

DISCLOSURE STATEMENT

MEDICAL MARIJUANA, INC.

AN OREGON CORPORATION

2384 La Mirada Drive, Vista, CA 92081
(866) 273-8502

www.medicalmarijuanainc.com | info@medicalmarijuanainc.com | SIC Code: 7383

Quarterly Report for the Quarter Ending September 30, 2022



As of the current reporting date of September 30, 2022, the number of shares outstanding of our Common Stock was:	4,637,902,586
As of the prior reporting date of June 30, 2022, the number of shares outstanding of our Common Stock was:	4,637,902,586
As of the most recent completed fiscal year end date of December 31, 2021, the number of shares outstanding of our Common Stock was:	4,561,704,903
Indicate by check mark whether the company is a shell company (as defined by Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Indicate by check mark whether the company's shell status has changed since the previous reporting period.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

FORWARD LOOKING STATEMENTS

This Disclosure Statement 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.

GOVERNMENT REGULATION

The effect of existing or probable government regulations on our business is not known at this time. Due to the nature of our business, it is anticipated that there may be increasing government regulation that may cause the Company to have to take serious corrective actions, changes in business plan, or even close or stop its business practices and/or operations.

FOOD AND DRUG ADMINISTRATION (FDA) DISCLOSURE

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

1. NAME AND ADDRESS(ES) OF THE OF THE ISSUER AND ITS PREDECESSORS

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

We are currently active and in good standing with the State of Oregon.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

The Company was subject to a temporary trading halt in 2012, which was lifted shortly thereafter.

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

The address for our principal executive office and principal place of business is:

2384 La Mirada Drive, Vista, CA 92081

Has the issuer or any of its Predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
--	---

2. SECURITY INFORMATION

As of Date:	September 30, 2022
Trading Symbol:	MJNA
Exact title and class of securities outstanding:	Common Stock
CUSIP:	58463A105
Par or Stated Value:	\$.01 per share
Common Stock	
Total shares authorized:	5,000,000,000
Total shares outstanding:	4,637,902,586
Number of shares in the public float:	3,657,641,719
Total number of shareholders of record:	1,022 ⁽¹⁾
Preferred Stock	
Total shares authorized:	50,000,000
Total shares of Series A Redeemable Preferred Stock authorized:	1,000,000
Total shares of Series A Redeemable Preferred Stock outstanding:	1,000,000
Total shares of Series B Preferred Stock authorized:	230,000
Total shares of Series B Preferred Stock outstanding:	170,000

⁽¹⁾ This number does not include all beneficial holders of our common stock because many of our shares of common stock are held by brokers and other institutions on behalf of shareholders, we are unable to estimate the total number of shareholders represented by these record holders.

Transfer Agent

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

Is the Transfer Agent registered under the Exchange Act?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
--	---

3. ISSUANCE HISTORY

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:	<input type="checkbox"/>
---	--------------------------

The Changes to the Number of Outstanding Shares is attached as **Exhibit A** to this Disclosure Statement.

B. Debt Securities, Including Promissory and Convertible Notes

Check this box if there are no outstanding promissory, convertible notes or debt arrangements:	<input type="checkbox"/>
--	--------------------------

The Debt Securities, Including Promissory and Convertible Notes is attached as **Exhibit B** to this Disclosure Statement.

4. FINANCIAL STATEMENTS

Our Financial Statements are attached as **Exhibit C** to this Disclosure Statement and incorporated herein by reference thereto.

A. The Financial Statements were prepared in accordance with: ☒ U.S. GAAP.

B. The Financial Statements for this reporting period were prepared by: Todd Morrow, CFO and President of Medical Marijuana, Inc.

C. Medical Marijuana, Inc. is not now, nor has it ever been, a “shell company.”

5. ISSUER’S BUSINESS, PRODUCTS AND SERVICES

A. Summarize the issuer’s business operations (If the issuer does not have current operations, state “no operations”)

Medical Marijuana, Inc. (OTCMarkets: MJNA) manufactures and distributes CBD products via e-commerce, direct sales, retail and wholesale distribution channels throughout the world.

Medical Marijuana Inc. is the first publicly held company vested in the cannabis and industrial hemp space in America. We have brought about many industry firsts, including establishing in 2012 the world’s first supply chain of industrial hemp-derived cannabidiol (CBD) consumer products. Subsequently, we were awarded the first distribution rights for these products into the countries of Brazil (April 2014) and Mexico (February 2016). In the U.S., we developed and marketed the first fully THC-free version of CBD products.

Soon thereafter, the *World Anti-Doping Agency* approved CBD for professional sport and Olympic competition. We maintain our leadership through our international expansion efforts where today we now ship to over 40 countries worldwide making branded products available through e-commerce, direct sales, retail and wholesale distribution channels.

Medical Marijuana, Inc. was the first company to receive historic import permits for CBD products from the governments of Brazil, Mexico, Argentina, and Paraguay and in many countries has been directly responsible for changing laws and regulations to allow hemp-based CBD consumer products to be marketed. In November 2017, our HempMeds® CEO Raul Elizalde addressed the *World Health Organization* at its hearings on CBD – with favorable outcomes for the CBD movement.

B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference.

As discussed below, the Company operates in numerous countries throughout the world and has established operating subsidiaries in order to comply with local laws and tax authorities. These subsidiary entities are controlled by the Company and are maintained for compliance purposes.

C. Describe the issuers' Principal products or services and their markets.

The Company operates primarily through three divisions: Medical Marijuana, Inc., HempMeds®, and Kannaway. These divisions, as well as the Company's investment portfolio, are discussed below.

Divisions

1. Medical Marijuana, Inc.

Medical Marijuana, Inc. is the parent company of all the operating divisions. Medical Marijuana, Inc. operates a website to maintain an online presence, provide corporate, investor relations and educational information and news relating to the Company and the cannabis industry.

2. HempMeds®

HempMeds® distributes products directly in the US and through wholly owned subsidiaries internationally (primarily in Mexico and Brazil). Distribution is accomplished primarily through online presence and its sales staff.

The HempMeds® flagship product is Real Scientific® Hemp Oil (RSHO).® RSHO is a full spectrum, complete CBD hemp oil, containing the highest quality natural Hemp Oil in the industry. RSHO® is offered in 3 varieties: Green, Blue and Gold.

RSHO® Green is the non-decarboxylated, raw variety of our Real Scientific® Hemp Oil, and is as close as you can get to juicing the hemp plant.

RSHO® Blue is the most popular version of our CBD hemp oil products, going through a decarboxylation process before being made ready for consumption.

RSHO® Gold is decarboxylated like our Blue product, then goes through an additional filtration process, creating a golden oil with great taste and smoother consistency.

A. HempMeds® Mexico.

HempMeds® Mexico is the first Mexican cannabis company, established in 2016 with offices in México City and Monterrey. The HempMeds® Mexico products are the first-ever to be imported and commercialized legally in Mexico since 2016. With the reforms on the general health law (ley general de salud), HempMeds® Mexico is proud that its products were the first to be approved by the COFEPRIS (Federal Commission for Protection Against Health Risks) as food supplements and cosmetics in Mexico.

B. HempMeds® Brazil.

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

C. White Label and Private Production.

In addition to manufacturing distribution its own branded CBD products, HempMeds® offers White Label and Private production services. At the request of its customers, many of the HempMeds® products can be rebranded to the name of the customer. Further, HempMeds® offers Private Production services whereby the Company's FDA registered manufacturing facility can create, formulate and manufacture custom CBD products made to the customer's unique specifications.

3. Kannaway®

Kannaway® is our direct selling division which started in 2014 and was the first Cannabis based direct selling company. Kannaway is our largest division and sells our CBD products worldwide, including, but not limited to the US, Europe, and Asia.

The Company entered into an asset purchase agreement with MFINITY Global LLC on 9/1/2022. In this agreement the customer list and inventory were purchased for \$2,268,054 payable as a 5% royalty on MFINITY product sales until paid in full. MFINITY Global LLC is a direct-selling organization focused on promoting natural health. Additionally, Bill Andreoli, the President of MFINITY Global became the President of Kannaway, LLC.

4. Manufacturing and Production Facility

The Company currently has a 16,663 sq. ft. manufacturing and production facility located in Lindon, Utah. The facility is registered with the FDA, has been issued a Good Manufacturing Practice (GMP) certificate, and holds a State of Utah Industrial Hemp Processor License.

Our manufacturing facility provides small-to-large scale Manufacturing, Logistics, Bottle Filling, Kitting, Assembly, Warehousing and Storage for all of the Company's divisions as well as providing the same services for third party vendors. The facility specializes in one-stop skin care, hair care and dietary supplement manufacturing and production services.

We are currently in the process of relocating our manufacturing facility to our new Vista, California location and intend to be in full production at the new location no later than the end of 2022.

Investment Portfolio

The Company's investment portfolio consists of two public companies: Neuropathix, Inc. (formally known as Kannalife, Inc.) and AXIM Biotechnologies, Inc.

1. Neuropathix, Inc. ("Neuropathix") (OTCBB: NPTX). Neuropathix is a socially responsible pain management life sciences company. For the past ten years, Neuropathix has discovered, developed and patented a global intellectual property estate of novel new therapeutic agents designed to prevent and reverse neuropathic pain, reduce oxidative stress, and act as anti-inflammatory neuroprotectants. Neuropathix was the only company to hold an exclusive license with National Institutes of Health - Office of Technology Transfer ("NIH-OTT") for the Commercialization of U.S. Patent #6630507, "Cannabinoids as Antioxidants and Neuroprotectants" (the "507 Patent"). This early and extensive pre-clinical research on cannabidiol (CBD) led Neuropathix to develop its own patented molecules lead by KLS-13019 called by Sports Illustrated as a "super-CBD" and currently covered under global patents awarded including U.S. Patent #9611213, "Functionalized 1,3-benzene diols and their method of use for the treatment of hepatic encephalopathy". Neuropathix continues to conduct its research and development efforts at the Bucks County Pennsylvania Biotechnology Center in Doylestown, PA. Neuropathix's lead candidate KLS-13019 is a viable non-opioid solution for treating Chemotherapy Induced Peripheral Neuropathy ("CIPN"). It's wholly owned subsidiary, Dermique Incorporated, now holds all the IP for LEA, its patented compound that is simply better than CBD for treating topical skin disorders. The Company currently owns approximately 23.4% of Neuropathix's issued and outstanding shares of common stock.

2. AXIM[®] Biotechnologies, Inc. ("AXIM") (OTCBB: AXIM). Founded in 2014, AXIM[®] is a preclinical stage research and development company focused on changing diagnosis and treatment for oncology and SARS-CoV-2, or COVID-19. Axim's COVID-19 rapid neutralizing antibody test ImmunoPass is the first rapid diagnostic test measuring levels of functional neutralizing antibodies that are believed to prevent SARS-CoV-2 from entering human host cells. Additionally, the Company is developing rapid diagnostic tests for the early detection of cancer and proprietary small molecules drugs to treat cancer and block metastasis. The Company currently owns approximately 17.7% of AXIM's[®] issued and outstanding shares of common stock.

6. ISSUER'S FACILITIES

We lease the following office and warehouse spaces:

15,847 square feet of corporate office space in San Diego, CA. The lease term runs through March 2023. Future minimum obligation on the lease totals \$371,913.

16,663 square feet of warehouse in Lindon, Utah which includes office, warehouse, manufacturing and distribution spaces. The lease term runs through December 2022. Future minimum obligation on the lease totals \$46,040.

604 square meters of office and warehouse space in Szeligi, Poland. The space is leased through November 1, 2024. This lease was agreed to be terminated August 24, 2022. No further payment is due.

560 square meters of office space in Monterrey Mexico. Until terminated by either party, the lease term automatically renews on a semi-annual basis. Future minimum obligation on the lease totals 229,680 MXN (approximately \$11,415 US Dollars).

Three (3) small office spaces in Sao Paolo, Brazil. The lease term runs through March 2023. Future minimum obligation on the lease totals 88,502 reais (approximately \$ 17,042 US Dollars).

259 square meters of office space in Johannesburg, South Africa. The initial lease runs through November 30, 2023. Future minimum obligation on the lease totals 765,750 ZAR (approximately \$ 42,365 US Dollars).

7. OFFICERS, DIRECTORS, AND CONTROL PERSONS

Beneficial Ownership

The following table indicates the Beneficial Ownership of our Officers, Directors and Shareholders of 5% or more based upon 4,637,902,586 shares outstanding as of September 30, 2022.

Name	Affiliation	Address	# Shares	Type	%
Blake N. Schroeder (2)	Chairman CEO	2384 La Mirada Drive Vista, CA 92081	100,000,000	Common	2.2
Todd Morrow	CFO President	2384 La Mirada Drive Vista, CA 92081	15,000,000	Common	(1)
Michael L. Corrigan	SEC	2384 La Mirada Drive Vista, CA 92081	3,000,000	Common	(1)
Michelle Sides, Esq. (3)(4)	Director CLO	2384 La Mirada Drive Vista, CA 92081	134,045,352	Common	2.8
Timothy R. Scott, PhD	Director	2384 La Mirada Drive Vista, CA 92081	1,000,000	Common	(1)
Robert L. Cunningham	Director	2384 La Mirada Drive Vista, CA 92081	250,000	Common	(1)
Chris Prine	Director	2384 La Mirada Drive Vista, CA 92081	250,000	Common	(1)
Columbia & Beech Corporation (5)	Affiliate	2384 La Mirada Drive Vista, CA 92081	454,047,389	Common	9.8%

(1) Less than 1%.

(2) Does not include 70,000 shares of Series B Preferred Stock held by BNS Advisors, LLC, which are convertible into 70 million shares of common stock, of which Mr. Schroeder is the sole member.

(3) Does not include 454,047,389 shares held by Columbia & Beech Corporation (formerly known as Hemp Deposit and Distribution Corporation), of which Ms. Sides holds a 100% ownership interest.

(4) Does not include 70,000 shares of Series B Preferred Stock held by MLS Advisors, LLC, which are convertible into 70 million shares of common stock, of which Ms. Sides is the sole member.

(5) Does not include 134,045,352 shares held by Ms. Sides or 70,000 shares of Series B Preferred Stock held by MLS Advisors, LLC, which are convertible into 70 million shares of common stock, of which Ms. Sides is the sole member

Professional Background of our Officers and Directors

Blake N. Schroeder, J.D. - Chairman of the Board, CEO

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

Todd Morrow - Chief Financial Officer, President

Mr. Morrow is an innovative business leader with more than 20 years of experience ranging from start-ups to multi-billion dollar enterprises. Prior to becoming the Company's Chief Financial Officer, Mr. Morrow acted as the Company's Chief Information Officer where he led the Company's strategy, optimization and collaboration efforts. Prior to becoming the Company's Chief Information Officer, Mr. Morrow was the President of the Company's subsidiary, HempMeds®, PX, LLC where he successfully spearheaded the Company's sales, marketing and product development efforts. Mr. Morrow brings broad business acumen and strategy to the Company based on his many years of experience in various roles with companies such as Petco Animal Supplies and LEGO Systems, Inc.

Michael L. Corrigan, J.D., M.B.A. – Secretary

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

Michelle Sides, J.D. – Director, Chief Legal Officer

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

Legal and Operations Manager for the Commonwealth Network Corporation, as well as the Director of Legal Affairs for Power Sports, Inc. Both positions focused mainly on corporate and real estate transactional law.

Timothy R. Scott, PhD – Director

From September 2001 to May 2008, Dr. Scott served on the Board of Directors of Naturewell, Incorporated, a publicly traded company engaged in the nutraceutical and homeopathic drug business. From April 1998 to September 2000, Dr. Scott served as a member of the Board of Directors of ICH Corporation, an American Stock Exchange listed company which owned 265 fast food and family dining restaurants having approximately \$265 million in revenues and 7,800 employees, and as a member of ICH's compensation committee. Dr. Scott currently serves as Chairman of the Board of Directors and President of Hope Rescue a charitable organization involved in community development. Dr. Scott received his Ph.D. in theology from Christian University in 1981 and served as a professor of philosophy and religion at Pacific International College from 1981 to 1985.

Robert L. Cunningham – Director

Robert Cunningham has served as a Director since May 18, 2017. Mr. Cunningham has over 40 years of executive management in financial services and venture capital. From 1985 to the present Mr. Cunningham has been the Founder/CEO of Placer Financial, a nationwide mortgage and real estate development firm. He has served as Receiver/Trustee for the U.S. Department of Justice, and board member for numerous firms including Allied Commercial Corporation, Vermillion Development, Pacific Building Industries, and Bond Hospitality Group. From March 2015 to present Mr. Cunningham has served on the Board of Directors of Medical Marijuana, Inc.

Chris Prine - Director

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

8. LEGAL/DISCIPLINARY HISTORY

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of the following:

None of the individuals identified in Section 7 above have, in the past 10 years, been the subject of:

1. a conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding;
2. 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;
3. 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;

4. 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.

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

In the ordinary course of business, we vigorously defend against and prosecute various legal actions. We consider all current pending legal proceedings to be ordinary routine litigation incidental to the operation of our business.

9. THIRD PARTY PROVIDERS.

Securities Counsel:	Transfer Agent:	Shareholder Inquires:
Law Offices of Michael L. Corrigan Michael L. Corrigan, Esq. 2384 La Mirada Drive Vista, CA 92081	Action Stock Transfer Corp. 2469 E. Fort Union Blvd, Suite 214 Salt Lake City, UT 84121 (801) 274-1088 http://www.actionstocktransfer.com	Please call (888) 764-0700

10. ISSUER CERTIFICATION

Principal Executive Officer and Principal Financial Officer

I, certify that:

1. I have reviewed this Disclosure Statement of Medical Marijuana, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, which have been prepared by the Company's financial and accounting personnel and advisors, present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

November 18, 2022

/s/ Blake N. Schroeder

By: Blake N. Schroeder
Its: Chief Executive Officer
Its: Chairman of the Board of Directors

/s/ Todd Morrow

By: Todd Morrow
Its: Chief Financial Officer
Its: President

Exhibit A
Changes to the Number of Outstanding Shares

Shares Outstanding as of Second Most Recent Fiscal Year End: Date: 9/30/2020 Opening Balance: Common: 3,906,257,070 Preferred (A): 1,000,000									
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type
10/1/2020	New	20,703,934	C	0.0097	Y	Chicago Venture Partners-John Fife	Debt Conversion	No	4(a)(2)
10/19/2020	New	11,389,311	C	0.0092	Y	Chicago Venture Partners-John Fife	Debt Conversion	No	4(a)(2)
11/9/2020	New	43,070,959	C	0.0093	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
12/1/2020	New	41,810,390	C	0.0096	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
12/1/2020	New	37,428,652	C	0.0107	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
12/8/2020	New	1,666,667	C	0.0217	Y	Jim Gibson	Compensation	R	4(a)(2)
12/8/2020	New	1,666,667	C	0.0217	Y	Stephen Jones	Compensation	R	4(a)(2)
12/8/2020	New	1,666,667	C	0.0217	Y	Brooke Beers	Compensation	R	4(a)(2)
12/8/2020	New	666,667	C	0.0217	Y	Robert Brannin	Compensation	R	4(a)(2)
1/4/2021	New	32,043,579	C	0.0125	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
1/15/2021	New	32,043,579	C	0.0125	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
2/1/2021	New	31,225,605	C	0.0128	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
2/5/2021	New	28,288,543	C	0.0141	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
3/2/2021	New	34,389,374	C	0.0233	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
3/30/2021	New	70,000	P	7.0000	Y	MLS Advisors, LLC - TL-66/James Arabia	Purchase	R	4(a)(2)
3/30/2021	New	90,000	P	7.0000	Y	SWT Advisors, LLC - TL-66/James Arabia	Purchase	R	4(a)(2)
3/30/2021	New	70,000	P	7.0000	Y	BNS Advisors, LLC - TL-66/James Arabia	Purchase	R	4(a)(2)
3/30/2021	New	55,714,286	C	0.0070	Y	TL-66, LLC/James Arabia	Purchase	R	4(a)(2)
4/5/2021	New	22,335,762	C	0.0358	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
5/4/2021	New	12,485,564	C	0.0320	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
5/13/2021	New	13,858,573	C	0.0289	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
6/1/2021	New	14,179,369	C	0.0282	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
6/9/2021	New	14,179,369	C	0.0282	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
7/7/2021	New	17,636,684	C	0.0227	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
7/19/2021	New	100,000,000	C	0.0100	Y	Blake N. Schroeder	Purchase	R	4(a)(2)
10/19/2021	New	60,000,000	C	0.0070	Y	Stuart W. Titus	Conversion	R	4(a)(2)
10/19/2021	Returned	(60,000)	P	7.0000	Y	SWT Advisors, LLC - TL-66/James Arabia	Conversion	R	4(a)(2)
12/6/2021	New	26,827,632	C	0.0149	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
1/3/2022	New	32,528,259	C	0.0123	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
1/11/2022	New	10,000,000	C	0.0100	Y	Todd J. Morrow	Purchase	R	4(a)(2)
2/10/2022	New	33,669,424	C	0.0113	Y	Atlas Sciences, LLC - John Fife	Debt Conversion	No	4(a)(2)
Shares Outstanding on Date of This Report: 9/30/2022 Ending Balance: Common: 4,637,902,586 Preferred (A): 1,000,000 Preferred (B): 170,000									

Exhibit B
Debt Securities, Including Promissory and Convertible Notes

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
12/31/2018	\$551,959	\$500,000	\$51,959	12/31/2024	Fixed rate of \$0.0747 per share	General Hemp, LLC. John Huemoeller	Management Fees
4/1/2022	\$762,438	\$750,000	\$12,438	4/1/2032	\$0.00765 per share or 70% of the avg of the 2 lowest closing prices of in the 10 trading days prior	Kettner Investments, LLC	Consulting Fees

Medical Marijuana, Inc.
Consolidated Balance Sheet

	September 30, 2022	September 30, 2021
<u>ASSETS</u>		
Current Assets		
Cash	1,410,553	5,686,135
Accounts Receivable	577,329	924,579
Other Current Assets		
Prepaid Assets	502,224	1,774,576
Inventory	3,511,316	3,095,396
Merchant Account Reserves	234,051	652,417
Notes and Loans Receivable	3,212,472	6,178,220
Investment in Joint Venture	-	27,490
Deposits	55,858	76,516
Deferred Taxes	1,882,073	622,502
Total Other Current Assets	9,397,994	12,427,118
Total Current Assets	11,385,876	19,037,832
Total Fixed Assets Net of Depreciation	3,369,671	820,037
Other Assets		
Convertible Discount Asset	200,000	200,000
Convertible Notes Receivable	5,547,494	4,986,859
Goodwill	45,366,733	45,366,733
Investments	2,554,381	16,428,485
Total Other Assets	53,668,608	66,982,077
TOTAL ASSETS	68,424,155	86,839,946
<u>LIABILITIES & EQUITY</u>		
Current Liabilities		
Accounts Payable	2,573,138	2,545,616
Accrued Liabilities	508,502	6,764
Sales Tax Payable	1,296,583	1,309,167
Other Current Liability	4,004,088	5,120,976
Total Payables	8,382,312	8,982,523
Convertible Notes	-	3,258,396
Convertible Notes- Related Party	1,314,396	535,443
Long Term Liability	2,154,651	1,522,921
Total Long Term Liabilities	3,469,047	5,316,761
Total Liabilities	11,851,360	14,299,284
Equity		
Common Stock	46,333,611	44,703,358
Pref Stock - Series A	10,000	10,000
Pref Stock - Series B	1,700	2,300
Additional Paid in Capital	162,274,834	162,624,258
Retained Earnings	(152,047,349)	(134,799,254)
Total Equity	56,572,796	72,540,663
TOTAL LIABILITIES & EQUITY	68,424,155	86,839,946

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.


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

	Three Months Ending September 30, 2022	Three Months Ending September 30, 2021
Ordinary Income/(Expense)		
Total Revenue	4,917,360	9,225,440
Total COGS	879,565	2,495,257
Gross Profit	4,037,794	6,730,183
 Expense		
Sales & Marketing	1,480,981	4,059,528
General & Administrative	2,763,723	3,312,093
Total Expense	4,244,704	7,371,621
Net Ordinary Income/(Loss)	(206,910)	(641,438)
 Interest Income	64,789	112,235
Interest Expense	(17,566)	(32,776)
Other Income	659,468	31,913
Other Expense	(857,134)	(1,628,177)
Gain/(Loss) on Investments	(1,832,653)	(9,611,149)
Total Other Income or Expense Gain/(Loss)	(1,983,096)	(11,127,954)
Net Income/(Loss)	(2,190,006)	(11,769,392)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Exhibit C

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

	Three Months Ending September 30, 2022	Three Months Ending September 30, 2021
OPERATING ACTIVITIES		
Net Income/(Loss)	(2,190,006)	(11,769,392)
Adjustments to reconcile Net Income to net cash provided by operations:		
Depreciation	108,620	126,008
Inventories Adjustment	(2,828)	104,523
Changes in operating assets and liabilities:		
Inventories	(1,102,737)	599,294
Accounts Receivable	(35,410)	592,949
Prepaid Expenses	(66,084)	19,827
Merchant Account Reserve	(197,802)	43,320
Deposits	783	125
Deferred Tax	(69,548)	262,974
Accounts Payable	190,025	(746,954)
Deferred Taxes	(201,196)	(379,019)
Accrued Liabilities	144,099	(584,719)
Other Current Liability	1,107,254	1,367,130
Net Cash Provided (Used) by Operating Activities	(230,615)	1,174,927
INVESTING ACTIVITIES		
Gain/Loss on Investments	1,838,274	9,611,149
Mfinity Asset Purchase	(2,205,228)	-
Capital Purchases	(290,293)	(36,544)
Net Cash Provided (Used) by Investing Activities	(657,247)	9,574,605
FINANCING ACTIVITIES		
Notes Receivable	1,267,240	(1,063,258)
Convertible Notes Receivable	(533,115)	(51,494)
Conv Note - Rlated Pty LT	9,960	4,084
Convertible Notes	-	(376,022)
Long Term Liability	616,925	(9,234)
Dividends Paid	-	
Other Comprehensive Income	225,196	
Proceeds from Sale of Stock	-	1,400,000
Net Cash Provided (Used) by Financing Activities	1,586,207	(95,924)
Net Cash Increase (Decrease) for the Period	(1,385,868) 	(884,994)
Cash At Beginning of Period	2,796,421	6,571,129
Cash at End of Period	1,410,553	5,686,135

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Exhibit C
Medical Marijuana, Inc.
Consolidated Statement of Stockholders' Deficit

	Common Stock		Series A Redeemable Preferred Stock		Series B Redeemable Preferred Stock		Additional Paid in Capital	Other Comprehensiv e Income	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at December 31, 2020	4,066,496,984	\$40,622,201	1,000,000	\$10,000	0	\$0	\$158,510,362	\$0	(\$133,823,023)	\$65,319,539
Common stock issued in redemption of note	379,493,633	\$3,792,290					\$2,637,920			\$6,430,210
Common stock issued	55,714,286	\$557,143								\$557,143
Issuance of Series B Redeemable Preferred					230,000	2,300	\$1,607,700			\$1,610,000
Series B conversion to Common	60,000,000	\$600,000			(60,000)	(600)	(\$599,400)			\$0
Cumulative Translation Adjustment									(\$11,911)	(\$11,911)
Net Income									(\$4,770,766)	(\$4,770,766)
Balance at Dec 31, 2021	4,561,704,903	\$45,571,634	1,000,000	\$10,000	170,000	\$1,700	\$162,156,582	\$0	(\$138,605,700)	\$69,134,215
Common stock issued in redemption of note	76,197,683	\$761,977					\$118,252			\$880,229
Series B conversion to Common										\$0
Cumulative Translation Adjustment									(\$35,189)	(\$35,189)
Net Income									(\$12,476)	(\$12,476)
Balance at Mar 31, 2022	4,637,902,586	\$46,333,611	1,000,000	\$10,000	170,000	\$1,700	\$162,274,834	\$0	(\$138,653,365)	\$69,966,779
Common stock issued in redemption of note										\$0
Series B conversion to Common										\$0
Cumulative Translation Adjustment									(\$274,038)	(\$274,038)
Net Income									(\$11,155,137)	(\$11,155,137)
Balance at June 30, 2022	4,637,902,586	\$46,333,611	1,000,000	\$10,000	170,000	\$1,700	\$162,274,834	\$0	(\$150,082,540)	\$58,537,604
Common stock issued in redemption of note										\$0
Series B conversion to Common										\$0
Cumulative Translation Adjustment									\$225,198	\$225,198
Net Income									(\$2,190,006)	(\$2,190,006)
Balance at September 30, 2022	4,637,902,586	\$46,333,611	1,000,000	\$10,000	170,000	\$1,700	\$162,274,834	\$0	(\$152,047,348)	\$56,572,796

MEDICAL MARIJUANA, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2022

Note 1: Summary of Significant Accounting Policies

Nature of Operations.

Medical Marijuana, Inc. ("MJNA" or "Company") is an Oregon corporation, which through its subsidiaries and investment holdings, focuses on the development, sale and distribution of hemp oil that contains naturally occurring cannabinoids, including Cannabidiol ("CBD") and other products containing CBD-rich hemp oil ("Legal Hemp"). Company products are formulated for the pharmaceutical, nutraceutical and cosmeceutical industries, including dietary supplements, skin care products and prescription-based hemp oil for sale in countries (such as Brazil and Mexico) that have approved, by doctor prescription, the Company's flagship hemp oil product, RSHO™, for the treatment of various illnesses and conditions. The Company does not sell or dispense recreational or medical marijuana, directly or indirectly.

Basis of Financial Statement Presentation. The accompanying unaudited condensed financial statements have been prepared in accordance with United States generally accepted accounting principles. 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. Cash equivalents are stated at cost, which approximates quoted market value and includes amounts held in money market funds.

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

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.

Estimates. The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) 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.

Examples of significant estimates include plant and equipment, the recoverability of intangible assets and other long-lived assets, fair value measurements, including those related to financial instruments, goodwill, and intangible assets, unrecognized tax benefits, contingencies and

identification and valuation of assets acquired and liabilities assumed in connection with business combinations.

Goodwill. The fair market value of the Company's investments in its subsidiaries that is in excess of the Company's consolidated tangible assets is recorded as goodwill. The Company tests goodwill for impairment on an annual basis. Impairment testing for goodwill is performed annually in the fourth fiscal quarter or more frequently if impairment indicators are present.

Income Taxes: Our effective tax rate is based on pre-tax income, statutory tax rates, tax laws and regulations and tax planning strategies available to us in the various jurisdictions in which we operate. Significant management judgment is required in evaluating our tax positions and in determining our effective tax rate. Income tax reserves are established to recognize the liability of prior year tax obligations.

Deferred income taxes are provided for temporary differences in the basis between financial statement and income tax assets and liabilities. Deferred income taxes are recalculated annually at tax rates in effect for the years in which those tax assets and liabilities are expected to be realized or settled. We record valuation allowances to reduce our deferred tax assets to the amount that is more likely than not to be realized.

Note 2: Inventories

Inventories are comprised of hemp-based raw materials and finished goods held for sales, which is carried at the lower of cost or net realizable value.

Note 3: Warrants, Options and Stock-Based Compensation

For the quarter ending September 30, 2022, the Company had no warrants or options outstanding and incurred no stock-based compensation.

Note 4: Capital Stock

Common Stock

The Company has 5,000,000,000 authorized shares of common stock, \$0.01 par value. As of September 30, 2022, there are 4,637,902,586 outstanding shares of common stock, of which 980,260,867 shares are restricted. (See also Footnote 9 - "Stock Issuances")

Preferred Stock

The Company has 50,000,000 authorized shares of Preferred Stock. As of September 30, 2022, there are 1,000,000 outstanding shares of Series A Redeemable Preferred Stock, of which 1,000,000 shares are restricted, and 170,000 outstanding shares of Series B Preferred Stock, of which 170,000 shares are restricted.

The Series A Redeemable Preferred Stock is non-convertible, nontransferable without the consent of the Board of Directors of the Company, redeemable by the Company at any time after February 15, 2023 at a price of \$.10 per share and the holders of the Series A Preferred are entitled to cast 5,000 votes per share on any matter that is presented to the shareholders of the Company for a vote. All 1,000,000 shares of the Series A Preferred is owned by Juniper & Ivy Corporation. Juniper & Ivy is one third owned by each of Axim Biotechnologies, Inc. (Symbol:

AXIM), Neuropathix, Inc. (Symbol: NPTX) and John W. Huemoeller II, the Chief Executive Officer of AXIM.

The Series B Preferred Stock is convertible into common stock, non-voting, non-redeemable, nontransferable without the consent of the Board of Directors of the Company and has no liquidation preference or dividend rights or preferences. Each share of Series B Preferred Stock is convertible at any time at the discretion of the holder into one thousand (1,000) shares of the Company's common stock; provided however, such conversion would not be permitted if it would result in the converting holder, and its affiliates, having a combined beneficial ownership of more than 9.9% of the Company's outstanding common stock as of the date of conversion. (See also Footnote 9 - "Stock Issuances"). All 230,000 authorized shares of Series B Preferred stock have been issued and 170,000 shares remain outstanding. 70,000 shares are held by MLS Advisors, LLC, 70,000 shares are held by BNS Advisors, LLC, and 30,000 shares are held by SWT Advisors, LLC. 60,000 Series B Preferred shares originally issued to Stuart W. Titus, the former Chairman and CEO of the Company, were converted into shares of shares of the Company's common stock and thereafter retired.

Note 5: Notes Payable – Long Term

Convertible Notes Payable Related Party

Related-party convertible notes having a balance due of \$551,959 at September 30, 2022 consist of one note that matures on December 31, 2024, accrues interest at the rate of 3% per annum and is convertible at a fixed rate of \$0.0747 per common share (see also Footnote 7 - "Related Party Transactions").

Notes Payable

On May 27, 2021, the Company received total forgiveness on the long term note payable, which consisted of one note payable from a wholly owned subsidiary of the Company payable to a lender under the Small Business Administration's ("SBA") Paycheck Protection Program ("PPP") provisions set forth in Section 1102 of the Corona Virus Aid Relief, and Economic Security Act with a principal balance of \$1,374,598. The same wholly owned subsidiary qualified for and received a second note payable totaling \$1,374,598 payable to a lender under the Small Business Administration's ("SBA") Paycheck Protection Program ("PPP") provisions set forth in Section 1102 of the Corona Virus Aid Relief and Economic Security Act. The second PPP loan matures on September 8, 2022 and accrues interest at a rate of 1%. Full forgiveness was received on the second PPP loan on January 20, 2022.

Convertible Notes Payable

Effective April 1, 2022, the Company entered into a one-year consulting agreement with General Hemp ("GH") whereby the Company will receive consulting services on a range of issues important to its business affairs (the "Consulting Agreement"). The Company paid a non-refundable fee of \$750,000 for the one-year term by issuing to GH a \$750,000 convertible note (the "Convertible Note"). The balance including interest as of September 30, 2022 is \$762,438. The Convertible Note is unsecured, pays interest at the rate of 3% per annum, matures on April 1, 2032, and is convertible at any time in the discretion of the holder at the *lesser of* \$0.00765 or 70% of the average of the two lowest closing prices of the Company's common stock in the ten (10) trading days prior to any particular conversion, provided however, the holder of the Convertible Note shall not be permitted to convert the Convertible Note, or portion thereof, if such conversion would

result in beneficial ownership by the holder and its affiliates of more than 9.9% of the Company's outstanding common stock as of the date of conversion. The Company anticipates that it will reduce its cash administrative expenses by approximately \$600,000 during the term of the Consulting Agreement.

Back-Tax Installment Payment Agreements

Effective June 28, 2022, the Company began making monthly payments of \$21,707 under two installment agreements with the IRS for taxes, penalties and interest due on prior years for the total amount of \$1,402,811. Additional monthly installment payments of \$28,750 to the Franchise Tax Board of California for the total amount of \$344,671 began on August 28, 2022. The Company estimates that a remaining approximate \$359,935 is owed for taxes, penalties and interest due on prior years, and is currently in negotiation with the IRS for similar installment agreements. The short-term portion of the remaining balance of installment agreements in the amount of \$605,484 is reflected in current liabilities and the remaining balance of back taxes due in the amount of \$1,426,822 is in long-term liabilities.

Note 6: Notes and Loans Receivable

Current Notes and Loans Receivable – Totaling \$3,439,174 consisting of the following:

- (i) A demand note receivable from General Hemp, LLC ("General Hemp") in the amount of \$233,163 as of September 30, 2022, which accrues interest at a rate of 3% per annum (see also Footnote 7 - "Related Party Transactions").
- (ii) A subordinated secured promissory note receivable (the "Note") from General Hemp, face value of \$2,314,043, having a balance of \$2,554,065, including interest accrued thereon of \$240,022. The Note, dated July 10, 2019, was received as reimbursement for legal expenses advanced by the Company on behalf of General Hemp. and interest and other financing costs incurred by the Company that were related to the advancement of the legal expenses. The Note accrues interest at a rate of 3.5% per annum and requires six (6) monthly installments of interest and principal beginning on August 15, 2019, until maturity on January 15, 2020. The Note has a subordinated security interest in all of General Hemp's assets, including common shares issued to General Hemp by the Company. General Hemp is in default on the scheduled payment terms under the Note and it and the Company are in discussions to reach a resolution on the default. There can be no assurance that the Company will be able to reach a resolution that is acceptable and may at some point need to foreclose upon the assets that are pledged as security for the note. (see also Footnote 7 – "Related Party Transactions").
- (iii) A secured promissory note receivable from Blake N. Schroeder, the Company's Chairman, CEO and President, face value \$500,000, dated July 19, 2021 (the "Secured Note"), which was issued to the Company as payment for 50 million restricted shares of its common stock. The Secured Note is a full recourse obligation of Mr. Schroeder's and is secured by a Deed of Trust against Mr. Schroeder's residence and accrues interest of 0.25% per annum until maturity on July 29, 2024. As of July 19, 2022, the unpaid principal and interest totalling \$501,372 was forgiven

per and waived per agreement. See also Footnote 7 - "Related Party Transactions" and Footnote 9 - "Stock Issuances."

- (iv) A promissory note receivable from Blake N. Schroeder, the Company's Chairman, CEO and President, face value \$500,000, dated July 19, 2021 (the "Note"), which was issued to the Company as payment for 50 million restricted shares of its common stock. The Note is full recourse obligation of Mr. Schroeder's and accrues interest of 0.25% per annum until maturity on July 29, 2024. As of September 30, 2022, the unpaid principal and interest totals \$501,521. If Mr. Schroeder remains in the continuous employ of the Company until July 19, 2023, the unpaid principal and interest on the Note shall be automatically forgiven and waived effective as of July 19, 2023. In addition, if the Secured Note discussed in (iv) above is forgiven and waived as discussed above, Mr. Schroeder shall provide collateral at that time to secure the Note. See also Footnote 7 - "Related Party Transactions" and Footnote 9 - "Stock Issuances".
- (v) A promissory note receivable from Todd J. Morrow, the Company's President and CFO face value \$100,000, dated January 11, 2022 (the "Note"), which was issued to the Company as payment for 10 million restricted shares of its common stock. The Note is full recourse obligation of Mr. Morrow's and accrues interest of 0.25% per annum until maturity on January 11, 2023. As of September 30, 2022, the unpaid principal and interest totals \$100,181. If Mr. Morrow remains in the continuous employ of the Company until January 11, 2023, the unpaid principal and interest on the Note shall be automatically forgiven and waived effective as of January 11, 2023. See also Footnote 7 - "Related Party Transactions" and Footnote 9 - "Stock Issuances".
- (vi) A promissory note receivable from Todd J. Morrow, the Company's President and CFO face value \$25,000, dated February 10, 2022. The Note is full recourse obligation of Mr. Morrow's and accrues interest of 0.75% per annum until maturity on February 10, 2025. As of September 30, 2022, the unpaid principal and interest totals \$25,122. See also Footnote 7 - "Related Party Transactions" and Footnote 9 - "Stock Issuances."
- (vii) A promissory note receivable from Michelle L. Sides, Director and CLO face value \$25,000, dated February 10, 2022. The Note is full recourse obligation of Ms. Side's and accrues interest of 0.75% per annum until maturity on February 10, 2025. As of September 30, 2022, the unpaid principal and interest totals \$25,122. See also Footnote 7 - "Related Party Transactions" and Footnote 9 - "Stock Issuances".

Long-Term Notes and Loans Receivable – Totaling \$5,014,379 consisting of the following:

- (i) A promissory note receivable from Juniper & Ivy Corporation dated February 20, 2019, face value of \$435,000, having a balance of \$484,757. The note was received in exchange for partial payment of a purchase of 500 shares of Series C Preferred Stock of Axim Biotechnologies, Inc. The note accrues interest at a rate of 3% per annum and matures on February 20, 2024. The note is unsecured, however John W. Huemoeller II, the CEO of Axim Biotechnologies, provided a personal guarantee for payment of the note. The Company has no recourse against the Series C Preferred Stock or the assets of Juniper & Ivy Corporation.
- (ii) A \$4,000,000 convertible note receivable from Axim Biotechnologies, Inc. dated November 20, 2018, having a balance of \$4,282,821. In June 2020 the Company

entered into an addendum that modifies the note as follows: (1) interest on the Note will accrue at 3.5% from May 1, 2019 until November 1, 2022, at which time it will thereafter be paid on a semi-annual basis, (ii) the maturity date of the Note was extended from November 1, 2021 to November 1, 2026 and (iii) the Conversion Price for the Note was reduced from \$1.50 to \$0.25 (see also Footnote 7 – “Related Party Transactions”).

- (iii) A promissory note totaling \$84,750, including interest accrued thereon, payable by Neuropathix, Inc.’s CEO. The note accrues interest at a rate of 3% per annum and matures on October 1, 2023 (see also Footnote 7 – “Related Party Transactions”).
- (iv) Promissory notes from certain members of the Company’s management team dated April 11, 2019, having an aggregate balance of \$93,762 as of 9/30/2022 including interest thereon. The notes accrue interest at a rate of 3% per annum and mature on 4/30/2022. (see also Footnote 7 – “related Party Transaction”). At 4/30/2022 \$66,292 was forgiven as part of a severance agreement for 2 employees.

Note 7: Related Party Transactions

On October 20, 2020, the Company entered into a Term Sheet whereby it agreed to sell between \$1.5 million and \$2.5 million of convertible securities to a third-party investor (the "Transaction") for the purpose of providing funds to the Company to be used to invest in General Hemp, the Company's 2nd largest shareholder. This investment by the Company in General Hemp was intended to facilitate the settlement of litigation related to the Probate Estate of the Company's deceased founder, Michael Llamas, who was the majority holder of General Hemp prior to his death (the "Settlement"). The Term Sheet for the Transaction was to expire on January 31, 2021, unless extended by the parties.

Effective January 5, 2021, the Term Sheet was extended to March 31, 2021 and the Company agreed to other amendments to the Term Sheet as follows: (i) the closing of the Transaction could close at any time between January 5, 2021 and the "Closing" of the Settlement (as that term is defined in the Settlement) as opposed to concurrent with the Closing of the Settlement, (ii) if, after a closing of the Transaction, the Settlement does not Close for any reason, the third-party investor shall have the right to rescind the Transaction, in whole or in part, and (iii) assuming the funds received by the Company from the Transaction are used to fund the Settlement (the "Settlement Funds"), the Company would have the flexibility to provide the Settlement Funds as either (a) an investment into General Hemp upon terms mutually acceptable to General Hemp, the Company and the third-party investor, (b) an acquisition of assets from the Probate Estate of Michael Llamas upon terms mutually acceptable to General Hemp, the Company and the third-party investor, or (c) to another party, and upon terms, that are mutually acceptable to the Company, General Hemp and the third-party investor.

On March 9, 2021, the Company entered into the Settlement, along with the Estate of Michael Llamas, General Hemp, the third-party investor and a number of other parties not related to the Transaction. The Settlement was subject to probate court approval in the case of the Estate of Michael Robert Llamas in the San Diego Superior Court, Probate Division, and was approved by the Probate Court on May 6, 2021.

On March 30, 2021, the Company issued and sold 55,714,286 restricted shares of common stock and 230,000 restricted shares of Series B Preferred Stock in exchange for an aggregate total of \$2.0 million of "Settlement Funds," which the Company used to fund the Settlement. As a result

of the Closing of the Settlement, the Company owns a 49.9% interest in General Hemp for its \$2.0 million investment. In addition to its 49.9% ownership stake, the Company is also a creditor of General Hemp in the amount of approximately \$2.4 million. Under the terms of the Settlement, the Company agreed to sell its ownership stake in General Hemp for \$1,000 to a trust formed for the benefit of the sole heir of Michael Llamas, after it received \$2 million (i.e., 100% of the principal amount of the Company's investment) in distributions and/or disbursements in connection with its 49.9% ownership stake. See also Footnote 6 - "Notes and Loans Receivable". In August 2022 the Company abandoned its 49.9% ownership interest in General Hemp, which it determined had no realizable current value, primarily as a result of the fact that due to the Company's ownership stake most of General Hemp's public company assets were rendered unmarketable under securities regulations.

On July 19, 2021, the Company sold 50 million restricted shares of its common stock for \$0.01 per share to Blake N. Schroeder, the Chairman, CEO and President of the Company. Mr. Schroeder paid for the 50 million shares by issuing to the Company a Secured Note, face value \$500,000. The Secured Note is a full recourse obligation of Mr. Schroeder's and is secured by a Deed of Trust against Mr. Schroeder's home in Rancho Santa Fe, California and accrues interest of 0.25% per annum until maturity on July 29, 2024. If Mr. Schroeder remains in the continuous employ of the Company until July 19, 2022, the unpaid principal and interest on the Secured Note shall be automatically forgiven and waived effective as of July 19, 2022. As of June 30, 2022, the unpaid principal and interest totals \$501,201. If for any reason, other than death or disability, Mr. Schroeder does not remain in the continuous employ of the Company until July 19, 2022, the Company shall have the right to reacquire the 50 million shares from Mr. Schroeder for \$0.01 per share and shall be further entitled to use any amount due under the Secured Note as an offset against the payment to repurchase the 50 million shares. If Mr. Schroeder dies or becomes disabled prior to July 19, 2022, he (or his estate) shall have the right, but not the obligation, to put back to the Company an amount of the 50 million shares that is equal in value to the amount due under the Secured Note (the "Put Shares"). The value of the Put Shares for purposes of determining how many shares are needed to repay the Secured Note shall be equal to the greater of the closing price of the Company's common stock as of the date that Mr. Schroeder (or his estate) exercises his right to repay the Secured Note using Put Shares, or \$0.01 per share. See also Footnote 6 - "Notes and Loans Receivable" and Footnote 9 - "Stock Issuances". As of July 19, 2022 this note was forgiven.

On July 19, 2021, the Company sold an additional 50 million restricted shares of its common stock for \$0.01 per share to Blake N. Schroeder, the Chairman, CEO and President of the Company. Mr. Schroeder paid for the 50 million shares by issuing to the Company a promissory Note, face value \$500,000. The Note is a full recourse obligation of Mr. Schroeder's and accrues interest of 0.25% per annum until maturity on July 29, 2024. If Mr. Schroeder remains in the continuous employ of the Company until July 19, 2023, the unpaid principal and interest on the Note shall be automatically forgiven and waived effective as of July 19, 2023. As of June 30, 2022, the unpaid principal and interest totals \$501,201. If for any reason, other than death or disability, Mr. Schroeder does not remain in the continuous employ of the Company until July 19, 2023, the Company shall have the right to reacquire the 50 million shares from Mr. Schroeder for \$0.01 per share and shall be further entitled to use any amount due under the Note as an offset against the payment to repurchase the 50 million shares. If Mr. Schroeder dies or becomes disabled prior to July 19, 2023, he (or his estate) shall have the right, but not the obligation, to put back to the Company an amount of the 50 million shares that is equal in value to the amount due under the Note (the "Put Shares"). The value of the Put Shares for purposes of determining how many shares are needed to repay the Note shall be equal to the greater of the closing price of the Company's common stock as of the date that Mr. Schroeder (or his estate) exercises his right to

repay the Note using Put Shares, or \$0.01 per share. In addition, if the Secured Note discussed in the preceding paragraph above is forgiven and waived as discussed above, Mr. Schroeder shall provide collateral at that time to secure the Note. See also Footnote 6 - "Notes and Loans Receivable" and Footnote 9 - "Stock Issuances".

On January 11, 2022, the Company sold 10 million restricted shares of its common stock for \$0.01 per share to Todd J. Morrow, the Company's President and CFO. Mr. Morrow paid for the 10 million shares by issuing to the Company a promissory Note, face value \$100,000. The Note is a full recourse obligation of Mr. Morrow's and accrues interest of 0.25% per annum until maturity on January 11, 2023. If Mr. Morrow remains in the continuous employ of the Company until January 11, 2023, the unpaid principal and interest on the Note shall be automatically forgiven and waived effective as of January 11, 2023. As of June 30, 2022, the unpaid principal and interest totals \$100,118. If for any reason, other than death or disability, Mr. Morrow does not remain in the continuous employ of the Company until January 11, 2023, the Company shall have the right to reacquire the 10 million shares from Mr. Morrow for \$0.01 per share and shall be further entitled to use any amount due under the Note as an offset against the payment to repurchase the 10 million shares. If Mr. Morrow dies or becomes disabled prior to January 11, 2023 he (or his estate) shall have the right, but not the obligation, to put back to the Company an amount of the 10 million shares that is equal in value to the amount due under the Note (the "Put Shares"). The value of the Put Shares for purposes of determining how many shares are needed to repay the Note shall be equal to the greater of the closing price of the Company's common stock as of the date that Mr. Morrow (or his estate) exercises his right to repay the Note using Put Shares, or \$0.01 per share. In addition, if the Secured Note discussed in the preceding paragraph above is forgiven and waived as discussed above, Mr. Morrow shall provide collateral at that time to secure the Note. See also Footnote 6 - "Notes and Loans Receivable" and Footnote 9 - "Stock Issuances".

On February 10, 2022, notes payable were issued to the Company by Todd J. Morrow, the Company's President and Chief Financial Officer, and Michelle L. Sides, the Company's Director and CLO. Both notes are dated February 10, 2022; are full recourse obligations of Mr. Morrow and Ms. Sides; and accrue interest of 0.75% per annum until maturity on February 10, 2025. As of June 30, 2022, the unpaid principal and interest on the notes totals \$25,074 each totaling \$50,148. See also Footnote 6 - "Notes and Loans Receivable."

Notes Payable:

The Company received management and consulting services rendered by General Hemp for the fiscal years ending December 31, 2018, and December 31, 2019, in exchange for two \$250,000 convertible promissory notes issued December 31, 2018, and December 31, 2019, having a balance due as of September 30, 2022, of \$551,959 in the aggregate, including interest accrued thereon. (see also Footnote 5 – "Notes Payable – Long Term").

Notes Receivable:

The Company has a demand note receivable from General Hemp having a balance of \$233,163. (see also subsection (ii) of Footnote 6 – "Notes and Loans Receivable")

The Company has a promissory note receivable from General Hemp having a balance of \$2,554,065 that was received as reimbursement of legal costs, interest and other financing costs incurred. (see also subsection (iii) of Footnote 6 – "Notes and Loans Receivable ")

In the period ending December 31, 2018 the Company loaned \$75,000 to the Chief Executive Officer of Neuropathix, Inc. in the form of a demand note. The demand note accrues interest at a rate of 3% per annum and matures October 1, 2023. (see also subsection (iii) of Footnote 6 "Notes and Loans Receivable")

The Company has unsecured promissory notes receivable from certain members of the management team having a balance of \$93,762. The notes, dated April 11, 2019, accrue interest at a rate of 3.0% per annum and mature on April 30, 2022. The notes may collectively be drawn to an amount of \$300,000. (see also, subsection (iv) of Footnote 6 – "Notes and Loans Receivable"). An additional \$50,000 of promissory notes receivable with a balance of \$50,148 were issued on February 10, 2022 at a rate of .75% per annum mature on February 10, 2025.

In June of 2020, the Company entered into: (1) an Agreement with Axim Biotechnologies, Inc. and its subsidiaries (collectively, "AXIM"), and the three Series B Directors of AXIM along with their affiliates (the "Agreement"), and (2) an addendum to a \$4,000,000 convertible note issued to the Company by AXIM (the "Addendum"), which has a balance outstanding of \$4,304,879, including accrued thereon.

Pursuant to the Addendum, the \$4,000,000 convertible note issued to the Company by AXIM (the "Note") was modified as follows: (i) interest on the Note will accrue from May 1, 2019 until November 1, 2022, at which time it will thereafter be paid on a semi-annual basis, (ii) the maturity date of the Note was extended from November 1, 2021 to November 1, 2026, and (iii) the Conversion Price for the Note was reduced from \$1.50 to \$0.25. (see also subsection (ii) of Footnote 6 - "Notes and Loans Receivable" for further discussion of the Note).

Note 8: Stock Issuances

Common Stock

None.

Preferred Stock

None.

Note 9: Litigation

In the ordinary course of business, the Company defends against and prosecutes various legal actions. Currently the Company believes that it is not involved in any litigation that might have a material adverse effect upon the Company.

Note 10: Other Income/Expense

For the quarter ended September 30, 2022, the Company recorded a net expense of \$1,983,096 under "Total Other Income or Expense Gain/(Loss)", which includes: (i) \$64,789 of interest income, (ii) \$17,566 of interest expense, (iii) \$857,134 of other expense which includes \$551,404 of loan forgiveness expense, (iv) \$659,468 of other income and (v) a non-cash net loss on investments of \$1,832,653 which includes; (a) changes in the fair value of publicly traded equity investments held by the Company that resulted in a net gain of \$136,015 related to Axim Biotechnologies, Inc (OTCB: AXIM) and a net gain of \$31,332 related to Neuropathix, Inc. (OTCB:

NPTX),and (b) a net loss of \$2,000,000 for the abandonment of the Company's investment in General Hemp (see also Footnote 7 - "Related Party Transactions").

Note 11: Subsequent Events

The Company entered into a new lease for the corporate office and manufacturing facility commencing 12/01/2022. The lease term extends through until 3/31/2033. The total minimum lease payment is \$3,178,019.

In October 2022, the Company moved its operations in South Africa from Johannesburg to Cape Town. The existing lease termination is currently under negotiation.