FORM 10-Q

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCH

For the quarterly period ended June 30, 2017

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXC

For the transition period from ________ to ________

Commission file number 000-54296

AXIM Biotechnologies, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**27-**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer

45 Rockefeller Plaza, 20th Floor, Suite 83
New York, NY 10111
(Address of principal executive offices)

(212) 751-0001
(Registrant's telephone number, including area code)

____
(Former name, former address and former fiscal year, if changed since las

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by S Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registra and (2) has been subject to such filing requirements for the past 90 days. Yes [X]

Indicate by check mark whether registrant has submitted electronically and posted on its corporat Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of t months (or for such shorter period that the registrant was required to submit and post such files). N

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a reporting company. See the definitions of "large accelerated filer," "accelerated filer," "smaller r growth company" in Rule12b-2 of the Exchange Act.

Large accelerated Filer [ ]	Accelerated Filer [ ]	Non-accelerated filer [ ] (Do not check if smaller reporting company)	Smaller reporting Company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Ex

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Indicate by check mark whether the registrant filed all documents and reports required to be file Exchange Act of 1934 after the distribution of securities under a plan confirmed by a court. Yes [ ] N

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, 52,569,441of common stock, par value $0.0001 per share, outstanding as of August 15, 2017.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

AXIM BIOTECHNOLOGIES, INC.

Condensed Consolidated Balance Sheet as of June 30, 2017 (unaudited) and December 31, 2016

Condensed Consolidated Statements of Operations for the three and six months periods ended June
(unaudited)

Condensed Consolidated Statement of Changes in Shareholders' Deficit for the six months ended Ju

Condensed Consolidated Statement of Cash Flows for the six months ended June 30, 2017 and 2016

Notes to Condensed Consolidated Financial Statements (unaudited).

ASSETS

Current assets:
Cash
Inventory
Reservation fee deposit
Prepaid expenses
Loan receivable
Total current assets

Property and equipment, net of accumulated depreciation of $6,152 and $4,474, respectively.

Other Assets:
Acquired intangible asset - intellectual property licensing agreement, net
Security deposits
Total other assets

TOTAL ASSETS

LIABILITIES AND STOCKHOLDERS' DEFICIT

Current liabilities:
Accounts payable and accrued liabilities
Due to shareholder
Due to first insurance funding
Due to related party
Promissory note - related party (including accrued interest of $100,818 and $88,564 respectively)
Convertible note payable -current portion
Total current liabilities

Long-term liabilities:
Convertible notes payable due to shareholder (including accrued interest of $1,601 and $792, respectively)
Convertible note payable (including accrued interest of $16,609) net of unamortized debt discount of $1,259,
Convertible note payable (including accrued interest of $53,029 and $15,646 respectively) net of unamortize
Total long-term liabilities

TOTAL LIABILITIES

STOCKHOLDERS' DEFICIT
Preferred stock, $0.0001 par value, 5,000,000 shares authorized;
Series A Convertible Preferred stock, $0.0001 par value, -0- and -0- shares designated respectively, -0- and -0- shares issued and outstanding; respectively
Undesignated Preferred stock, $0.0001 par value, 4,000,000 shares authorized, 0- and -0- shares issued and outstanding, respectively
Series B Convertible Preferred Stock, $0.0001 par value 500,000 shares designated, 500,000 and 500,000 shares issued and outstanding, respectively
Series C Convertible Preferred Stock, $0.0001 par value 500,000 shares designated, 500,000 and 500,000–shares issued and outstanding, respectively
Common stock, $0.0001 par value, 300,000,000 shares authorized
52,569,441 and 52,506.441 shares issued and outstanding, respectively;
Additional paid in capital
Common stock to be issued
Accumulated deficit
TOTAL STOCKHOLDERS' DEFICIT

TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT

The accompanying notes are an integral part of these unaudited condensed consolidated f

AXIM BIOTECHNOLOGIES, INC.
(Formerly AXIM International, Inc.)
Condensed Consolidated Statement of Operations
(unaudited)

	For the Three Months Ended June 30, 2017	For the Three Months Ended June 30, 2016
Revenues	$ 3,738	$ 11,241
Cost of goods sold	1,486	12,082
Gross-profit (loss)	2,252	(841)
Operating Expenses:		
Research and development expenses	62,949	45,049
Selling, general and administrative	375,713	444,756
Depreciation	839	839
Total operating expenses	439,501	490,644
Loss from operations	(437,249)	(491,485)
Other (Income) expenses:		
Interest Income	-	-
Amortization of debt discount	84,995	-
Loss on extinguishment of debt	-	1,385,000
Interest expense	42,493	12,087
Total other (income) expenses	127,488	1,397,087
Loss before provision of income tax	(564,737)	(1,888,572)
provision for income tax	-	-
NET LOSS	$ (564,737)	$ (1,888,572)
Less: Dividend on preferred stocks	-	-
NET LOSS ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ (564,737)	$ (1,888,572)
Loss per common share - basic and diluted	$ (0.01)	$ (0.05)
Weighted average common shares outstanding -basic and diluted	52,568,174	39,762,659

The accompanying notes are an integral part of these unaudited condensed consolidated f

AXIM BIOTECHNOLOGIES, INC.
(Formerly AXIM International, Inc.)
Condensed Consolidated Statement of Stockholders' Deficit
For the Six Months Ended June 30, 2017
(unaudited)

	Common Stock		Preferred Stock		Series A Convertible Preferred Stock		Series B Convertible Preferred Stock		Series C Convertible Preferred Stock		Commor Stock to be
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Issued
Balance at December 31, 2016	52,506,441	$5,251	-	$ -	-	$ -	500,000	$50	500,000	$50	20,06
Common stock issued against common stock to be issued	60,000	6	-	-	-	-	-	-	-	-	(20,06
Common stock issued for consulting services	3,000	-	-	-	-	-	-	-	-	-	
Net loss	-	-	-	-	-	-	-	-	-	-	
Balance at June 30, 2017	52,569,441	$5,257	-	$ -	-	$ -	500,000	$50	500,000	$50	

The accompanying notes are an integral part of these unaudited condensed consolidated f

AXIM BIOTECHNOLOGIES, INC.
(Formerly AXIM International, Inc.)
Condensed Consolidated Statements of Cash Flows
(unaudited)

		For th Six Months June 30,
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$	(1
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation		
Amortization of prepaid services		
Amortization of prepaid insurance		
Amortization of debt discount		
Loss on extinguishment of debt		
Stock based compensation		
Inventory written off		
Changes in operating assets and liabilities:		
(Decrease) increase Accounts payable and accrued expenses		
(Increase) decrease in prepaid insurance		
Increase in inventory		
Increase in credit card payable		
Increase in royalty fee payable		
Increase in accrued interest payable		
Due to first insurance funding		
Increase in Security Deposits		
Net cash used in operating activities		(1
CASH FLOW FROM INVESTING ACTIVITIES:		
Net cash used in investing activities		
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from due to related party		
Proceeds from convertible notes		[illegible]
Proceeds from loan receivable		
Net cash provided by financing activities		[illegible]
Net increase (decrease) in cash and cash equivalents	$	[illegible]
Cash and cash equivalents at beginning of period		
Cash and cash equivalents at end of period	$	[illegible]
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
CASH PAID DURING THE PERIOD FOR:		
Interest	$	
Income taxes - net of tax refund	$	
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Common stock issued against common stock to be issued	$	
Common stock issued against conversion of debt and interest	$	
Conversion of Series A convertible preferred stock into common stock	$	
Debt discount and initial derivative liability at issuance of note	$	

The accompanying notes are an integral part of these unaudited condensed consolidated f

NOTE 1: ORGANIZATION

The Company was originally incorporated in Nevada on November 18, 2010, as Axim International changed its name to AXIM Biotechnologies, Inc. to better reflect its business operations. The Co located at 45 Rockefeller Plaza 20th Floor, Suite 83, New York, NY 10111. On August 7, 2014, the Nevada subsidiary named Axim Holdings, Inc. This subsidiary will be used to help facilitate the a Company. On May 11, 2015 the Company acquired a 100% interest in Can Chew License Compa Company, through the exchange of 5,826,706 shares of its common stock.

NOTE 2: BASIS OF PRESENTATION:

The unaudited condensed consolidated financial statements of AXIM Biotechnologies, Inc. (forme June 30, 2017, and for the six months period ended June 30, 2017 and 2016 have been prepared in ac generally accepted accounting principles ("US GAAP").

The following (a) balance sheets as of June 30, 2017 (unaudited) and December 31, 2016, whic financial statements, and (b) the unaudited interim statements of operations and cash flows o "Company") have been prepared in accordance with accounting principles generally accepted interim financial information and the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Ac the information and footnotes required by GAAP for complete financial statements. In the opini (consisting of normal recurring accruals) considered necessary for a fair presentation have been three and six months ended June 30, 2017 are not necessarily indicative of results that may be exp 31, 2017. These unaudited financial statements should be read in conjunction with the audited fin for the year ended December 31, 2016 included in the Company's Annual Report on Form 10-K, fil Commission ("SEC") on April 14, 2017.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of the unaudited financial statements in conformity with accounting principles gen of America requires management to make estimates and assumptions that affect the reported a disclosure of contingent assets and liabilities at the date of the financial statements as well as th expenses during reporting periods. Actual results could differ from these estimates.

Cash equivalents

The Company considers all highly liquid investments with original maturities of three months or les equivalents.

Inventory

Inventory consists of finished goods available for sale and raw materials owned by the Company a market. During the six months ended June 30, 2017, the Company wrote off finished goods invento the finished goods inventory totaled $0 and raw materials in production totaled $46,795 and raw mat $16,887.

Property and equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is computed estimated useful life. New assets and expenditures that extend the useful life of property or equip Expenditures for ordinary repairs and maintenance are charged to operations as incurred. For both t 30, 2017 and 2016 the Company recorded $839 and $1,678 of depreciation expense, respectively.

Intangible Assets

As required by generally accepted accounting principles, trademarks and patents are not amortize Instead, they are tested annually for impairment. Intangible assets as of June 30, 2017 amoun impairment losses of $652,265.

Revenue Recognition

The Company recognizes revenue on four basic criteria that must be met before revenue can be rec an arrangement exists; (2) delivery has occurred or services have been rendered; (3) the fee collectability is reasonably assured. Determination of criteria (3) and (4) are based on managem nature of the fee charged for services rendered and products delivered and the collectability o recognized upon shipment.

Revenues from continuing operations recognized for the three and six months ended June 30, 201 $11,241 and $22,358 and $25,246, respectively.

Principles of Consolidation

The consolidated financial statements include the accounts of Axim Biotechnologies, Inc. and i Holdings, Inc. and Can Chew License Company as of June 30, 2017. All significant intercompany tı eliminated in consolidation.

Derivative Liabilities

The Company assessed the classification of its derivative financial instruments as of June 30, instruments and rights to shares of the Company's common stock, and determined that such deri classification under ASC 815.

ASC 815 generally provides three criteria that, if met, require companies to bifurcate conversion opt account for them as free standing derivative financial instruments. These three criteria include circu characteristics and risks of the embedded derivative instrument are not clearly and closely related risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative not re-measured at fair value under otherwise applicable generally accepted accounting principles w earnings as they occur and (c) a separate instrument with the same terms as the embedded derivativ derivative instrument subject to the requirement of ASC 815. ASC 815 also provides an exception t is deem to be conventional, as described.

Fair Value of Financial Instruments

Effective January 1, 2008, the Company adopted FASB ASC 820-Fair Value Measurements and Disc liabilities measured at fair value on a recurring basis. ASC 820 establishes a common definition fo generally accepted accounting principles that require the use of fair value measurements establis value and expands disclosure about such fair value measurements. The adoption of ASC 820 did financial position or operating results, but did expand certain disclosures.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transf between market participants at the measurement date. Additionally, ASC 820 requires the use of va use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized l

Level 1: Observable inputs such as quoted market prices in active markets for identical assets or lia
Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market d
Level 3: Unobservable inputs for which there is little or no market data, which require the assumptions.

The company did not have any Level 2 or Level 3 assets or liabilities as of June 30, 2017, with th payable and derivative liability. The carrying amounts of these liabilities at June 30, 2017 approxim on the Company's incremental borrowing rate.

Cash is considered to be highly liquid and easily tradable as of June 30, 2017 and therefore classi hierarchy.

In addition, FASB ASC 825-10-25 Fair Value Option, or ASC 825-10-25, was effective for Janua opportunities to use fair value measurements in financial reporting and permits entities to c instruments and certain other items at fair value. The Company did not elect the fair value optior instruments.

Convertible Instruments

The Company evaluates and accounts for conversion options embedded in its convertible instrume standards for "Accounting for Derivative Instruments and Hedging Activities".

Professional standards generally provides three criteria that, if met, require companies to bifurcate instruments and account for them as free standing derivative financial instruments. These three cri (a) the economic characteristics and risks of the embedded derivative instruments are not clearly characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the emb host contract is not re-measured at fair value under otherwise applicable generally accepted accou value reported in earnings as they occur and (c) a separate instrument with the same terms as t would be considered a derivative instrument. Professional standards also provide an exception to t deemed to be conventional as defined under professional standards as "The Meaning of "Conventi

The Company accounts for convertible instruments (when it has determined that the embedded bifurcated from their host instruments) in accordance with professional standards when "Accoun Beneficial Conversion Features," as those professional standards pertain to "Certain Converti Company records, when necessary, discounts to convertible notes for the intrinsic value of cor instruments based upon the differences between the fair value of the underlying common stock transaction and the effective conversion price embedded in the note. Debt discounts under these a term of the related debt to their earliest date of redemption. The Company also records when n intrinsic value of conversion options embedded in preferred shares based upon the differences betw common stock at the commitment date of the note transaction and the effective conversion price em

ASC 815-40 provides that, among other things, generally, if an event is not within the entity's settlement, then the contract shall be classified as an asset or a liability.

Income Taxes

The Company follows Section 740-10, Income tax ("ASC 740-10") Fair Value Measurements and D Standards Codification, which requires recognition of deferred tax assets and liabilities for the e events that have been included in the financial statements or tax returns. Under this method, deferre on the differences between the financial statement and tax bases of assets and liabilities using enac which the differences are expected to reverse. Deferred tax assets are reduced by a valuation al concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabil rates expected to apply to taxable income in the years in which those temporary differences are expe effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statemen includes the enactment date.

The Company recognizes deferred tax assets to the extent that the Company believes that these a realized. In making such a determination, the Company considers all available positive and negat any existing taxable temporary differences, projected future taxable income, tax planning strategies, If the Company determines that it would be able to realize a deferred tax asset in the future in e Company would make an adjustment to the deferred tax asset valuation allowance, which would red

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Sec addresses the determination of whether tax benefits claimed or expected to be claimed on a tax retur statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertair than not that the tax position will be sustained on examination by the taxing authorities, based on The tax benefits recognized in the financial statements from such a position should be measured ba greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-1 recognition, classification, interest and penalties on income taxes, accounting in interim periods and Company had no liabilities for unrecognized income tax benefits according to the provisions of Sect

Concentrations of Credit Risk

Financial instruments and related items, which potentially subject the Company to concentration cash and cash equivalents. The Company places its cash and temporary cash investments with such amounts may be in excess of the FDIC insurance limit. The Company does not have acc doubtful accounts at June 30, 2017 and December 31, 2016.

Net Loss per Common Share

Net loss per common share is computed pursuant to section 260-10-45 Earnings Per Share ("ASC Standards Codification. Basic net loss per share is computed by dividing net loss by the weig common stock outstanding during the period. Diluted net loss per share is computed by dividin number of shares of common stock outstanding and the member potentially outstanding during eac is experienced, only basic net loss per share is calculated because to do otherwise would be anti-dil

There were 17,120,567 common share equivalents at June 30, 2017 and 16,216,652 common shares and six months ended June 30, 2017 and 2016 these potential shares were excluded from the share per share as their inclusion would reduce net loss per share.

Stock Based Compensation

All stock-based payments to employees and to nonemployee directors for their services as director stock and stock options, are measured at fair value on the grant date and recognized in the statem or other expense over the relevant service period. Stock-based payments to nonemployees are period of performance. Such payments are measured at fair value at the earlier of the date a perforn date performance is completed. In addition, for awards that vest immediately and are non-forfeitab the award is issued.

Cost of Sales

Cost of sales includes the purchase cost of products sold and all costs associated with getting the buying and transportation costs.

Research and Development

The Company accounts for research and development costs in accordance with the Accounting S 10, Research and Development ("ASC 730-10"). Under ASC 730-10, all research and development c incurred. Accordingly, internal research and development costs are expensed as incurred. Third-pa are expensed when the contracted work has been performed or as milestone results have been achi and development costs related to both present and future products are expensed in the perio research and development expenses of $62,949 and $45,049 and $203,314 and $76,229 for the three and 2016; respectively.

Shipping Costs

Shipping and handling costs billed to customers are recorded in sales. Shipping costs incurred by t and administrative expenses.

Recently Issued Accounting Standards

In January 2017, the FASB issued ASU No. 2017-01, Business Combinations (Topic 805): Clarifyin new standard clarifies the definition of a business and provides a screen to determine when an inte not a business. The screen requires that when substantially all of the fair value of the gross concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a effective for the Company on January 1, 2018; however, early adoption is permitted with prosp development transaction.

In January 2017, the FASB issued ASU 2017-04, *Intangibles – Goodwill and Other (Topic 350)* t calculate the implied fair value of goodwill to measure a goodwill impairment charge. Instead, imp excess of a reporting unit's carrying amount over its fair value. The guidance is effective for the C 2023. Early adoption is permitted. The Company does not anticipate the adoption of this guidan consolidated financial statements, absent any goodwill impairment.

In August 2014, the FASB issued ASU 2014-15 requiring management to evaluate whether there are the aggregate, that raise substantial doubt about the entity’s ability to continue as a going conce the external auditors. Management will be required to perform this assessment for both interim anc make certain disclosures if it concludes that substantial doubt exists. This ASU is effective for within those annual periods, beginning on or after December 15, 2016. The adoption of this guidan effect on our financial statements.

In October 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standar Taxes: Intra-Entity Transfers of Assets Other Than Inventory. ASU 2016-16 will require the tax e other than sales of inventory, to be recognized currently, eliminating an exception under current GA entity asset transfer are deferred until the transferred asset is sold to a third party or otherwise re will be effective for the first interim period of our 2019 fiscal year, with early adoption permitted.

In August 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard “Classification of Certain Cash Receipts an Cash Payments” (“ASU 2016-15”). ASU 2016-15 classification of certain items within the statement of cash flows. ASU 2016-15 is effective for annu 15, 2017 with early adoption permitted.

In connection with its financial instruments project, the FASB issued ASU 2016-13- Finan Measurement of Credit Losses on Financial Instruments in June 2016 and ASU 2016-01 – Financial and Measurement of Financial Assets and Financial Liabilities in January 2016.

> ASU 2016-13 introduces a new impairment model for most financial assets and certain ot receivables, held-to-maturity debt securities, loans and other instruments, entities will b “expected loss” model that will replace the current “incurred loss” model and generally allowances for losses. The guidance will be effective for the first interim period of our 20 fiscal year 2020 permitted.
>
> ASU 2016-01 addresses certain aspect of recognition, measurement, presentation, and Among other provisions, the new guidance requires the fair value measurement of investm investments without readily determinable fair values, entities have the option to either mea or at cost adjusted for changes in observable prices minus impairment. All changes in me income. The guidance will be effective for the first interim period of our 2019 fiscal year. Ea for certain provisions relating to financial liabilities.

In April 2016, the Financial Accounting Standards Board (FASB) issued an Accounting Standa Revenue from Contract with Customers: identifying Performance Obligations and Licensing”. The the two following aspects (a) contracts with customers to transfer goods and services in e determining whether an entity’s promise to grant a license provides a customer with either a r property (which is satisfied at a point in time) or a right to access the entity’s intellectual propert amendments in this Update are intended to reduce the degree of judgment necessary to comply w effective date as yet. The Company is currently evaluating the impact of adopting this guidance.

In March 2016, the Financial Accounting Standards Board (FASB) issued an Accounting Standa Improvements to Employee Share-Based Payment Accounting” which is intended to improve the a payments. The ASU simplifies several aspects of the accounting for share-based payment award tax consequences, classification of awards as either equity or liabilities, and the classification on t standard is effective for fiscal years and interim periods beginning after December 15, 2016, and up the amendments by means of a cumulative-effect adjustment to the balance sheet at the beginning the guidance is effective. Early adoption is permitted. The Company is currently evaluating the impa

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Stanc amends the guidance in U.S. GAAP on accounting for operating leases, a lessee will be required t operating leases with lease terms of more than 12 months on the balance sheet. The new stand interim periods beginning after December 15, 2018, and upon adoption, an entity should appl cumulative-effect adjustment to the balance sheet at the beginning of the first reporting period in w adoption is not permitted. The Company is currently evaluating the impact of adopting this guidanc

In January 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Stand amends the guidance in U.S. GAAP on the classification and measurement of financial instrument primarily affect the accounting for equity investments, financial liabilities under the fair value disclosure requirements for financial instruments. In addition, the ASU clarifies guidance related to when recognizing deferred tax assets resulting from unrealized losses on available-for-sale del effective for fiscal years and interim periods beginning after December 15, 2017, and upon ad amendments by means of a cumulative-effect adjustment to the balance sheet at the beginning of tl guidance is effective. Early adoption is not permitted except for the provision to record fair value c the fair value option resulting from instrument-specific credit risk in other comprehensive income. T the impact of adopting this guidance.

The amendments also clarify that the guidance in Topic 275, Risks and Uncertainties, is applicable t planned principal operations.

Other recent accounting pronouncements issued by the FASB and the SEC did not or are not l material impact on the Company's present or future consolidated financial statements

NOTE 4: PREPAID EXPENSES

Prepaid expenses consist of the following as of June 30, 2017 and December 31, 2016:

		June 30, 2017
Prepaid interest and insurance	$	83,836
	$	83,836

For the three and six months ended June 30, 2017 and 2016, the Company recognized amortizat $159,506 and $41,917 and $779,054, respectively.

NOTE 5: RESERVATION FEE DEPOSIT

The Company entered into a reservation agreement with the Municipality of Almere in the Netherl paid the reservation fee in the amount of $65,170.The reservation fee deposit gives the company building land for a purchase price of €1,110,000. Starting in October 2015 the second reservation twelve (12) months expiring September 2016. Starting in October 2016 the second reservation perio under the same terms as the previous period. If the company proceeds to purchase the building la against the purchase price. The Company is not entitled to a refund of the reservation fee if the cu Company in the event of insolvency or a moratorium on the transfer or assignment of rights or i notify on time. The agreement is not transferable. The rights and obligations of this agreement can entitled to terminate the agreement by means of a registered letter if during the reservation period or through the insolvency of the Company.

NOTE 6: PROMISSORY NOTE - RELATED PARTY

On August 8, 2014 the Company entered into a Promissory Note Agreement with Can Chew Bic party (the owners of CCB also own a majority of the outstanding shares of the Company), under w working capital. The original loan was a demand note bearing interest at the rate of 7% per annum, was payable upon demand. The demand note was amended effective January 1, 2015 to reduce the terms and conditions shall remain in full force and effect. The Company is in discussions to l exchanged for a longer term, fixed maturity note.

The following table summarizes promissory note payable as of June 30, 2017 and December 31, 2016

Promissory note payable, due on demand, interest at 3% p.a.	$
Accrued Interest	
	$

For the three months ended June 30, 2017 and 2016 the Company recognized interest expense of $6,: note.

For the six months ended June 30, 2017 and 2016 the Company recognized interest expense of $12,2:

NOTE 7: RELATED PARTY TRANSACTIONS

The Company has received working capital advances from CCB totaling $1,619,067 as of June : received during the three and six months ended June 30, 2017; respectively. The advances currently demand. The Company is in discussions to have the advances reduced to a longer term, fixed matur

The Company owes $5,000 to the president of the Company for a working capital advance of $5,000

On August 15, 2016 the Company issued 1,000,000 shares of its Series A Convertible Preferred Stoc its Undesignated Preferred Stock (see Footnote 10 - "Preferred Stock" for a discussion of th Undesignated Preferred Stock was held by Sanammad Foundation and MJNA Investment Holding parties together own a majority of the common stock of the Company. Under the terms of the excha Convertible Preferred received in the exchange were immediately converted into 5,000,0000 restricte stock (2,500,000 shares for each of Sanammad Foundation and MJNA Investment Holdings, LLC). Preferred Stock is retired and no longer available for future issuance. The three members of the San current three directors of the Company and Sanammad, along with MJNA Investment Holdings, LL stock of the Company.

On August 18, 2016 the Company issued all 500,000 shares of its newly designated Series B Prefer in exchange for cash of $50,000. As the holders of the Series B Preferred Stock, Sanammad has George E. Anastassov, Dr. Philip A. Van Damme and Mr. Lekhram Changoer as their three Series B D

On August 18, 2016 the Company issued all 500,000 shares of its newly designated Series C Pr Holdings, LLC in exchange for cash of $65,000. At this time the holders of the Series C Preferred S Series C Directors.

NOTE 8: DUE TO FIRST INSURANCE FUNDING

One June 25, 2017, the Company renewed its D&O insurance policy with total premiums, taxes payment of $17,000 was paid on June 30, 2017. Under the terms of the insurance financing, payment the rate of 5.7% per annum, are due each month for nine months commencing on July 25, 2017. For the Company recognized insurance expense of $41,917.

NOTE 9: CONVERTIBLE NOTES PAYABLE

The following table summarizes convertible note payable- shareholder as of June 30, 2017 and Dece

Convertible note payable, due on July 1, 2028, interest at 3.5% p.a.	$
Accrued interest	
	$

On November 26, 2012, the Company entered into an interest free $50,000 convertible loan payable
note was convertible into the Company's common stock at a conversion price of $0.10 per share. Th
loan as of December 31, 2014, and obtained multiple extensions until December 31, 2015. The Cor
consideration in return for the extensions of the loan. Unable to obtain further extension of the
Company entered into a Debt Exchange Agreement with the note holder whereby the Company e
due of $50,000 as of December 31, 2015, for a long-term convertible note in the amount of $50,000.
bears interest at the rate of 3.5% per annum, payable annually beginning on July 1, 2017, and m
convertible, in whole or in part at any time at the option of the holder, into the Company's common
provided however, the holder of the Note is not permitted to convert an amount of the Note tha
affiliates owning more than 4.9% of the Company's outstanding common stock. The Company
$1,435,000 and as result was recorded $1,385,000 as a loss on debt extinguishment at the year end D
the holder of the Note converted $5,000 face value into 500,000 shares of the Company's common s
June 30, 2017 is $46,601, including interest accrued thereon of $1,601.

The following table summarizes convertible note payable as of June 30, 2017 and December 31, 2016

Convertible note payable, due on April 21, 2025, interest at 4% p.a.	$
Convertible note payable, due on October 1, 2029, interest at 3.5% p.a.	
Convertible note payable, due on October 1, 2029, interest at 3.5% p.a.	
Convertible note payable, due on December 12, 2018, interest at 8% p.a.	
Finance premium costs payable, due on December 12, 2018	
Accrued interest	
Total	
Less unamortized debt discount	
Convertible note payable, net	
Less current portion	
Long term portion	$

The Company has outstanding convertible note payable having a balance due of $220,432 and
December 31, 2016 respectively. The Note bears interest at the rate of 4% per annum which accrues
Note was issued in April of 2015 to a third-party as a non-refundable payment for consultancy serv
for a period of at least one year. The Note is convertible, in whole or in part at any time at the opt
Company's common stock at a conversion price of $0.10, provided however, the holder of the N
amount of the Note that would result in the holder and its affiliates owning more than 4.9% of th
stock. On June 30, 2016 the holder of the Note converted $154,000 due under the Note, including
shares of the Company's common stock. On December 29, 2016 the holder of the Note converted $
interest of 20,100 into 500,000 shares of the Company's common stock. The balance on the No
including interest accrued thereon of $4,332.

On September 16, 2016, we entered into a convertible note purchase agreement (the "Convert
"Agreement") with a third-party investor. Under the terms of the Convertible Note Purchase Agree
$5,000,000 of convertible notes from the Company. With various closings, under terms acceptable
of the time of each closing. Pursuant to the Agreement, on September 16, 2016 the investor pr
secured convertible note financing pursuant to four (4) Secured Convertible Promissory Notes (the
on October 1, 2029, and pay 3.5% compounded interest paid bi-annually. The Note are secured by
be pre-paid without the consent of the holder, and are convertible at the option of the holder into sh
at a conversion price equal to (i) $0.2201 or (ii) 80% of closing price of the Company's common stc
the inception of the Convertible Promissory Note, the Company determined a fair value of $1,062,
October 20, 2016, the terms of a above Convertible note was modified into convertible note with fi
derivative liability balance on the Note as of modified date is $1,274,422 re-classed into additional pa

On October 20, 2016 a third-party investor provided the Company with $1,000,000 secured converti
(3) Secured Convertible Promissory Notes (the "Notes"). Each of the Notes mature on October
interest paid bi-annually. The Notes are secured by the assets of the Company, may not be pre-pai
and are convertible at the option of the holder into shares of the Company's common stock at a
$0.2201 or (ii) 80% of closing price of the Company's common stock as of the date of conversion..
for one of the Notes and issued to the Company two (2) secured promissory notes of $250,000 ea
$250,000 each. The two secured promissory notes issued by the investor (totaling $500,000) as
totaling $500,000 mature on February 1, 2017 ($250,000) and March 1, 2017 ($250,000), bear interest
recourse and additionally secured by 10,486,303 shares of Medical Marijuana, Inc. (Pink Sheets s
$858,828 based upon the closing price of MJNA on October 20, 2016. On October 20, 2016, the ter
modified into convertible note with fixed conversion price of $0.2201. Since the modification happe
treated to have fixed conversion price and accordingly debt discount was recorded related to benefi

In connection with this convertible note, the Company recorded a $499,318 discount on debt, r
feature of the note to be amortized over the life of the note or until the note is converted or repaid. A
been converted.

On June 12, 2017 (the "Closing Date"), the Company entered into a Securities Purchase Agree
accredited investor ("Investor") pursuant to which Investor invested $4,000,000 (the "Financing").

On the Closing Date, the Company issued to Investor an unsecured Convertible Promissory Note (
of $4,210,000, in exchange for payment by Investor of $4,000,000. The principal sum of the Note r
$200,000 "Original Issue Discount" ("OID") and a $10,000 reimbursement of Investor's legal fees. T
fee of $60,000 to a third-party broker-dealer. The SPA and the Note are collectively referred to here
The Note matures in 18 months. So long as the Company is not in receipt of redemption notice (
prepaid at any time, in whole or in part in minimum increments of $50,000, by making payment to Inv
125% of the amount being prepaid, plus accrued and unpaid interest.

There are no payments of principal or interest due under the Note for the first six months followin
date that is six (6) months from the issuance of the Note, Investor may redeem a portion of the Not
$350,000 in any calendar month. Provided the Company has not suffered an "Event of Default"
"Equity Conditions" (unless waived by Investor in either case), the Company, in its sole discretion
cash or by the issuance of common stock. If the Company chooses to make redemption payment i
to a 25% premium. If the Company chooses to make the redemption payment in stock, the numb
(reduced to 65% if the conversion shares are not DTC eligible for a period of at least 5 days) multi
lowest closing bid prices in the previous twenty (20) trading days. Payments may be made in a comb

Events of Default include the events set forth in Section 4.1 of the Note, and include, but are n
payments, failure to deliver conversion shares, bankruptcy, receivership, insolvency, failure to re
upon conversion, and failure to be DTC eligible.

Upon an Event of Default under the Note, Investor may accelerate the outstanding principal amo
unpaid interest, and other amounts owing through the date of acceleration. In the event of such a
Note shall accrue at the lesser of 22% per annum or the maximum rate permitted under applicable law

Pursuant to the terms of the SPA the Company is required to reserve and keep available out of its
common stock, a minimum of 2,250,000 shares of common stock. The company has recorded the 2
liability and is amortizing it over the term of the note utilizing the effective interest method.

During the three months ended June 30, 2017 and 2016 the Company amortized the debt discount
respectively, to other expenses.

During the six months ended June 30, 2017 and 2016 the Company amortized the debt discount or
other expenses.

NOTE 10: STOCK INCENTIVE PLAN

On May 29, 2015 the Company adopted its 2015 Stock Incentive Plan. Under the Plan the Comp shares to officers, employees, directors or consultants for services rendered to the Company or parties to continue to render services. S-8 shares are registered immediately upon the filing of the F are free-trading upon issuance. There were 9,856,000 shares available for issuance under the Plan as

NOTE 11: STOCKHOLDERS' DEFICIT

Preferred Stock

The Company has authorized 5,000,000 shares of preferred stock, with a par value of $0.0001 pe preferred shares, 4,000,000 are undesignated "blank check" preferred stock. The Company ma designate the rights, privileges and preferences of such shares at the time of designation and December 31, 2016 there are -0- and -0- shares of undesignated preferred shares issued and outstan

Series A Convertible Preferred Stock

The Company also has authorized 1,000,000 shares of Series A Convertible Preferred Stock, wh Sanammad Foundation and subsequently assigned and transferred by Sanammad to Treo Holdings Company, Sanammad and Treo agreed that the issuance of the Series A Convertible Preferred issuance be cancelled. The Company accounted this cancelation of preferred stock as equity trans of preferred stock adjusted against additional paid in capital account.

Each share of the Series A Convertible Preferred Stock is convertible into five (5) shares of the Com the discretion of the holder. The Series A Convertible Preferred Stock provides for a liquidation pr any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary (Company available for distribution to its stockholders shall be distributed as follows. The holders c Stock shall be entitled to receive, prior to the holders of the other series of preferred stock, if any distribution of the assets or surplus funds of the Company to the holders of any other shares of their ownership of such stock: (i) all shares of common stock of any subsidiary of the Company whi an amount equal to $1.00 per share with respect to each share of Series A Convertible Preferred dividends with respect to such share. The Series A Convertible Preferred Stock also contains super- of protective covenants. As of June 30, 2017 and December 31, 2016 there are -0- and -0- Series A and outstanding; respectively.

On August 15, 2016 the Company issued 1,000,000 shares of its Series A Convertible Preferred Stoc its Undesignated Preferred Stock (see Footnote 10 - "Preferred Stock" for a discussion of th Undesignated Preferred Stock was held by Sanammad Foundation and MJNA Investment Holding parties together own a majority of the common stock of the Company. Under the terms of the excha Convertible Preferred received in the exchange were immediately converted into 5,000,0000 restricte stock (2,500,000 shares for each of Sanammad Foundation and MJNA Investment Holdings, LLC). Preferred Stock is retired and no longer available for future issuance. The three members of the San current three directors of the Company and Sanammad, along with MJNA Investment Holdings, LL stock of the Company. During the six months ended June 30, 2017, the Company recorded preferred

Series B Convertible Preferred Stock

On August 17, 2016 the Company designated up to 500,000 shares of a new Series B Convertible Stock). The holders of the Series B Preferred are entitled to elect three members to the Company's b cast 100 votes per share on all other matters presented to the shareholders for a vote. Each share convertible into one share of the Company's common stock. The Series B Convertible Preferred protective and restrictive covenants that restrict the Company from taking a number of actions with of the Series B Preferred or the unanimous vote of all three Series B Directors.

On August 18, 2016 the Company issued all 500,000 shares of its newly designated Series B Prefer in exchange for cash of $50,000. As the holders of the Series B Preferred Stock, Sanammad has c George E. Anastassov, Dr. Phillip A. Van Damme and Mr. Lekhram Changoer as their three Series B I

Series C Convertible Preferred Stock

On August 17, 2016 the Company designated up to 500,000 shares of a new Series C Convertible Stock). The holders of the Series C Preferred are entitled to elect four members to the Company's b cast 100 votes per share on all other matters presented to the shareholders for a vote. Each share convertible into one share of the Company's common stock. The Series C Convertible Preferred protective and restrictive covenants that restrict the Company from taking a number of actions with of the Series C Preferred or the unanimous vote of all four Series C Directors. If at any time there a director must be independent as that term is defined in the Series C designation. Any challenge Director is a right conferred only upon the holders of the Series B Convertible Preferred Stock and the Series B Convertible Preferred Stock.

On August 18, 2016 the Company issued all 500,000 shares of its newly designated Series C Pr Holdings, LLC in exchange for cash of $65,000. At this time the holders of the Series C Preferred S Series C Directors.

Amended and Restated Bylaws

On August 17, 2016 the Company amended its Bylaws to achieve the following: (i) to fix the number comprised of three (3) seats authorized for Series B Directors and four (4) seats authorized for Seri upon there being four Series C Directors, one such director shall be independent as such term is def for the Series C Convertible Preferred Stock and to set forth that the term, conditions and proce challenging such director independence are governed by the certificate of designation for the Serie to set forth that the holders of the Series B Convertible Preferred Stock and the holders of the Series the right at any time without a meeting and without prior notice to elect their respective Series B holders of two-thirds (2/3) of the Series B or Series C Convertible Preferred Stock have the right without prior notice to remove their respective Series B and Series C Directors, (v) to reduce constitute a quorum to a majority of the directors then in office, (vi) to subject the right of the boar the rights of the holders of the Series B and Series C Convertible Preferred Stock (and to eliminate a might conflict with the rights of the Series B and Series C holders), and (vii) to clarify and set forth than the holders of the Series B and Series C Convertible Preferred Stock) nor the board of directo adopt bylaws without the prior consent of the holders of both the Series B Convertible Preferred S Convertible Preferred Stock.

Common Stock

The Company has authorized 300,000,000 shares of common stock, with a par value of $0.0001 December 31, 2016, the Company had 52,569,441 and 52,506,441 shares of common stock issued and

On June 13, 2014, the Company entered into an employment agreement with Dr. George Anastass Financial Officer and Secretary. On September 13, 2015 following fifteen (15) months of contin months thereafter, the Company was obligated to issue 125,000 restricted shares of the Compan average ten (10) day closing price immediately preceding the grant date, as quoted on Yahoo.com. 2016, the Company issued 125,000 shares of common stock towards common stock to be issue $52,500 in prior year. On March 13, 2016 and June 13, 2016, the Company was obligated to issue 12 of the Company's common stock based upon the average ten (10) day closing price immediately pre Yahoo.com.

During the six months ended June 30, 2017, the Company has issued 60,000 shares of common shown as stock to be issued. On May 8, 2017, the Company issued 3,000 shares of common stoc services.

NOTE 12: COMMITMENT AND CONTINGENCIES

On June 13, 2014, the Company entered into an employment agreement with Dr. George Anastas September 13, 2015 following fifteen (15) months of continuous employment, and every three m obligated to issue 125,000 restricted shares of the Company's common stock based upon the immediately preceding the grant date, as quoted on Yahoo.com. During the period ended March 31 shares of common stock towards common stock to be issued against expenses incurred worth $52, and June 13, 2016, the Company was obligated to issue 125,000 restricted shares; respectively, of t upon the average ten (10) day closing price immediately preceding the grant date, as quoted on Ya the Company has issued these shares. At the year end December 31, 2016 the Company recorded $ the accompanying condensed consolidated financial statements, to record for the required issuance

On September 1, 2016, the Company entered into an amended and restated employment agreeme Chief Executive Officer, Chief Financial Officer and Secretary. The agreement does not have a set time by the Company or Dr. Anastassov with proper notice. Under the agreement, Dr. Ana compensation of $240,000 and an incentive payment of 2,000,000 shares of the Company's comm agreement. Upon the one year anniversary of the agreement, the Company has the direction to g Anastassov.

On September 1, 2016, the Company entered into an amended and restated employment agreement v Technology Officer. The agreement does not have a set term and may be terminated at any time by proper notice. Under the agreement Mr. Changoer receives an annual base compensation of $24 2,000,000 shares of the Company's common stock due upon execution of the agreement. Upo agreement, the Company has the discretion to grant additional equity awards to Mr. Changoer.

On September 15, 2016 The company entered into an employment agreement with Philip A. Van Da agreement does not have a set term and may be terminated at any time by the Company or D. Van A the agreement Dr. Van A. Damme. The shares were issued in the 4th quarter 2016. At the year er recorded $48,000 of compensation expense in the accompanying condensed consolidated finan required issuance of the incentive shares.

The Company entered into a reservation agreement with the Municipality of Almere in the Netherl paid the reservation fee in the amount of $65,170.The reservation fee deposit gives the company building land for a purchase price of €1,110,000. Starting in October 2016 the second reservation p twelve (12) months expiring October 2017. The Company may not have the ability to acquire the extended reservation term. Therefore, in that case, the Company intends to seek another extension there can be no assurance that the municipality will agree to such an extension in which case the res

Operating Lease

The company is renting an office at 45 Rockefeller Plaza 20th Floor Suite 83, New York, NY 101 monthly rent is $6,635. A security deposit of $7,440 has been paid.

Litigation

As of June 30, 2017 and this report issuing date, the Company is not a party to any pending knowledge of management, no federal, state or local governmental agency is presently contem Company. To the knowledge of management, no director, executive officer or affiliate of the beneficially of more than five percent of the Company's Common Stock is a party adverse to the adverse to the Company in any proceeding.

NOTE 13: GOING CONCERN

The Company's consolidated financial statements have been presented assuming that the Compar
As shown in the consolidated financial statements, the Company has negative working capital o
deficit of $19,158,523 has cash used in operating activities of continuing operations $1,049,531
resources to accomplish its objectives during the next twelve months. These conditions raise subst
Company to continue as a going concern. The unaudited condensed consolidated financial stateme
related to the recoverability of assets and classification of liabilities that might be necessary should
in operation.

The Company intends to raise additional capital through private placements of debt and equi
assurance that these funds will be available on terms acceptable to the Company, or will be suffic
complete its development activities or sustain operations. If the Company is unable to raise suffic
develop and implement a plan to further extend payables, reduce overhead, or scale back its cu
additional capital is raised to support further operations. There can be no assurance that such a pla

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

Forward Looking Statement Notice

Certain statements made in this Quarterly Report on Form 10-Q are "forward-looking statements" Securities Litigation Reform Act of 1995) regarding the plans and objectives of management for involve known and unknown risks, uncertainties and other factors that may cause actual result AXIM Biotechnologies, Inc. ("we", "us", "our" or the "Company") to be materially different fron achievements expressed or implied by such forward-looking statements. The forward-looking state current expectations that involve numerous risks and uncertainties. The Company's plans anc assumptions involving the continued expansion of business. Assumptions relating to the foregoing among other things, future economic, competitive and market conditions and future business de impossible to predict accurately and many of which are beyond the control of the Company. A assumptions underlying the forward-looking statements are reasonable, any of the assumptions co there can be no assurance the forward-looking statements included in this Quarterly Report will p significant uncertainties inherent in the forward-looking statements included herein, the inclusion regarded as a representation by the Company or any other person that the objectives and plans of t

Description of Business

We were incorporated in the State of Nevada on November 18, 2010, as AXIM International, Inc changed our name to AXIM Biotechnologies, Inc. to better reflect our business operations. On wholly owned Nevada subsidiary named Axim Holdings, Inc. This subsidiary will be used to hel listed below. Our principal executive office is located at 45 Rockefeller Plaza 20th Floor, Suite 83, Nev

In early 2014, we discontinued our organic waste marketable by-product business to focus on our a an innovative biotechnology company working on the treatment of pain, spasticity, anxiety an application of cannabinoids based products as well as focusing on research, development a nutraceutical, oral health and cosmetic products as well as procurement of genetically and nano-cor

Current Operations

The operations of the Company include: the research and development of pharmaceutical, nutraceu as extraction, purification and conversion of cannabinoids technologies. Over the next 12 mo activities:

1. Conducting a clinical trial at the Free University of Amsterdam, The Netherlands in c Plymouth, UK as well as an academic center in the USA for a novel, patented controlled-re for treatment of chronic pain and spasticity in patients with multiple sclerosis. The antic FDA/ EMA registration is 12-18 months.

2. Conducting clinical trials at the university of Wageningen, The Netherlands on patie inflammatory bowel disease, ulcerative colitis and Crohn's disease using innovativ technologies) delivery mechanisms containing various cannabinoids.

3. Conducting a clinical trial at the University of British Columbia, Canada on patients suffe using innovative, (patented) delivery mechanisms containing cannabinoids. This trial is a and will result in an NDA.

4. Completing a proof of concept clinical trial at the Dermatological Center Maurits Clini patients with psoriasis and atopic dermatitis using innovative, (patent pending and patent unique cannabinoids.

5. Conducting of a Phase I and a proof of concept clinical trial (Phase II) for treatment of res company' IP-based preparation MedChew RL™.

6. Development of novel (patent pending) pharmaceutical cannabinoid and opioid-agoni "CannQuit™" formulations for tobacco, opioid and cannabis dependence treatment.

7. Initiating Phase I and II pre- and clinical trials for nicotine smoking cessation with company

8. Development of novel (patent pending) antibacterial “Cannocyn ™” and antifungal “Car unique cannabinoids.

9. Potential commercialization of line of oral healthcare products, “Oraximax™”, based on can

10. Potential commercialization of cosmetic care line “Renecann™” (patent pending).

11. Development of ophthalmological pharmaceutical “CannBleph ™” and OTC “OphthoCan combinations of cannabinoids (patent pending).

12. Preparations and Development of Axim’ pipeline of pharmaceutical products for t Neuropathic Pain, Restless leg syndrome, Psoriasis, Eczema, Vitiligo, PTSD and chronic alc

13. Completion of contractual agreements for production and export of over 20 novel, tra partners in Europe, Israel and South and North America

14. Production of novel pharmaceutical formulations for pharmaceutical companies from the condition designated as an orphan disease. The other is for production of pharmaceutic delivery platform utilizing synthetic cannabinoids.

15. Production of a bioequivalent product to Marinol based on synthetic THC (dronabinol) technologies.

16. Development of new active pharmaceutical ingredient molecules including, prodrug formul

17. Completion of a land purchase in the city of Almere, in the province of Flevoland, The N the art extraction/ purification facility as well as a factory for pharmaceutical, nutriceutical a as well as an innovative, environmentally-friendly; “box in a box”-design center for R&D a as third parties. This will result in a full vertical integration of the company.

18. Importation from Italy, and the Netherlands of pharmaceutical grade hemp oil to Europe products will be converted by AXIM from lipophilic to hydrophilic forms based on proprie

19. Development of sustainable biofuel compositions derived from industrial hemp by-produc hemp coal “CannaCoal™.”

During the next twelve months we anticipate incurring costs related to: (i) filing Exchange Act rep clinical trials, and (iv) land purchase.

We believe we will be able to meet these costs through use of funds in our treasury, through providers and additional amounts, as necessary, to be loaned to or invested in us by our stockhold As of the date of the period covered by this report, we have limited cash. There are no assurance additional funding as needed. Currently, however our ability to continue as a going concern is dep future profitable operations and/or to obtain the necessary financing to meet our obligations a normal business operations when they come due. Management’s plan includes obtaining addition related party advances; however there is no assurance of additional funding being available.

We are in our early stages of development and growth, without established records of sales numerous risks inherent in the business and operations of financially unstable and early stage or p

CanChew™ License Agreement

On May 11, 2015, we entered into a 50 year, worldwide, exclusive intellectual property licens CanChew Biotechnologies, LLC (“CanChew”). As compensation for the Agreement, CanChew rec the Company’s common stock and a royalty fee of approximately 2-3% of all gross sales derived Agreement. So long as we are in compliance with the Agreement, we have the option to purchase th 5 years at a purchase price equal to fifty percent (50%) of the annual royalty fee paid.

Manufacturing Capabilities

On November 15, 2014, the Company entered into Reservation Agreement with the City of Alm
Company was granted an option to purchase 5,328 square meters of land in the City of Almere. Th
office building on the site featuring: a clean laboratory zone, storage areas, office and technical roo
furnishings. This facility will be fully compliant with GMP, GLP, FDA, EMA and ISO regulations.
1,154,844 Euros. The Company has paid two reservation fees for options to purchase the property
57,742 Euros is due and payable and extends the option to purchase until October 20, 2017. Should
by October 20, 2017, the 23,000 Euros of the most recent reservation fee will be applied to the agains
The total land surface of the property has been slightly increased by 6,000 square meters.

The Industry

Hemp – An Overview

Hemp is a cousin to cannabis as both are classified under the same botanical category of *Cann*
between the two is that recreational cannabis has significant amounts of tetrahydrocannabin
cannabinoid and very little amounts of CBD (cannabidiol) and CBG (cannabigerol), which have n
industrial hemp has virtually no THC (less than 0.3%). This 0.3% THC in industrial hemp is not enou
which renders industrial hemp useless for recreational use or abuse. Canada, China and the Uni
industrialized countries that have grown industrial hemp responsibly deriving maximum economic b

Hemp is a plant easy to cultivate, with predictable harvests and produces overall negative carbon
sources used for production of biodiesels among other uses.

Industrial hemp is reach in proteins and essential amino acids, which may render it as a preferred so

Importation of Hemp Finished Products

Despite classification of cannabis under Schedule I, hemp finished products, or certain parts
exempted from the definition of marijuana and are considered legal to import since 1937. Under 21 U
of germination) and the mature stalks of the *Cannabis sativa* plant, together with products made
the definition of cannabis. These products are commonly known as "hemp finished products", a
outlined above. Importation of hemp finished products and processing into the United States co
market inside the United States. The United States is actually the largest importer of hemp-based pr

Market, Customers and Distribution Methods

To understand the market and consumers as well as distribution methods, we have studied all the
in the U.S. and abroad. There are more than 25,000 known uses for hemp based products, most of w
replaced by cotton, petroleum\oil, concrete, corn and soybeans. We believe the market potentia
worldwide product sales. We will focus on the products our management feels will have the grea
profitability and ease to market. These tend to be new, innovative products as well as the replacem
products that exist today, such as pharmaceuticals, nutriceuticals, plastics, fuel, textiles, and medica

Our focus is on the development of innovative pharmaceutical, nutriceutical and cosmetic p
conditions for which currently there are no known efficient therapeutic ingredients or delivery syste
ingredients. The body of knowledge regarding therapeutic use of cannabinoid-based formulations i
an active player in this field of biosciences with our extensive R&D and pipeline of innovative prod

Our target customers are first and foremost end consumers via Internet sales, direct-to-cons
collectives, cooperatives, affiliate sales and master distributors. Secondarily, we are targeting manu
replace their raw base materials with our materials, making the products more environmentally frie
target retail stores with major distribution companies who have preexisting relationships with majo
to develop our business, these markets may change, be re-prioritized or eliminated as manag
regulatory developments.

Competition

There are many developers of hemp-based consumer products, many of which are under-capitali: acquisition targets. We are currently in early-stage negotiations to purchase existing product lines, cannabinoids and other assets from certain competing companies. There are also large, well-fund offer hemp-based products but may do so in the future.

Intellectual Property

Currently, our intellectually property includes 10 pending patent applications and 29 trademark appl

Our 10 patent applications include oral care, ophthalmic, sugar alcohol kneading method, cosmet nicotine dependence treatment gum, opioid dependence treatment gum, chewing gum with c suppositories; two (2) licensed patents (chewing gum containing cannabinoids, covering all cann our patent applications have entered nonprovisional stage in the U.S. and international stage. We a filing more patent applications.

We have 29 trademark applications, some of which are registered trademarks, received Notices of A the United States Patent and Trademark Office: Axim, A Axim Biotech, Cannanimals, CanQuit, Cann ReneCann, CannBleph, OphthoCann, Cannonich, Cannocyn, HempChew, SuppoCann, CanChew, C Rx, MedChew, CanChew Plus, CanQuit OC, MedChew RL, MedChew GP, CanChew +, CanChew +1C Corresponding trademark applications have been filed in other jurisdictions for some of the marks a pending.

Research and Development

We are continuing our research and development at the Free University of Amsterdam with our nc treatment of patients with pain and spasticity as a sequence of Multiple Sclerosis. This study Plymouth, UK and academic centers in the US. The study is conducted in strict compliance v supervised by QPS as a CRO. The product tested is a pharmaceutical, functional chewing gum cont With our proprietary technology numerous problems related to cannabinoid' water-insolubility du first-pass liver metabolism and direct delivery into the systemic circulation will be resolved.

Clinical studies will continue at the University of Wageningen, The Netherlands testing a new (pa cannabinoids for treatment of patients with IBS, IBD and Crohn's disease. A new direct as we technology delivery methods will be investigated based on our proprietary IP'.

Pre- and clinical trials in Israel in patients suffering RLS (restless leg syndrome) will be commenc proprietary delivery system containing gabapentin and cannabidiol will be tested.

Pre- and clinical trials in the US for nicotine smoking cessation are anticipated to start this ye company' proprietary IP-based product CanQuit®.

New, patent pending cannabinoid extraction techniques as well as pure, water soluble, freeze-driec in cooperation with Syncom, BV, The Netherlands, which practically solves the issue with very po oil based cannabinoids.

There are numerous other R&D projects being considered involving our proprietary intellectual p planned depending on availability of funds to carry on.

Government Regulation

For the first time since 1937, industrial hemp has been decriminalized at the federal level and can be but on a limited basis. A landmark provision in the recently passed Agricultural Act of 2014 recogni cousin, marijuana. Federal law now exempts industrial hemp from U.S. drug laws in order to allov colleges and state agriculture departments. The new federal law, written by U.S. Rep. Jared Polis (D- (R-KY), allows for agricultural pilot programs for industrial hemp "in states that permit the growth or

Employees

As of August 16, 2017 we have 6 full-time employees and 4 part-time employees. We allow and contractors. We will be considering the conversion of some of our part-time employees to full- discussions with qualified individuals to engage them for positions in sales and marketing, researc Management believes the Company has good relationships with its employees.

Costs and effects of compliance with environmental laws

The expense of complying with environmental regulations is of minimal consequence.

Results of Operations

Comparison of the three and six months ended June 30, 2017 to June 30, 2016.

For the six month periods ended June 30, 2017 and 2016, our revenues totaled $22,358 and $2 operations. This is due to our start up business operations and our change in business operations i

		Six Months Period Ended June 30, 2017
Legal and other fees	$	58,(
Depreciation		1,(
Audit fees		16,:
Filing fees		3,(
Office/Other expenses		61,(
Travel and entertainment expenses		49,:
Advertising and promotions		32,:
Compensation costs		20,(
Insurance expense		41,(
Impairment		
Consulting fees		266,:
Taxes		11,(
Officer's salary		120,(
Research and development		203,:
Licenses and permits		8,1
Total	$	895,5(

Our operating expenses for the six month periods ended June 30, 2017 and 2016, were $895,5(changes for the six month period ended June 30, 2017, was primarily due to a significant decrease offset by increase in research and development expenses, consulting expenses and office and other

For the three month periods ended June 30, 2017 and 2016, our revenues totaled $3,738 and $1
operations. This is due to our start up business operations and our change in business operations i

		Three Months Period Ended June 30, 2017
Legal and other fees	$	34,1
Depreciation		8
Audit fees		15,8
Filing fees		2,9
Office/Other expenses		33,1
Travel and entertainment expenses		39,0
Advertising and promotions		7,7
Compensation costs		20,0
Insurance expense		20,9
Impairment		
Consulting fees		129,5
Taxes		6,5
Officer's salary		60,0
Research and development		62,9
Licenses and permits		5,8
Total	$	439,50

Our operating expenses for the three month periods ended June 30, 2017 and 2016, were $439,
changes for the three month period ended June 30, 2017, was primarily due to a significant decrease
offset by increase in research and development expenses, consulting expenses and office and other

Other (Income) expenses:

Our interest expense for the three months and six months ended June 30, 2017 and 2016, was $4
respectively. The Company incurred a $109,867 amortization expense on debt discount during the si

Our interest income for the three months and six months ended June 30, 2017 and 2016, was $0, $0, $

Going concern

The Company's unaudited condensed consolidated financial statements have been presented
continue as a going concern. As shown in the financial statements, the Company has negative wo
accumulated deficit of $19,158,523 has cash used in operating activities of $1,049,531 and presen
accomplish its objectives during the next twelve months. These conditions raise substantial doubt
continue as a going concern. The financial statements do not include any adjustments related
classification of liabilities that might be necessary should the Company be unable to continue in op

The Company intends to raise additional capital through private placements of debt and equi
assurance that these funds will be available on terms acceptable to the Company, or will be suffic
complete its development activities or sustain operations. If the Company is unable to raise suffic
develop and implement a plan to further extend payables, reduce overhead, or scale back its cu
additional capital is raised to support further operations. There can be no assurance that such a pla

Six months ended June 30, 2017 and 2016

Net Cash Provided by/Used in Operating Activities

Net cash used in operating activities was $1,049,531 for the six months ended June 30, 2017, as cor for the six months ended June 30, 2016. The increase is primarily attributable to our net loss from op net changes in the balances of operating assets and liabilities, and net changes in the adjustments operating activities.

Net Cash Used in Investing Activities

Net cash used by investing activities during the period ended June 30, 2017 was $-0- compared to $-

Net Cash Provided by Financing Activities

Net cash provided by financing activities during the six months period ended June 30, 2017, was the same period in 2016. Cash provided by financing activities were primarily a result of the proceed

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a cur condition, changes in financial condition, revenues or expenses, results of operations, liquid resources that is material to investors.

Contractual Obligations

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is not requ

Critical accounting policies

The preparation of financial statements in conformity with U.S. GAAP requires management to ma affect the reported amount of assets and liabilities, the disclosure of contingent assets and liab revenue and expenses during the reported periods. The more critical accounting estimates in recognition and accounts receivable allowances. We also have other key accounting policies, v judgments and assumptions that are significant to understanding our results, which are desc condensed consolidated financial statements.

Recently issued accounting standards

In January 2017, the FASB issued ASU No. 2017-01, Business Combinations (Topic 805): Clarifyin new standard clarifies the definition of a business and provides a screen to determine when an inte not a business. The screen requires that when substantially all of the fair value of the gross a concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a l effective for the Company on January 1, 2018; however, early adoption is permitted with prosp development transaction.

In January 2017, the FASB issued ASU 2017-04, *Intangibles – Goodwill and Other (Topic 350)* t calculate the implied fair value of goodwill to measure a goodwill impairment charge. Instead, imp excess of a reporting unit's carrying amount over its fair value. The guidance is effective for the C 2023. Early adoption is permitted. The Company does not anticipate the adoption of this guidan consolidated financial statements, absent any goodwill impairment.

In August 2014, the FASB issued ASU 2014-15 requiring management to evaluate whether there are the aggregate, that raise substantial doubt about the entity's ability to continue as a going conce the external auditors. Management will be required to perform this assessment for both interim and make certain disclosures if it concludes that substantial doubt exists. This ASU is effective for a within those annual periods, beginning on or after December 15, 2016. The adoption of this guidan effect on our financial statements.

In October 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standard
Taxes: Intra-Entity Transfers of Assets Other Than Inventory. ASU 2016-16 will require the tax ef
other than sales of inventory, to be recognized currently, eliminating an exception under current GA
entity asset transfers are deferred until the transferred asset is sold to a third party or otherwise re
will be effective for the first interim period of our 2019 fiscal year, with early adoption permitted.

In August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards
"Classification of Certain Cash Receipts and Cash Payments" ("ASU 2016-15"). ASU 2016-15
classification of certain items within the statements of cash flows. ASU 2016-15 is effective
December 15, 2017 with early adoption permitted.

In connection with its financial instruments project, the FASB issued ASU 2016-13 - Finan
Measurement of Credit Losses on Financial Instruments in June 2016 and ASU 2016-01 - Financia
and Measurement of Financial Assets and Financial Liabilities in January 2016.

> ASU 2016-13 introduces a new impairment model for most financial assets and certain otl
> receivables, held-to-maturity debt securities, loans and other instruments, entities will b
> "expected loss" model that will replace the current "incurred loss" model and generally
> allowances for losses. The guidance will be effective for the first interim period of our 20
> fiscal year 2020 permitted.
>
> ASU 2016-01 addresses certain aspects of recognition, measurement, presentation, and
> Among other provisions, the new guidance requires the fair value measurement of investm
> investments without readily determinable fair values, entities have the option to either mea
> or at cost adjusted for changes in observable prices minus impairment. All changes in me
> income. The guidance will be effective for the first interim period of our 2019 fiscal year. Ea
> for certain provisions relating to financial liabilities.

In April 2016, the Financial Accounting Standards Board (FASB) issued an Accounting Standa
Revenue from Contract with Customers: identifying Performance Obligations and Licensing". The
the two following aspects (a) contracts with customers to transfer goods and services in e
determining whether an entity's promise to grant a license provides a customer with either a r
property (which is satisfied at a point in time) or a right to access the entity's intellectual property
amendments in this Update are intended to reduce the degree of judgment necessary to comply w
effective date as yet. The Company is currently evaluating the impact of adopting this guidance.

In March 2016, the Financial Accounting Standards Board (FASB) issued an Accounting Standa
Improvements to Employee Share-Based Payment Accounting" which is intended to improve the ac
payments. The ASU simplifies several aspects of the accounting for share-based payment award
tax consequences, classification of awards as either equity or liabilities, and the classification on th
standard is effective for fiscal years and interim periods beginning after December 15, 2016, and up
the amendments by means of a cumulative-effect adjustment to the balance sheet at the beginning
the guidance is effective. Early adoption is permitted. The Company is currently evaluating the impa

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Stand
amends the guidance in U.S. GAAP on accounting for operating leases, a lessee will be required t
operating leases with lease terms of more than 12 months on the balance sheet. The new stand
interim periods beginning after December 15, 2018, and upon adoption, an entity should appl
cumulative-effect adjustment to the balance sheet at the beginning of the first reporting period in w
adoption is not permitted. The Company is currently evaluating the impact of adopting this guidanc

In January 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Stand amends the guidance in U.S. GAAP on the classification and measurement of financial instrument primarily affect the accounting for equity investments, financial liabilities under the fair value disclosure requirements for financial instruments. In addition, the ASU clarifies guidance related to when recognizing deferred tax assets resulting from unrealized losses on available-for-sale del effective for fiscal years and interim periods beginning after December 15, 2017, and upon ad amendments by means of a cumulative-effect adjustment to the balance sheet at the beginning of tl guidance is effective. Early adoption is not permitted except for the provision to record fair value c the fair value option resulting from instrument-specific credit risk in other comprehensive income. T the impact of adopting this guidance.

The amendments also clarify that the guidance in Topic 275, Risks and Uncertainties, is applicable t planned principal operations.

Other recent accounting pronouncements issued by the FASB and the SEC did not or are not l material impact on the Company's present or future consolidated financial statements.

Foreign Currency Transactions

None.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is r required by this Item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information req filed pursuant to the Exchange Act is recorded, processed, summarized and reported within the rules, regulations and related forms, and that such information is accumulated and communicated t principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As of June 30, 2017, we carried out an evaluation, under the supervision and with the participation c our principal financial officer of the effectiveness of the design and operation of our disclosure con evaluation, our principal executive officer and our principal financial officer concluded that our discl not effective as of the end of the period covered by this report.

Management's Annual Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal cont term is defined in rule 13a-15(f) of the Exchange Act. The Company's internal control system assurance to the Company's management and Board of Directors regarding the reliability of financ financial statements for external purposes in accordance with GAAP. The Company's internal cont those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly refle of the assets of the Company;

- Provide reasonable assurance that transactions are recorded as necessary to permit pr accordance with GAAP, and that receipts and expenditures of the Company are bei authorizations of management and directors of the Company; and

- Provide reasonable assurance regarding prevention or timely detection of unauthorized a Company's assets that could have a material effect on the financial statements.

Because of its inherent limitation, internal control over financial reporting may not prevent or detect any evaluation of effectiveness to future periods are subject to the risk that controls may become conditions, or that the degree of compliance with the policies or procedures may deteriorate.

An evaluation was performed under the supervision and with the participation of the Company's the design and operation of the Company's procedures and internal control over financial reporting assessment, the Company used the criteria set forth by the Committee of Sponsoring Organiza (COSO) in Internal Control-Integrated Framework of 1992. Based on that evaluation, the Company Company's internal controls over financial reporting were not effective in that there were material v Inherent Limitations of Internal Controls for discussion of material weaknesses.

A material weakness is a deficiency or combination of deficiencies in internal control over finan reasonable possibility that a material misstatement of the annual or interim financial statements wil timely basis by the Company's internal controls.

Attestation Report of the Registered Public Accounting Firm

This annual report does not include an attestation report of our registered public accounting financial reporting. Management's report was not subject to attestation by the Company's registe to the Dodd-Frank Wall Street Reform and Consumer Protection Act, wherein non-accelerated fil internal control audit requirements.

Changes In Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting identified in connection with our the period ended June 30, 2017, that have materially affected, or are reasonably likely to materi financial reporting.

Inherent Limitations of Internal Controls

There are inherent limitations to the effectiveness of any system of disclosure controls and proc human error and the circumvention and overriding of controls and procedures. A control system, operated, can only provide reasonable, not absolute, assurance that the objectives of the control sy the control system must reflect the fact that there are resource constraints, and the benefits of con their costs. Because of the inherent limitations in a cost-effective control system, misstatements d be detected. These inherent limitations include the realities that judgments in decision-making can occur due to human error or mistake. Additionally, controls, no matter how well designed, could be of specific persons within the organization. The design of any system of controls is also based in p the likelihood of future events, and there can be no assurance that any design will succeed in achi potential future conditions.

Management is aware that there is a lack of segregation of duties and accounting personnel wi Company due to the small number of employees dealing with general administrative and financial m in the internal controls. Management intends to rectify these deficiencies by implementing pro personnel with appropriate qualifications to properly segregate duties.

Item 1. Legal Proceedings.

We are not a party to any legal proceedings subject to this Item Number.

Item 1A. Risk Factors.

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, the Company is r
required by this Item.

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

On May 9, 2017, we issued 3,000 restricted shares of our common to a consultant for payment of ser

The issuance of securities described above were deemed to be exempt from registration under the S
4(a)(2) of the Securities Act of 1933 and Regulation D as transactions by an issuer not involving a
securities in each such transaction represented their intention to acquire the securities for investme
sale in connection with any distribution thereof, and appropriate legends were affixed to the shar
issued in such transactions. The sales of these securities were made without general solicitation or a

The Company intends to use the proceeds from sale of the securities, if any, for the operations, res
trials, and working capital.

There were no underwritten offerings employed in connection with any of the transactions set forth

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable

Item 5. Other Information.

Employment Agreements

On September 1, 2016, the Company entered into an amended and restated employment agreeme
Chief Executive Officer, Chief Financial Officer and Secretary. The agreement does not have a set
time by the Company or Dr. Anastassov with proper notice. Under the agreement, Dr. Ana
compensation of $240,000 and an incentive payment of 2,000,000 shares of the Company’s commo
agreement. Upon the one year anniversary of the agreement, the Company has the direction to g
Anastassov. On April 1, 2016 the Company was obligated to issue 120,000 restricted shares of the
to the terms of the June 13, 2014, employment agreement.

On September 1, 2016, the Company entered into an amended and restated employment agreement v
Technology Officer. The agreement does not have a set term and may be terminated at any time by
proper notice. Under the agreement Mr. Changoer receives an annual base compensation of $24
2,000,000 shares of the Company’s common stock due upon execution of the agreement. Upo
agreement, the Company has the direction to grant additional equity awards to Mr. Changoer.

On September 15, 2016, the Company entered into an employment agreement with Dr. Philip Van A
The agreement does not have a set term and may be terminated at any time by the Company or Dr
Under the agreement Dr. Van A. Damme receives an annual base compensation of $24,000 and an i
of the Company’s common stock due upon execution of the agreement. Upon the one year annivers
has the discretion to grant additional equity awards to Dr. Van A. Damme.

On August 3, 2016, all AXIM affiliates, as such term is defined by the Securities Act of 1933, as ar agreement whereby each affiliate agreed to be prohibited from selling any Company securities purs later of: (i) twelve (12) months from the date of the agreement; or (ii) twelve (12) months from the dat

On or about June 29, 2016, Robert Malasek was appointed as the Company's Chief Financial Office not employment agreement between the Company and Mr. Malasek.

Financing

On September 16, 2016, the Company entered into a convertible note purchase agreement (the "Con or "Agreement") with a third-party investor. Under the terms of Convertible Note Purchase Agreem $5,000,000 of convertible notes from the Company, with various closings, under terms acceptable to the time of each closing. Pursuant to the Agreement, on September 16, 2016 the investor provided convertible note financing pursuant to four (4) Secured Convertible Promissory Notes (the "Not October 1, 2029, and pay 3.5% compounded interest paid bi-annually. The Notes are secured by the pre-paid without the consent of the holder, and are convertible at the option of the holder into shar at a fixed conversion price equal to $0.2201.

On October 20, 2016 a third-party investor provided the Company with $1,000,000 secured converti (3) Secured Convertible Promissory Notes (the "Notes"). Each of the Notes mature on October 1 interest paid bi-annually. The Notes are secured by the assets of the Company, may not be pre-pai and are convertible at the option of the holder into shares of the Company's common stock at a fixe The investor paid cash of $500,000 for one of the Notes and issued to the Company two (2) secured for two (2) Convertible Notes of $250,000 each. The two secured promissory notes issued by payment for two (2) secured Notes totaling $500,000 mature on February 1, 2017 ($250,000) and Mar the rate of 1% per annum, are full recourse and additionally secured by 10,486,303 shares of M symbol: MJNA) and were valued at $858,828 based upon the closing price of MJNA on Octob $250,000 on February 1, 2017 and $250,000 on March 2, 2017 against the note receivable of $500,000.

In connection with this convertible note, the Company recorded a $499,318 discount on debt, r feature of the note to be amortized over the life of the note or until the note is converted or repaid. A been converted.

On June 12, 2017 (the "Closing Date"), the Company entered into a Securities Purchase Agree accredited investor ("Investor") pursuant to which Investor invested $4,000,000 (the "Financing").

On the Closing Date, the Company issued to Investor an unsecured Convertible Promissory Note (of $4,210,000, in exchange for payment by Investor of $4,000,000. The principal sum of the Note r $200,000 "Original Issue Discount" ("OID") and a $10,000 reimbursement of Investor's legal fees. T fee of $60,000 to a third-party broker-dealer. The SPA and the Note are collectively referred to here The Note matures in 18 months. So long as the Company is not in receipt of redemption notice (prepaid at any time, in whole or in part in minimum increments of $50,000, by making payment to Inv 125% of the amount being prepaid, plus accrued and unpaid interest. The company has recorded th being amortized over 18 months utilizing the effective interest method.

There are no payments of principal or interest due under the Note for the first six months followin date that is six (6) months from the issuance of the Note, Investor may redeem a portion of the Not $350,000 in any calendar month. Provided the Company has not suffered an "Event of Default" "Equity Conditions" (unless waived by Investor in either case), the Company, in its sole discretion cash or by the issuance of common stock. If the Company chooses to make redemption payment i to a 25% premium. If the Company chooses to make the redemption payment in stock, the numb (reduced to 65% if the conversion shares are not DTC eligible for a period of at least 5 days) multi lowest closing bid prices in the previous twenty (20) trading days. Payments may be made in a comb

Events of Default include the events set forth in Section 4.1 of the Note, and include, but are n payments, failure to deliver conversion shares, bankruptcy, receivership, insolvency, failure to re upon conversion, and failure to be DTC eligible.

Upon an Event of Default under the Note, Investor may accelerate the outstanding principal amo unpaid interest, and other amounts owing through the date of acceleration. In the event of such a Note shall accrue at the lesser of 22% per annum or the maximum rate permitted under applicable law

Pursuant to the terms of the SPA the Company is required to reserve and keep available out of its common stock, a minimum of 2,250,000 shares of common stock.

During the three months ended June 30, 2017 the Company amortized the debt discount on all the no

During the six months ended June 30, 2017 the Company amortized the debt discount on all the note

Item 6. Exhibits.

Statements

Condensed Consolidated Balance Sheets as of June 30, 2017 (unaudited) and December 31, 2016.

Condensed Consolidated Statements of Operations for the three and six months ended June 30, 201

Condensed Consolidated Statements of Changes in Shareholders' Deficit for the six months ended J

Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2017 and 201

Notes to Condensed Consolidated Financial Statements (unaudited)

Schedules

All schedules are omitted because they are not applicable or the required information is shown i thereto.

Item 15. Exhibits.

Exhibits	Exhil #
Articles of Incorporation, as filed with the Nevada Secretary of State on November 18, 2010.	3.1
Certificate of Amendment, as filed with the Nevada Secretary of State on July 24, 2014.	3.2
Amended and Restated (As of August 17, 2016) Bylaws of AXIM Biotechnologies, Inc.	3.3
Certificate of Designation of Series B Preferred Stock	3.4
Certificate of Designation of Series C Preferred Stock	3.5
Amended and Restated Employment Agreement effective September 1, 2016, by and between AXIM International, Inc. and Dr. George E. Anastassov	10.1
Amended and Restated Employment Agreement effective September 1, 2016, by and between AXIM International, Inc. and Lekhram Changoer	10.2
Employment Agreement effective September 1, 2016, by and between AXIM International, Inc. and Dr. Philip A. Van Damme.	10.3
Certification of Principal Executive Officer pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended	31.1
Certification of Principal Financial Officer pursuant to Rule 13a-14 and Rule 15d 14(a), promulgated under the Securities and Exchange Act of 1934, as amended	32.1
XBRL Instance Document	101.IN
XBRL Taxonomy Extension Schema Document	101.SC
XBRL Taxonomy Extension Calculation Linkbase Document	101.CA
XBRL Taxonomy Extension Definition Linkbase Document	101.D
XBRL Taxonomy Extension Label Linkbase Document	101.LA
XBRL Taxonomy Extension Presentation Linkbase Document	101.PI

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly cau
behalf by the undersigned thereunto duly authorized.

AXIM BIOTECHN

Dated: August 21, 2017	By:	/s/ *Dr. Georg* Dr. George A President an Principal Exe
Dated: August 21, 2017	By:	/s/ *Robert M* Robert Mala Principal Fin