 5,000,000,000

Total shares outstanding: 949,106,848 (as of 09/30/14)

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

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

Shares issued for the Period ended September 30, 2014: 22,406

5. FINANCIAL STATEMENTS

The Company's Financial Statements are attached at the end of this Disclosure Statement and incorporated herein by reference.

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

A. 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 - The Company owns 50% or more of the following entities:

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.

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. – divisions and subsidiaries:

1. The Hemp Network™.

The Hemp Network's™ main objective was 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.

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

1. Wellness Managed Services, LLC™ (80% owned by the Company and 20% owned by Hemp Deposit and Distribution Corporation.)

Wellness Managed Services, LLC™ 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.

2. 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, LLC 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 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.

3. Red Dice Holdings™ (100% owned by the Company)

Red Dice Holdings, LLC owns the Dixie Botanical™ and Dixie Classic™ brands of consumable products. The Company provides all of the necessary hemp-based CBD oil to Red Dice Holdings™ brands. The products can be found at retail locations throughout Colorado. 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.

4. CanChew Biotechnologies, LLC (50% owned by the Company)

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.

a. 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.

b. 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.

c. 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.

CanChew 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.

CanChew anticipates starting its MedChewRX™ clinical trials in Europe in 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. CanChew 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® Biotechnologies the ability to fuel its own growth and the growth of its pharmaceutical unit.

2. Gum-based delivery has a much greater efficacy over traditional methods of consuming cannabinoid-based products.

3. The safety profile of MedChewRX's™ APIs allows for more attractive sponsoring opportunities for research universities and doctors.

5. KannaLife Sciences™ (16% owned by the Company)

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.

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

Due to the exponential growth the Company has experienced by adding several large vendor accounts, as well as other ventures, the Company has retained additional facilities to provide for said growth. The Company secured three (3) separate executive suites in Poway, CA as well as added a 14,000 sf warehouse and distribution center. The Company anticipates adding significantly to personnel to facilitate the expansions. 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

Both Ms. Sides and Mr. Julian are shareholders of the Company.

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.

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

Messrs. Van Damme, Anastassov and Changoer are shareholders of the Company.

Company Management

Michelle Sides

Chairman of the Board, Chief Operating Officer
12975 Brookprinter Place, Suite 160
Poway, CA 92064

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.

Michael Julian, CPI PPS CSP

Board Member
12975 Brookprinter Place, Suite 160
Poway, CA 92064

Mr. Julian 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.

Mr. Julian 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.

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. 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. Frehofer), 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. 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 'Craniomaxillofacial 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.

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.

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.

Name	Address	# Shares	%
Hemp Deposit and Distribution Corp. ("HDDC") ⁽¹⁾	888 Prospect Street, Suite 200 San Diego, CA 92037	341,654,437 ⁽¹⁾⁽²⁾	32

⁽¹⁾ Includes shares held or controlled by the following affiliates of HDDC, CanChew® Biotechnologies, LLC, CannaBank™, Red Dice Holdings™.

⁽²⁾ Does not include shares of common stock the Company intends to issue during the year ending December 31, 2014, upon conversion of outstanding notes held by HDDC and other lenders as well as compensation issuances due to officers of the Company, issuances for new joint ventures and incentive programs to retain new executives and directors.

D. **Legal Proceedings**

On or about June 20, 2014, Medical Marijuana, Inc. was named as a defendant in a complaint filed by ROEN Ventures, LLC, in civil action filed in the the District Court, County of Clark, State of Nevada, Case A-14-702789-B. The complaint seeks damages for Breach of Contract and requests Specific Performance. Medical Marijuana, Inc. has filed an answer to the complaint denying all allegations, intends to vigorously defend the action and has filed a counter claim against Roen Ventures, LLC for Breach of Contract and has requested Specific Performance. In addition, Medical Marijuana, Inc. has filed a third party complaint in the action against Bart P. Mackay, Michael Moná, Jr., Michael Moná, III, MAI Dun Limited, LLC Marcia Holdings, LLC, and MIC-NIC Trust seeking damages arising from allegations of Misrepresentation, Defamation, Breach of Fiduciary Duty, Intentional Interference with Contracts, Misappropriation of Trade Secrets and Conversion.

9. THIRD PARTY PROVIDERS.

SEC Counsel

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QUARTER RECAP:

Tradeshows Attended During the Quarter Ended September 30, 2014:

Date (2014)	Name of Trade Show	Location
August 3-6	ASD	Las Vegas
August 22-24	HempCon	San Francisco
August 24-25	Face & Body Spa Conference & Expo	San Jose
August 29th	AutismOne and Thriiive	Universal City
September 5-7	ECC World Vapor Expo	Ontario, CA
September 06	Hope4Harper	Dallas
September 10-13	A4M	Phoenix
September 12-14	Green Fest L.A.	Los Angeles
September 18-20	Natural Products Expo East	Baltimore
September 23-24	Petfood 2.0	Chicago

Media Coverage for the Quarter Ended September 30, 2014:

- 7/8/2014: KannaLife Sciences appeared on Bloomberg TV to speak about regulating medical marijuana.
- 7/18/2014: Haenep Source, RSHO, and HempMeds all received coverage by CBS for attending The Champs trade show at the Las Vegas Convention Center.
- 8/12/2014: MPS International was interviewed by Bloomberg TV about providing security for legal marijuana dispensaries whose business is all cash.
- 8/14/2014: The Huffington Post featured the article, "NFL Players Use Marijuana To 'Cope With The Pain' As League Drug Rules Draw Scrutiny," and wrote about Marvin Washington and his work with KannaLife Sciences.
- 9/3/2014: CW featured HempMeds in a story they did about Harper, the four year old with CDKL5. The next day, Fox News also picked up the story.
- 9/12/2014: International coverage picked up with Telemundo's coverage of Kannaway's products made from CBD hemp oil.
- 9/18/2014: NBC went to the Natural Products Expo East in Baltimore and featured HempMeds in a segment about the event.
- 9/18/2014: Fox News also interviewed HempMeds representatives and talked about their products at the Natural Products Expo East.

HempMeds operating highlights for the third quarter are as follows:

- HempMeds™ posted revenues of \$2,746,158 in Q3.
- HempMeds™ continued to dispel “CBD-only” scarcity myths assuring the public that there is an abundant supply of hemp CBD oil in all 50 states and more than 40 countries.
- Hemp CBD retail-ready products were showcased at a global buyers’ conference.
- HempMeds™ educated millions worldwide through a groundbreaking documentary on hemp CBD oil.
- Education on CBD continued through The American Academy of Anti-Aging Medicine (A4M) that published a GI health scholarly article on CBD by RSB for distribution at their Arizona conference in September and to their members.
- Addressing quality standard, HempMeds™ continues to publish laboratory reports to its customers worldwide

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: November 13, 2014



Chairman and COO Signature

Independent Accountant's Review Report

Board of Directors
Medical Marijuana, Inc.
San Diego, California

I have reviewed the accompanying balance sheet of Medical Marijuana, Inc. as of September 30, 2014, and the related statements of income, and cash flows for the period of July 1, 2014 through September 30, 2014. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Anthony W. Imbimbo, CPA

November 13, 2014

Medical Marijuana, Inc.
Balance Sheet
As of September 30, 2014

	TOTAL
ASSETS	
Current Assets	
Checking/Savings	\$ 1,565,539
Accounts Receivable	1,613,350
Other Current Assets	
Inventory Asset Note 3	4,018,242
Merchant Account Reserves	61,029
Prepaid Assets	544,534
Security Deposit	7,174
Undeposited Funds	9,876
Investments Note 4	31,581,671
Total Other Current Assets	36,222,527
Total Current Assets	38,237,416
 Total Fixed Assets Net of Depreciation Note 7	 731,514
Other Assets	
Notes Receivable	7,168,550
Business Investments Note 4	16,641,647
Total Other Assets	23,810,197
 TOTAL ASSETS	 \$ 63,943,127
 LIABILITIES & EQUITY	
Current Liabilities	
Accounts Payable	\$ 2,806,497
Credit Cards	944
Payroll Liabilities	91,702
Sales Tax	25,778
Process Holding Account	3,117
Total Current Liabilities	2,928,037
 Long Term Liabilities	
Notes Payable	10,086,663
 Total Liabilities	 \$ 13,014,700
 Equity	
Common Stock Note 8	949,107
Dividends Paid	(201,500)
Additional Paid in Capital	20,911,889
Retained Earnings	29,340,026
Less: Non Ownership Portion of Subsidiaries	(71,095)
Total Equity	\$ 50,928,427
 TOTAL LIABILITIES & EQUITY	 \$ 63,943,127

The accompanying notes are an integral part of these financial statements

Medical Marijauna, Inc.
Statement of Income
July 1, 2014 through September 30, 2014

	<u>TOTAL</u>
Ordinary Income/Expense	
Income	\$ 3,428,502
Cost of Goods Sold	\$ 1,532,285
Gross Profit	\$ 1,896,217
Expense	
General and Admin Expenses	
Advertising, Promotion & Trade Show	319,213
Automobile Expense	39,091
Bank & Merchant Service Charges	135,584
Business License	6,627
Computer Internet & Web Development	91,148
Contributions	23,913
Depreciation Expense	31,320
Dues and Subscriptions	28,377
Insurance Expense	114,752
Meals and Entertainment	32,839
Office Expense	58,335
Rent Expense	82,079
Repairs and Maintenance	5,330
Security	34,200
Shipping Expense	229,296
Travel Expense	216,816
Utilities	46,522
Total General and Admin Expenses	\$ 1,495,441
Payroll and Benefits	573,950
Professional Services	661,190
Total Expense	2,730,581
Net Ordinary Income	\$ (834,364)
Other Income/Expense	
Other Income	
Other Income or Expense	
Extraordinary Income Note 9	1,164,000
Interest Expense	(1,376)
Interest Income	7,366
Total Other Income	1,169,990
Other Expense	
Less: Non Ownership Portion of Subsidiaries	(71,095)
Total Other Expense	(71,095)
Net Other Income	1,241,085
Net Income	\$ 406,722

The accompanying notes are an integral part of these financial statements

Medical Marijuana, Inc.
Statement Of Cash Flow
July 1, 2014 through September 30, 2014

	TOTAL
OPERATING ACTIVITIES	
Net Income	\$ 406,722
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	(1,182,594)
Inventory	736,149
Notes Receivable	526,474
Prepaid Assets	(229,304)
Security Deposit	(1,244)
Undeposited Funds	(4,500)
Accounts Payable	(883,536)
Credit Card Payable	(3,305)
Notes Payable	1,068,006
Payroll Liabilities	(4,695)
Sales Tax Payable	(4,689)
Process Holding Account	3,004
Net cash provided by Operating Activities	\$ 426,487
INVESTING ACTIVITIES	
Accumulated Depreciation	30,803
Furniture and Equipment	(92,511)
Business Investments	(742,181)
Net cash provided by Investing Activities	\$ (803,888)
FINANCING ACTIVITIES	
Non Owned Equity	(437,511)
Retained Earnings	(63,207)
Net cash provided by Financing Activities	\$ (500,718)
Net cash increase for period	\$ (878,119)
Cash at beginning of period	\$ 2,443,657
Cash at end of period	\$ 1,565,539

The accompanying notes are an integral part of these financial statements

MJNA and Subsidiaries
Consolidating Balance Sheet
As of September 30, 2014

	HempMedsPX	CanChew Bio- Technologies, LLC	Hemp Vap	Medical Marijuana, Inc.	MJNA Holdings	Red Dice Holdings	Wellness Managed Services	TOTAL
ASSETS								
Current Assets								
Checking/Savings	\$ 20,529	\$ 775,399	\$ -	\$ 378,710	\$ 106,879	\$ 283,261	\$ 761	\$ 1,565,539
Accounts Receivable	847,234	54,498	611,243	-	33,902	-	66,473	1,613,350
Other Current Assets								
Inventory Asset	3,252,439	629,618	39,307	31,248	-	60,324	5,307	4,018,242
Merchant Account Reserves	61,029	-	-	-	-	-	-	61,029
Prepaid Assets	434,559	-	-	108,375	1,600	-	-	544,534
Security Deposit	2,613	-	-	-	-	-	4,561	7,174
Undeposited Funds	4,500	-	-	-	-	-	5,376	9,876
Investments	-	-	-	31,581,671	-	-	-	31,581,671
Total Other Current Assets	3,755,140	629,618	39,307	31,721,294	1,600	60,324	15,244	36,222,527
Total Current Assets	4,622,904	1,459,514	650,550	32,100,004	142,382	343,585	82,478	39,401,416
Total Fixed Assets Net of Depreciation								
	333,282	-	-	342,840	22,520	(0)	32,872	731,514
Other Assets								
Notes Receivable	436,222	1,005,833	8,801	5,150,301	567,392	-	-	7,168,550
Business Investments	-	4,332,458	-	12,309,189	-	-	-	16,641,647
Total Other Assets	436,222	5,338,291	8,801	17,459,490	567,392	-	-	23,810,197
TOTAL ASSETS	\$ 5,392,408	\$ 6,797,805	\$ 659,352	\$ 49,902,334	\$ 732,294	\$ 343,585	\$ 115,350	\$ 63,943,127
LIABILITIES & EQUITY								
Current Liabilities								
Accounts Payable	\$ 1,878,467	\$ -	\$ 10,672	\$ -	\$ 97,207	\$ 801,491	\$ 18,659	\$ 2,806,497
Credit Cards	944	-	-	-	-	-	-	944
Payroll Liabilities	89,915	-	-	-	-	1,787	-	91,702
Sales Tax	3,761	-	-	-	3,243	18,559	215	25,778
Process Holding Account	-	-	-	-	3,117	-	-	3,117
Total Current Liabilities	1,973,086	-	10,672	-	103,567	821,836	18,875	2,928,037
Long Term Liabilities								
Notes Payable	3,968,364	65,486	269,000	4,174,183	720,199	737,663	151,768	10,086,663
Total Liabilities	\$ 5,941,450	\$ 65,486	\$ 279,672	\$ 4,174,183	\$ 823,766	\$ 1,559,500	\$ 170,643	\$ 13,014,700
Equity								
Common Stock	-	-	-	948,508	-	2,416,667	-	3,365,174
Dividends Paid	-	-	-	-	-	(201,500)	-	(201,500)
Additional Paid in Capital	-	6,980,976	-	11,514,846	-	-	-	18,495,822
Retained Earnings	(515,519)	(194,472)	363,066	33,264,796	(91,473)	(3,431,081)	(55,293)	29,340,026
Less: Non Ownership Portion of Subsidiaries	(33,523)	(54,185)	16,613	-	-	-	-	(71,095)
Total Equity	\$ (549,042)	\$ 6,732,319	\$ 379,679	\$ 45,728,151	\$ (91,473)	\$ (1,215,914)	\$ (55,293)	\$ 50,928,427
TOTAL LIABILITIES & EQUITY	\$ 5,392,408	\$ 6,797,805	\$ 659,352	\$ 49,902,334	\$ 732,294	\$ 343,585	\$ 115,350	\$ 63,943,127

Medical Marijauna, Inc.
Consolidating Statement of Income
July 1, 2014 through September 30, 2014

	HempMedsPX	CanChew Bio- Technologies, LLC	Hemp Vap	Medical Marijuana, Inc.	MJNA Holdings	Red Dice Holdings	Wellness Managed Services	TOTAL
Ordinary Income/Expense								
Income	\$ 2,746,158	\$ 74,653	\$ 130,280	\$ -	\$ 149,185	\$ 256,370	\$ 71,856	\$ 3,428,502
Cost of Goods Sold	\$ 1,328,577	\$ -	\$ 97,053	\$ -	\$ -	\$ 95,892	\$ 10,763	\$ 1,532,285
Gross Profit	\$ 1,417,581	\$ 74,653	\$ 33,226	\$ -	\$ 149,185	\$ 160,478	\$ 61,093	\$ 1,896,217
Expense								
General and Admin Expenses								
Advertising, Promotion & Trade Show	208,857	51,981	-	51,868	-	1,045	5,462	319,213
Automobile Expense	1,911	-	-	739	-	35,440	1,001	39,091
Bank & Merchant Service Charges	3,227	2,141	-	270	118,716	10,892	337	135,584
Business License	353	1,615	-	4,464	-	170	25	6,627
Computer Internet & Web Development	91,101	-	-	47	-	-	-	91,148
Contributions	-	-	-	23,450	-	463	-	23,913
Depreciation Expense	30,803	-	-	-	-	516	-	31,320
Dues and Subscriptions	25,790	150	-	-	-	1,000	1,438	28,377
Insurance Expense	18,441	30,000	-	63,592	-	346	2,372	114,752
Meals and Entertainment	12,065	16,204	-	4,318	-	165	86	32,839
Office Expense	27,759	-	-	28,120	-	1,717	739	58,335
Rent Expense	71,349	-	-	-	8,757	371	1,602	82,079
Repairs and Maintenance	5,011	-	-	-	150	169	-	5,330
Security	34,200	-	-	-	-	-	-	34,200
Shipping Expense	215,591	-	-	-	243	13,462	-	229,296
Travel Expense	188,510	10,005	-	16,468	-	97	1,736	216,816
Utilities	36,702	-	-	7,773	108	1,490	449	46,522
Total General and Admin Expenses	\$ 971,670	\$ 112,095	\$ -	\$ 201,110	\$ 127,975	\$ 67,343	\$ 15,248	\$ 1,495,441
Payroll and Benefits	504,533	-	-	-	-	32,104	37,313	573,950
Professional Services	144,946	76,761	-	373,884	14,950	49,830	819	661,190
Total Expense	1,621,150	188,856	-	574,994	142,925	149,276	53,380	2,730,581
Net Ordinary Income	\$ (203,569)	\$ (114,203)	\$ 33,226	\$ (574,994)	\$ 6,260	\$ 11,202	\$ 7,713	\$ (834,364)
Other Income/Expense								
Other Income								
Other Income or Expense								
Extraordinary Income	-	-	-	1,164,000	-	-	-	1,164,000
Interest Expense	-	-	-	-	-	(450)	(924)	(1,375)
Interest Income	-	5,833	-	1,533	-	-	-	7,366
Total Other Income or Expense	-	5,833	-	1,165,533	-	(450)	(924)	1,169,992
Total Other Income	-	5,833	-	1,165,533	-	(450)	(924)	1,169,992
Other Expense								
Less: Non Ownership Portion of Subsidiaries	(33,523)	(54,185)	16,613	-	-	-	-	(71,095)
Total Other Expense	(33,523)	(54,185)	16,613	-	-	-	-	(71,095)
Net Other Income	33,523	60,018	(16,613)	1,165,533	-	(450)	(924)	1,241,087
Net Income	\$ (170,046)	\$ (54,185)	\$ 16,613	\$ 590,539	\$ 6,260	\$ 10,752	\$ 6,789	\$ 406,722

Medical Marijuana, Inc.
Consolidating Statement Of Cash Flow
July 1, 2014 through September 30, 2014

	HempMedsPX	CanChew Bio- Technologies, LLC	Hemp Vap	Medical Marijuana, Inc.	MJNA Holdings	Red Dice Holdings	Wellness Managed Services	TOTAL
OPERATING ACTIVITIES								
Net Income	\$ (170,047)	\$ (54,185)	\$ 16,613	\$ 590,539	\$ 6,260	\$ 10,752	\$ 6,789	\$ 406,722
Adjustments to reconcile Net Income to net cash provided by operations:								
Accounts Receivable	(955,738)	(54,498)	(130,280)	-	(33,902)	-	(8,176)	(1,182,594)
Inventory	567,663	-	97,053	-	-	63,579	7,853	736,149
Notes Receivable	852,210	(1,005,833)	-	985,697	(305,600)	-	-	526,474
Prepaid Assets	(122,703)	-	-	(108,375)	1,773	-	-	(229,304)
Security Deposit	-	-	-	-	-	-	(1,244)	(1,244)
Undeposited Funds	(4,500)	-	-	-	-	-	-	(4,500)
Accounts Payable	(869,902)	-	-	-	24,482	(22,643)	(15,472)	(883,536)
Credit Card Payable	(3,305)	-	-	-	-	-	-	(3,305)
Notes Payable	636,644	(34,800)	-	84,825	369,565	-	11,772	1,068,006
Payroll Liabilities	(3,906)	-	-	-	-	(789)	-	(4,695)
Sales Tax Payable	(5,799)	-	-	-	-	1,097	13	(4,689)
Process Holding Account	-	-	-	-	3,004	-	-	3,004
Net cash provided by Operating Activities	\$ (79,382)	\$ (1,149,316)	\$ (16,613)	\$ 1,552,686	\$ 65,583	\$ 51,996	\$ 1,534	\$ 426,487
INVESTING ACTIVITIES								
Accumulated Depreciation	30,803	-	-	-	-	-	-	30,803
Furniture and Equipment	(44,837)	-	-	(47,674)	-	-	-	(92,511)
Business Investments	-	421,819	-	(1,164,000)	-	-	-	(742,181)
Net cash provided by Investing Activities	\$ (14,033)	\$ 421,819	\$ -	\$ (1,211,674)	\$ -	\$ -	\$ -	\$ (803,888)
FINANCING ACTIVITIES								
Non Ownership Portion of Subsidiaries	(33,523)	(420,601)	16,613	-	-	-	-	(437,511)
Retained Earnings	-	-	-	-	-	(58,496)	(4,711)	(63,207)
Net cash provided by Financing Activities	\$ (33,523)	\$ (420,601)	\$ 16,613	\$ -	\$ -	\$ (58,496)	\$ (4,711)	\$ (500,718)
Net cash increase for period	\$ (126,939)	\$ (1,148,098)	\$ -	\$ 341,011	\$ 65,583	\$ (6,500)	\$ (3,176)	\$ (878,119)
Cash at beginning of period	\$ 147,467	\$ 1,923,497	\$ -	\$ 37,698	\$ 41,297	\$ 289,761	\$ 3,937	\$ 2,443,657
Cash at end of period	\$ 20,528	\$ 775,399	\$ -	\$ 378,710	\$ 106,879	\$ 283,261	\$ 761	\$ 1,565,539

MEDICAL MARIJUANA, INC.

Notes to Financial Statements (9-30-14)

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.

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 finished goods and raw materials.

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

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

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

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

Subsidiaries and Corporate Investments

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

(See Exhibit A)

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 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 line of 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.

Hempwire

Hempwire is a joint venture between HempmedsPX and Livewire, Inc. The venture will concentrate on the distribution of HempmedsPX 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 the development of chewing gum-based cannabinoid products for the treatment of issues like pain, nausea and vomiting, anorexia, spasticity and various other medical issues.

HempVAP™

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

Note 3: Inventories

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

Note 4: Investments

The Company maintains a portfolio of equity securities.

Note 5: 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 6: Research & Development

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

Note 7: Fixed Assets

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

Note 8: Stockholders' Equity

At September 30, 2014, the number of authorized and issued shares and the related par value:

Total shares of Common Stock authorized: 5,000,000,000

Total shares of Common Stock outstanding: 949,106,848

Par Value: \$0.001

Note 9: Extraordinary Income

During the third quarter the Company finalized a joint venture agreement with Livewire Ergonomics, Inc. (Livewire) creating Hempwire, LLC. Hempwire, LLC will distribute Hemp based products. The Company received 2,000,000 shares of preferred stock of Livewire valued at \$0.582 per share. Both the Company and Livewire will each own 50% of the new joint venture.