CANNABICS PHARMACEUTICALS INC.

FORM 10-K
(Annual Report)

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Address	#3 BETHESDA METRO CENTER SUITE 700 BETHESDA, MD 20814
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

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

For the fiscal year ended August 31, 2015
or

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

For the transition period from ______ to ______.

Commission File Number: 333-192759

CANNABICS PHARMACEUTICALS INC.
(Exact name of registrant as specified in its charter)

Nevada	**20-3373669**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
#3 Bethesda Metro Center, Suite 700 Bethesda, MD	**20814**
(Address of principal executive offices)	(Zip Code)

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

Securities registered under Section 12(b) of the Act:
None

Securities registered under Section 12(g) of the Act:
Common Stock, $.0001 Par Value
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K/A or any amendment to this Form 10-K/A. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company filer. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one)

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

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

On August 31 st , 2015, the last business day of the registrant's most recently completed fourth quarter, the aggregate market value of the Common Stock held by non-affiliates of the registrant was $22,812, based upon the closing price on that date of the Common Stock of the registrant on the OTC Bulletin Board system of $0.03. For purposes of this response, the registrant has assumed that its directors, executive officers and beneficial owners of 5% or more of its Common Stock are deemed affiliates of the registrant.

As of as of December 31 th , 2015, the registrant had 102,153,333 shares of its Common Stock, $0.0001 par value, outstanding.

FORWARD LOOKING STATEMENTS

Certain statements made in this Annual Report are "forward-looking statements" (within the meaning of the Private Securities Litigation Reform Act of 1995) regarding the plans and objectives of management for future operations. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements made in this Report are based on current expectations that involve numerous risks and uncertainties. The Company's plans and objectives are based, in part, on assumptions involving the growth and expansion of business. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Company. Although the Company believes that its assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate and, therefore, there can be no assurance that the forward-looking statements made in this Report will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements made in this Report, the inclusion of such information should not be regarded as a representation by the Company or any other person that the objectives and plans of the Company will be achieved.

As used in this Annual Report, the terms "we", "us", "our", "Company", and "CNBX" means Cannabics Pharmaceuticals Inc., unless otherwise indicated.

PART I

Item 1. Description of Business

We were previously an exploration stage mining company which has transitioned now into a bio-tech company. We currently have an IP Licensing Agreement in Spain, USA, but have not as yet earned revenues. We can provide no assurance that we will be able to successfully license our technology or that said licensing agreements will be commercially viable.

Our Address corporate address is #3 Bethesda Metro Center, Suite 700, Bethesda, Maryland, 20814; Telephone (877) 424-2429.

The company was previously engaged in the oil and gas exploration business. On April 29 th , 2014, the company began a new direction and the majority of the Shareholders of the company elected the current Board of Directors and renamed the Company Cannabics Pharmaceuticals Inc. The Directors form a US based company founded in 2012 by a group of renowned researchers from the fields of molecular biology, cancer research and pharmacology. R&D is conducted in Government licensed labs in Israel with the focus of development of novel and sophisticated cannabinoid based therapies, medications and administration routes for various diseases.

History

Cannabics Pharmaceuticals Inc. was incorporated on September 15, 2004, under the laws of the State of Nevada, as Thrust Energy Corp., for the purpose of acquiring undivided working interests in small oil and gas exploration properties and non-operating interests in both producing and exploration projects throughout the United States and Canada.

On September 30, 2010, we increased our authorized capital to 900 million shares of common stock (par value $0.0001) and 100 million shares of preferred stock (par value $0.0001), and effected a 20-for-1 reverse split of our issued and outstanding common stock. As a result of the reverse split, our issued and outstanding common stock was reduced from 13,604,000 shares to 680,202 shares.

Due to our inability to earn any meaningful revenue from oil and gas exploration, our management determined in April 2011 that we should change our business plan to include toll milling and refining.

On May 5 th , 2011, we effected a change of name to American Mining Corp. by completing a short form merger with a wholly-owned subsidiary.

On April 25 th , 2014, Cannabics Inc., a Delaware Corporation, purchased 20,500,000 shares of restricted stock of the Company, thus acquiring control of the company.

On April 29 th , 2014, Mr. Andrew Grundman resigned his official position as Director of the Corporation. On April 29 th , 2014, the shareholders of the Corporation voted Dr. Zohar Koren, Dr. Eyal Ballan and Itamar Borochov as the new Directors of the Company.

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

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

On July 24 th , 2014, the Company executed a Collaboration Agreement with Cannabics, Inc. (“Cannabics”), a Delaware corporation and largest shareholder of the Company. Per the terms of the Agreement, the Company issued 18,239,594 shares of its common stock to acquire the entire institutional knowledge of Cannabics, Inc., which primarily consists of in-process Research & Development technology, the cumulative result of its years of scientific institutional knowledge in the fields of Molecular Biology, Cancer and Pharmacology research. Additionally Cannabics tendered $150,000 to the Company specifically earmarked as working funds towards prospective projects of the Company. Per the Agreement, from that day forth they have carried forward their research and development as part of, and for the exclusive benefit of the Company, which initial findings have now branched out into new and divergent discoveries.

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

On August 25 th , 2014, Cannabics Pharmaceuticals Inc. incorporated a wholly owned subsidiary in Israel, named “G.R.I.N Ultra Ltd”, dedicated to advanced research and development.

On May 27 th, 2015 the Company filed a Patent with the USPTO entitled “ *A Method of in Vitro High Throughput Screening of Cancer Biopsies with Cannabinoid Extracts* ”. In essence this patent takes the next step from the cancer cell knowledge already obtained from cell lines in the Technion Laboratory and extends it to a system of analyzing cancer cells taken from patient biopsies, and then testing them against a multitude of cannabinoid combinations for anti-tumor activity via the High Throughput Screening process. This patent formally begins the next phase of the Company, which is Personalized Medicine (PM). We have developed an automated high-throughput method for the screening of different types of cancer cells or biopsies treated with a multitude of cannabis extracts. These natural extracts could also be tested in conjunction with already approved and common synthetic drugs for patients that undergo chemotherapy for the most personally tailored therapy. This multilayer method is producing a large-scale database that will capture the knowledge gained as to the unique effects of different combinations of cannabinoid compounds on diverse malignancies. Coextensive with the development of the automated high-throughput system, we are also developing proprietary and novel compounds targeting diverse and specific types of tumors.

On October 7th, 2015, the Company executed an Intellectual Property & Subsidiary Assignment and an Assignment & Assumption of Debt & Liabilities Agreement with Cannabics, Inc., a Delaware Corporation, related party, and majority holder of the Issuer. Said Agreements were executed as part of a restructuring of the Company, whereby the Research and Development components were at that time made separate from the Issuer's continuing business operations.

Per the Agreements, Cannabics, Inc. has Assumed $362,000 of the Issuer's debts and liabilities in return for Assignment of the provisional patent noted above related to High Throughput Screening and the Issuer's subsidiary "Grin Ultra, Ltd.". The Company believes that by eradicating significant current debts and liabilities from the Issuer along with this new division of labor in corporate structure, it is better enabled to focus its energies on current licensing opportunities and agreements already in place, particularly in its world-wide licensing of Cannabics SR capsule technology.

Our Business

We are now engaged in pharmaceutical development.

On April 4, 2014, the Company acquired a 100% interest in 21 contiguous mineral claims consisting of 1,281 acres located approximately 100 km northeast of Deer Lake, Newfoundland (the "Jackson Arm Property"). The mineral licenses underlying the Jackson Arm Property are registered with the Government of Newfoundland and Labrador and are presently in good standing. The property was acquired from Terracan Resources Ltd. for $32,750 ($30,000 USD). As there are no proven or probable reserves established for these claims, the entire $30,000 purchase price was impaired and charged to operations during the nine months ended May 31, 2014.

Under Newfoundland law, our mineral licenses may be held for one year after the date of Issuance Date, and thereafter from year to year if, on or before the anniversary date, we perform assessment work on the underlying claims having a minimum value of not less than C$200 per claim in the first year, C$250 per claim in the second year, and C$300 per claim in the third year. If we are unable to complete the assessment work required to be done in any twelve month period, we can maintain our claims in good standing by posting a cash security deposit for the amount of the deficiency. As the primary business of the Company is now the development and marketing of biotechnology therapies, the Company did not maintain its claims for said property, which expired on April 4th, 2015.

Management Experience

Cannabics Pharmaceuticals Inc.'s management team is highly experienced in various aspects of biotech and pharmaceutical management. The scientific team has a long cumulative track record in cancer and CNS research, pharmaceutical development, clinical studies and a deep hands-on understanding of the medical cannabis industry.

Dr. Eyal Ballan, 42, is a co-founder of Cannabics Inc. and is its CTO. Dr. Ballan holds a Ph.D. in Neurophysiology, EEG, Brain Wave Analysis and Cortical Connectivity. After obtaining his Ph.D. he was an entrepreneur in the field of Biofeedback Studies and developed a Resonating Neuro-Feedback system. Dr. Ballan holds a M.Sc. from Tel-Aviv University - Magna Cum Laude - in anticancer drug development. Dr. Ballan was part of the renowned research team which developed Salirasib (Treatment for Non-Small Cell Lung Cancer). He is an expert in molecular biology, cell cultures and genomics with a focus towards identification of anticancer compounds and delivery systems to tumors and is a member of the American Academy of Neurology.

Itamar Borochov, 57, is a co-founder of Cannabics Inc. and is its Chief Executive Officer. Mr. Borochov is an environmentalist with experience as an entrepreneur in the fields of organic agriculture and medical botanicals and brings vast expertise in the areas of market intelligence and organizational branding.

Shay Avraham Sarid, 44, is a co-founder of Cannabics Inc., and is the founder of Seach, one of the oldest and largest medical Cannabis farms in Israel. Seach is an official supplier of medical grade Cannabis to the Israeli Ministry of Health and specifically licensed to grow and distribute medical cannabis to authorized patients. Shay is the recent Chairman of the Israeli Medical Cannabis Growers Council.

All the Directors are committed full time to the Company.

Advisory Board –

Dr. Sigalit Ariely-Portnoy - Senior Advisor in the field of Regulation, Validation and Quality. Dr. Sigalit Ariely-Portnoy has over 17 years' experience in the pharmaceutical industry. During this time, she has managed pharmaceutical and chemical plants at Taro pharmaceutical industries Ltd as Operation Group Vice president and in Teva Pharmaceutical industries Ltd as Kfar-Saba OSD plant manager. Dr. Ariely-Portnoy managed Teva's largest plant worldwide (9 billion tablets per annum and more than $2B revenues). During her career, she led more than 50 inspections by the US FDA, EMEA, Israeli MOH, and others. Dr. Ariely-Portnoy spearheaded the construction of a 200,000 sq ft pharmaceutical plant, several chemical plants and bio-warehouses, as well as many significant plant expansions for manufacturers of semisolids, liquids and oral solid dosage forms. Between the years 2003-2006, Dr. Ariely-Portnoy was the president of the Israel chapter of the PDA (Parenteral Drug Association). For the last 5 years, Dr. Ariely-Portnoy manages Gsap, a company which consults pharmaceutical, medical device and biotechnology companies in several major fields, including innovative product development, regulation, establishing quality systems and validation services. Dr. Ariely-Portnoy received her B.Sc., M.Sc., and D.Sc. from the Technion Institute of Technology in Haifa, Israel, in the fields of Chemical Engineering and Biomedical Engineering.

Company Overview –

CANNABICS PHARMACEUTICALS, INC. is based in Bethesda, Maryland, and is dedicated to the development and licensing of advanced and sophisticated cannabinoid-based treatments and therapies. The Company's main focus is development and marketing of various new and innovative therapies and biotechnological tools aimed at providing relief from diverse ailments that respond to active ingredients sourced from the cannabis plant. These advanced tools include innovative delivery systems for cannabinoids, personalized medicine therapies and procedures based on cannabis originated compounds and bioinformatics tools.

The parent Company Cannabics Inc was founded by a group of Israeli researchers from the fields of cancer research, pharmacology and molecular biology. Its current flagship Intellectual Property is named "CANNABICS SR", a proprietary formulation to create a long acting medical cannabis capsule that was shown in observational studies in Israel to provide 10-12 hours of beneficial therapeutic effects and indicated initially as a palliative care therapy for cancer patients. This proprietary delivery method enables a convenient once per day dosing regimen of medical cannabis to patients.

The Company has a dedicated team of scientists that are working constantly on creating new technologies of medical cannabis care for patients in diverse indications. The company's Research is located in Israel which has allowed for the use of medical cannabis since the 1990s, and has a favorable regulatory attitude towards the conducting of Cannabis based clinical studies in Israeli hospitals – in contrast to the legal situation in the United States where clinical research on medical cannabis is still illegal. This structure is an extraordinary corporate advantage, and markedly separates the company from similarly minded companies.

The number of people licensed to receive medical cannabis treatment in Israel numbers around 20,000 - in comparison to over 1,000,000 in the whole of the United States. Therefore, while the Israeli market potential is regarded as limited, the ability to perform clinical studies and use the Israeli market as an "advanced medical Cannabis R&D lab" is proving to be highly advantageous.

Most importantly, while the U.S. FDA has yet to approve even basic private research relating to cannabis, the regulatory environment is quite different in Israel. Within the Israeli Ministry of Health, there is a stand-alone agency, the Israeli Medical Cannabis Agency, (IMCA), which on October 26th, 2014, granted Cannabics Pharmaceuticals an exclusive government license to launch their advanced scientific R&D program at their new state of the art laboratory for controlled Cannabinoid Research in Caesarea, Israel.

Through the large body of research that is conducted by its scientists and affiliated partners, the Company has been able to gain in-depth knowledge of the various therapeutic effects of diverse cannabis strains and identify patterns of cannabinoid ratios that are useful in treating various indications. The Company is currently in the midst of several collaborative programs with several leading academic research and medical centers in Israel and Europe in order to further establish the beneficial therapeutic effects of its proprietary Intellectual Property, and to refine its development of novel treatments for debilitating ailments.

CANNABICS SR technology

While the medicinal effects of certain cannabinoids are well known to physicians, it is common knowledge that smoking is hazardous to health, due to the formation of inhaled carcinogenic compounds in the combustion process and deposit of tar and other damaging residues in the lung tissue. Many physicians are perfectly aware of the beneficial therapeutic properties of medical cannabis, however they refrain from recommending or prescribing it to patients knowing that smoking the raw flowers is still the most common and available administration route. Suggesting smoking for a child with Dravet Syndrome or a grandmother going through cancer treatment makes little sense. Hence the availability of an oral, standardized, reliable and clinically tested administration route of medical cannabis – no different from the administration route of most medications consumed by patients today - would dramatically improve the availability of medical cannabis therapy to patients in need.

Standardization and reproducibility

Most practicing physicians are aware of the increasing market availability of cannabis edible products such as cannabis cookies, chocolates and chewing gums. However, these products have so far totally failed in gaining credibility in the eyes of the medical community due to a severe lack in standardization and reproducibility. Laboratory tests of cannabinoid concentrations in currently available edible products have demonstrated severe variability in the potency of those products, due to non-uniformity of manufacturing procedures in the kitchens that produce them. In addition, the bioavailability levels (the amount of active ingredients that ultimately reach the blood stream after ingestion) of these products is also highly variable due to the lack of a standardized and efficient formulation. As a result, it is very common to either over-dose or under-dose when using such cannabis edibles as a therapeutic means, a fact which rightly prevents most physicians from recommending these medically un-tested products. Therefore, a substantial unmet need of the medical cannabis market is a standardized and reproducible product, which is based on a sophisticated and advanced formulation that provides a high and predictable bioavailability level of the cannabis active ingredients to patients.

Long lasting and stable effect profile

An additional substantial drawback of most currently available administration routes of medical cannabis is the short lasting effect profile that they offer, with a typical 3-4 hour effect for smoking, vaporizing and sublingual administration, and a typical 6-7 hour effect for unformulated edible products. As a result, the patient has to re-dose several times throughout the day, and suffers from inconsistent and rapidly variable levels of therapeutic effects. Many patients and physicians report that this is one of the main limitations to the efficacy of currently available medical cannabis therapies, and a major cause for a sub-optimal treatment. Therefore, a substantial unmet need in the medical cannabis field is a long acting product that will provide a steady state level of therapeutic effects for at least 10 hours, and can thus allow a whole day of beneficial response within the therapeutic window upon a once-per-day dosing regimen.

Cannabics Pharmaceuticals Inc. has developed its proprietary “CANNABICS SR” long acting formulation in order to address these specific unmet needs of medical cannabis needs described above. This sophisticated and advanced formulation is the core technology embedded in CANNABICS SR. Our technology allows for standardized and long acting medical cannabis dosage, designed for specific and various indications. The proprietary formulation ensures the patient experiences a constant, steady state level of beneficial effects within the therapeutic window for up to a 10 – 12 hour span. The unique long acting formulation allows for once-per-day dosing regimen that provides the desired therapeutic effects of medical cannabis throughout the day. Thus, our technology enables a safe, effective and reproducible administration method and fulfils the unmet needs of both patients and physicians.

The Cannabics SR technology perfectly solves one of the major concerns of medical cannabis patients, which is the initial high peak of active cannabinoids concentration in the plasma soon after administration. This high peak is a common feature of immediate release cannabis administration methods, and can cause undesirable side effects such as disorientation and dizziness. The unique pharmacokinetic profile of our technology helps to avoid this undesired result. The CANNABICS technology assumes only natural pure extracts of active cannabinoids from specifically selected strains of medical cannabis, that are carefully chosen to serve the unique needs of patients suffering from specific indications. There are no synthetic compounds involved. The CANNABICS technology is pre-designed to fit the currently existing medical cannabis regulations in Israel, Europe and certain US States which are licensed as a "Medical Marijuana Infused Products Manufacturer" (§12-43.3-404 CRS). The ingredients used in the proprietary CANNABICS SR formulation are all certified food grade ingredients (recognized by the FDA as "G.R.A.S." – Generally Regarded as Safe) and the formulation is free of any artificial additives or chemical substances. Thus the CANNABICS SR technology is fully compliant with the current cannabis infused edible product regulatory definition, which is in fact very similar to a regular food supplement regulatory definition.

As a result, CANNABICS technology is exempt from long and arduous pharmaceutical development processes and does not require additional regulatory approval beyond the standard "Medical Marijuana Infused Products Manufacturer" license from a licensee (the "manufacturer") in order to reach the market. This unique position distinguishes CANNABICS SR technology from other options currently available in the market. On the one hand, the technology proffers a fully standardized and reproducible product that has compliance for GMP manufacturing standards just as one would expect from any pharmaceutical product; and on the other hand it is pre-designed to allow for use of this technology without long, arduous and extremely expensive regulation processes that are typical in the pharmaceutical industry.

In order to establish the goal of true standardization and reproducibility and to indeed rank as one of the leading medical cannabis technologies in the market, Cannabics Pharmaceuticals, Inc. has achieved Good Manufacturing Practices (GMP) capabilities. GMP regulations are designed to ensure that products are produced and controlled according to the highest industry quality standards. Adhering to these practices ranks Cannabics among a very limited number of medical cannabis technologies available in the market that are capable of being manufactured according to GMP standards. An additional goal of the company is to be one of the first and few companies in the world to commercialize its clinically tested cannabis-based technology. In furtherance of this goal, Cannabics Inc. has now undertaken a series of clinical studies in renowned medical centers in Israel where the R&D division is strategically located. Achievement of GMP manufacturing capabilities is an important pre-requisite for the initiation of these clinical studies. The efficacy and safety data collected in these formal clinical studies, together with the superior pharmacokinetic profile of the Cannabics SR formulation, will be the key advantage of Cannabics in the medical cannabis arena.

Cannabics Pharmaceuticals Inc. has now initiated its technology through a strategic partner in the state of Colorado and EU markets under existing medical cannabis regulatory pathways, while simultaneously preparing to launch a series of formal clinical studies in order to establish the unique medical benefits of its technologies for patients suffering from various indications.

The company's business model is solely based on technology development and IP out-licensing to licensed and certified producers for marketing. The Company's technologies are licensed to a strategic partner in compliance with each country's and/or US state's statutory regulations and exclusively to licensed and authorized medical cannabis local licensees that have adequate production and marketing capabilities. Within the US, Cannabics Pharmaceuticals Inc. itself *does not* manufacture, distribute, dispense or possess any controlled substances, including cannabis or cannabis based preparations, it merely licenses its IP. Within Israel, Europe and other territories outside the US, Cannabics Pharmaceuticals Inc. may employ a different business model through gaining adequate licenses under the appropriate regulations in each territory, all in full compliance with local rules and regulations in each country. Cannabics Pharmaceuticals Inc. is purely a Bio-Technology Pharmaceutical company which licenses use of its Intellectual Property, it does not itself produce or provide any product in any location.

Intellectual Property

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

On May 27 th , 2015 the Company filed a Patent with the USPTO entitled " *A Method of in Vitro High Throughput Screening of Cancer Biopsies with Cannabinoid Extracts* ". In essence this patent takes the next step from the cancer cell knowledge already obtained from cell lines in the Technion Laboratory and extends it to a system of analyzing cancer cells taken from patient biopsies, and then testing them against a multitude of cannabinoid combinations for anti-tumor activity via the High Throughput Screening process. This patent formally begins the next phase of the Company, which is Personalized Medicine (PM). We have developed an automated high-throughput method for the screening of different types of cancer cells or biopsies treated with a multitude of cannabis extracts. These natural extracts could also be tested in conjunction with already approved and common synthetic drugs for patients that undergo chemotherapy for the most personally tailored therapy. This multilayer method is producing a large-scale database that will capture the knowledge gained as to the unique effects of different combinations of cannabinoid compounds on diverse malignancies. Coextensive with the development of the automated high-throughput system, we are also developing proprietary and novel compounds targeting diverse and specific types of tumors.

On October 7 th , 2015, the Company executed an Intellectual Property & Subsidiary Assignment and an Assignment & Assumption of Debt & Liabilities Agreement with Cannabics, Inc., a Delaware Corporation, related party, and majority holder of the Issuer. Said Agreements were executed as part of a restructuring of the Company, whereby the Research and Development components were at that time made separate from the Issuer's continuing business operations. As per these Agreements, the Intellectual Property referenced above was assigned to Cannabics Inc.

Competitive Factors

The Pharmaceutical industry is highly competitive and we will be competing with many other and better financed companies.

We are an early stage pharmaceutical company, with no current positive cash flow. We compete with other early stage bio-tech and pharmaceutical companies for financing from a limited number of investors that are prepared to make investments in early stage development companies. The presence of competing early stage pharmaceutical companies may impact on our ability to raise additional capital in order to fund our research and development if investors are of the view that investments in competitors are more attractive based on their subjective analysis of our company, the general market conditions and the price of the investment offered to investors.

Regulations

Cannabics Pharmaceuticals Inc. is purely a Bio-Technology Pharmaceutical company which licenses use of its Intellectual Property, it does not produce, manufacture or provide any product in any location. We are duly licensed by the Israeli Health Ministry for our research in Israel. Beyond the Israeli Health Ministry (by whom we are licensed), we are not under the aegis of any Federal or State regulatory scheme as we have no manufacturing activity. Any licensee whom we engage must be duly licensed and certified according to all pertinent local government regulations.

It is imperative for the reader of this report to recognize that the company itself does not manufacture, distribute, or dispense any controlled substances, including cannabis, rather it develops proprietary technologies that are then licensed for use by certified and governmentally approved manufacturers. However, as is well known, US Federal regulations continue to consider Cannabis a schedule 1 drug, meaning that it has no currently accepted medical use in treatment, and thus illegal under Federal US laws. As such, the company could be deemed to be at variance with the Federal Controlled Substances Act.

Employees

As of August 31, 2015, the Company had 2 employees, one of which was our Director Eyal Ballan, who, along with our administrative assistant were given monthly salaries. We do not presently have pension, health, annuity, insurance, stock options, profit sharing or similar benefit plans; however, we may adopt such plans in the future.

Item 1A. Risk Factors

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

Item 1B. Unresolved Staff Comments

The Company is currently resolving the definition of certain regulatory terminology with the staff of Corporate Finance.

Item 2. Properties

Our executive offices are located in Bethesda, Maryland and are sufficient for the time being. These offices are let to us by our attorney free of charge.

Item 3. Legal Proceedings

There are no pending legal proceedings to which the Company is a party or in which any director, officer or affiliate of the Company, any owner of record or beneficially of more than 5% of any class of voting securities of the Company, or security holder is a party adverse to the Company or has a material interest adverse to the Company.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market For Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information.

We have one class of securities, Common Voting Equity Shares ("Common Stock"). The holders of our common stock have equal ratable rights to dividends from funds legally available if and when declared by our Board of Directors and are entitled to share pro-rata in all of our available assets for distribution to holders of common stock upon liquidation, dissolution or winding up of our affairs; there are no preemptive, subscription or conversion rights and there are no redemption or sinking fund provisions or rights.

Our common stock is quoted on the NASDAQ OTC Bulletin Board ("OTCBB") under the symbol "CNBX". As of December 11 th , 2015, the Company's common stock was held by 53 shareholders of record, which does not include shares that are held in street or nominee name.

The closing share prices presented below represent prices between broker-dealers and do not include retail mark-ups and mark-downs or any commission to the dealer.

QUARTER ENDED	HIGH		LOW	
August 31, 2015	$	0.20	$	0.15
May 31, 2015	$	0.27	$	0.18
February 28, 2015	$	0.30	$	0.18
November 30, 2014	$	0.49	$	0.23
August 31, 2014	$	1.18	$	0.20

Shareholders

Our shares of common stock are issued in registered form. The registrar and transfer agent for our shares of common stock is ClearTrust LLC, 16540 Pointe Village Dr. Suite 210, Lutz, FL 33558; (813) 235-4490.

On December 15 th , 2015, the shareholders' list of our shares of common stock showed 54 registered holders of our shares of common stock and 102,153,333 shares of common stock outstanding. The number of record holders was determined from the records of our transfer agent and does not include beneficial owners of shares of common stock whose shares are held in the names of various security brokers, dealers, and registered clearing agencies.

Dividend Policy

Our board of directors may declare and pay dividends on outstanding shares of common stock out of funds legally available there for in our sole discretion; however, to date no dividends have been declared or paid on common stock.

Indemnification of Directors and Officers

Nevada Corporation Law allows for the indemnification of officers, directors, and any corporate agents in terms sufficiently broad to indemnify such persons under certain circumstances for liabilities, including reimbursement for expenses, incurred arising under the 1933 Act. The Bylaws of the Company provide that the Company will indemnify its directors and officers to the fullest extent authorized or permitted by law and such right to indemnification will continue as to a person who has ceased to be a director or officer of the Company and will inure to the benefit of his or her heirs, executors and Consultants; provided, however, that, except for proceedings to enforce rights to indemnification, the Company will not be obligated to indemnify any director or officer in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized by the Board of Directors. The right to indemnification conferred will include the right to be paid by the Company the expenses (including attorney's fees) incurred in defending any such proceeding in advance of its final disposition.

The Company may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Company similar to those conferred to directors and officers of the Company. The rights to indemnification and to the advancement of expenses are subject to the requirements of the 1940 Act to the extent applicable.

Furthermore, the Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another company against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Nevada General Corporation Law.

Recent Sales of Unregistered Securities

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

These securities were not registered under the Securities Act of 1933, as amended (the “Securities Act”), but were issued in reliance upon the exemption from registration provided by Section 4(2) of the Securities Act as a transaction by an issuer not involving a public offering.

Penny Stock Regulation

Our shares must comply with the Penny Stock Reform Act of 1990, which may potentially decrease our shareholders’ ability to easily transfer their shares. Broker-dealer practices in connection with transactions in "penny stocks" are regulated. Penny stocks generally are equity securities with a price of less than $5.00. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document that provides information about penny stocks and the risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. In addition, the penny stock rules generally require that prior to a transaction in a penny stock, the broker-dealer make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for a stock that must comply with the penny stock rules. Since our shares must comply with such penny stock rules, our shareholders will in all likelihood find it more difficult to sell their securities.

Item 6. Selected Financial Data

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

THE FOLLOWING DISCUSSION SHOULD BE READ IN CONJUNCTION WITH OUR AUDITED FINANCIAL STATEMENTS AND THE RELATED NOTES THAT APPEAR ELSEWHERE IN THIS ANNUAL REPORT. THE FOLLOWING DISCUSSION CONTAINS FORWARD-LOOKING STATEMENTS THAT REFLECT OUR PLANS, ESTIMATES AND BELIEFS. OUR ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE DISCUSSED IN THE FORWARD LOOKING STATEMENTS. FACTORS THAT COULD CAUSE OR CONTRIBUTE TO SUCH DIFFERENCES INCLUDE THOSE DISCUSSED BELOW AND ELSEWHERE IN THIS ANNUAL REPORT.

FORWARD-LOOKING STATEMENTS

Certain statements made in this report may constitute "forward-looking statements on our current expectations and projections about future events". These forward-looking statements involve known or unknown risks, uncertainties and other factors that may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. In some cases you can identify forward-looking statements by terminology such as "may," "should," "potential," "continue," "expects," "anticipates," "intends," "plans," "believes," "estimates," and similar expressions. These statements are based on our current beliefs, expectations, and assumptions and are subject to a number of risks and uncertainties. Although we believe that the expectations reflected-in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. These forward-looking statements are made as of the date of this report, and we assume no obligation to update these forward-looking statements whether as a result of new information, future events, or otherwise, other than as required by law. In light of these assumptions, risks, and uncertainties, the forward-looking events discussed in this report might not occur and actual results and events may vary significantly from those discussed in the forward-looking statements.

Overview

The Company was incorporated in the State of Nevada, on September 15, 2004, as Thrust Energy Corp. On May 5, 2011, the Company changed its name to American Mining Company. Our principal offices are in Bethesda, Maryland. On May 21st, 2014 the Company changed its name to its current Cannabics Pharmaceuticals Inc.

The Company was originally engaged in the exploration, development and production of oil and gas projects within North America, but was unable to operate profitably. In May 2011, the Company suspended its oil and gas operations and changed its business to toll milling and refining and mine development. As of April 2014, the Company has changed its course of business to Biotechnology Pharmaceutical development. As such, the Company has divested itself of its former mining properties.

Financing

We will require additional financing to implement our business plan, which may include joint venture projects and debt or equity financings. The nature of this enterprise and lack of positive cash flow places debt financing beyond the credit-worthiness required by most banks or typical investors of corporate debt until such time as an economically viable profits and losses can be demonstrated. Therefore any debt financing of our activities may be costly and result in substantial dilution to our stockholders.

Future financing through equity investments is likely to be dilutive to existing stockholders. Also, the terms of securities we may issue in future capital transactions may be more favorable for our new investors. Newly issued securities may include preferences, superior voting rights, and the issuance of warrants or other derivative securities, which may have additional dilutive effects. Further, we may incur substantial costs in pursuing future capital and financing, including investment banking fees, legal fees, accounting fees, and other costs. We may also be required to recognize non-cash expenses in connection with certain securities we may issue, such as convertible notes and warrants, which will adversely impact our financial condition.

Our ability to obtain needed financing may be impaired by such factors as the capital markets, both generally and specifically in the bio-pharma industry, and the fact that we have not been profitable to date, which could impact the availability or cost of future financings. If the amount of capital we are able to raise from financing activities, together with our revenue from operations, is not sufficient to satisfy our capital needs, even to the extent that we reduce our operations accordingly, we may be required to cease operations.

There is no assurance that we will be able to obtain financing on terms satisfactory to us, or at all. We do not have any arrangements in place for any future financing. If we are unable to secure additional funding, we may cease or suspend operations. We have no plans, arrangements or contingencies in place in the event that we cease operations.

Results of Operations

Year ended August 31, 2015 compared to the year ended August 31, 2014

As of May 21, 2014, the Company has changed its course of business from toll milling and refining, mineral exploration and mine development to laboratory research and development. As such, all operations relating to toll milling and refining, mineral exploration and mine development were discontinued.

Revenues

The Company had no revenue for the years ended August 31, 2015 and 2014. In the year ended August 31 2014 the company has changed its course of business to laboratory research and development and Marketing activities.

Operating and Other Expenses

For the year ended August 31, 2015 our total operating expenses were $539,526 compared to $216,132 for the year ended August 31, 2014 resulting in an increase of $323,394. The increase is attributable mainly to increases in; research and development expenditures of $139,438, general and administrative expenses of $59,503 marketing expenses of $62,715, professional fees of $45,910 and legal fees of $45,796, and a reduction of $34,611 in consulting fees. The net loss for the year ended August 31, 2015 was $541,387 compared to $270,005 for the year ended August 31, 2014. During the year ended August 31, 2014, we incurred a loss from discontinued operations of $50,864.

Liquidity and Capital Resources

Overview

For the years ended August 31, 2015, as well as August 31, 2014, we funded our operations through sales of common stock and advances from our majority shareholder. Our principal use of funds during the year ended August 31, 2015 has been for normative corporate operating expenses and research relating to our proprietary materials.

Liquidity and Capital Resources during the year ended August 31, 2015 compared to the year ended August 31, 2014

As of August 31, 2015, we had cash of $25,229. The Company used cash in operations of $179,055 for the year ended August 31, 2015 compared to cash used in operations of $195,416 for the year ended August 31, 2014. The negative cash flow from operating activities for the year ended August 31, 2015 is primarily attributable to the Company's net loss from operations of $541,387, offset by depreciation of $1,304, stock issued for services of $83,123, and decrease in prepaid expenses of 13,715, funding from related party of 175,683 and increase of account payables and accrued liabilities of $88,507.

During the year ended August 31, 2015, the Company received $108,556 from the sale of common stock, compared to $252,980 in the year ended August 31, 2014, in which the Company received $102,980 from the sale of common stock and $150,000 in conjunction with an exclusivity and collaboration agreement.

At August 31, 2015, we had a cash balance of $25,229. We anticipate cash needs of approximately $300,000 to $350,000 to sustain our current level of operations. We will rely on sales of our common stock, payments from licensing agreements and advances from our majority shareholder, as needed, to fund our operations. Any such sales of equity or debt securities are not certain and may not occur.

On August 5 th , 2015 the Company issued a Private Placement Memorandum for the sale of up to 3,125,000 shares of our common stock at $0.125 per share. As of the date of this report, we have received paid subscriptions for a total of $50,000 minus issuance expenses.

Going Concern

Our independent auditors included an explanatory paragraph in their report on the accompanying consolidated financial statements regarding concerns about our ability to continue as a going concern. Our financial statements contain additional note disclosures describing the circumstances that lead to this disclosure by our independent auditors.

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

There is no assurance that our operations will be profitable. The Company has conducted private placements of its common stock, which have generated funds to satisfy the initial cash requirements of its planned Nevada exploration ventures. Our continued existence and plans for future growth depend on our ability to obtain the additional capital necessary to operate either through the generation of revenue or the issuance of additional debt or equity.

Off-Balance Sheet Arrangements

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

7A. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

Item 8. Financial Statements and Supplementary Data.

(fka MartinelliMick PLLC)
218 North Bernard
Spokane, WA 99201

To the Board of Directors and Shareholders
Cannabics Pharmaceuticals Inc.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have audited the accompanying consolidated balance sheets of Cannabics Pharmaceuticals Inc. as of August 31, 2015 and 2014 and the related consolidated statements of operations, stockholders' equity (deficit) and cash flows for the periods then ended. Cannabics Pharmaceuticals Inc.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cannabics Pharmaceuticals Inc. as of August 31, 2015 and 2014, and the results of its operations and its cash flows for the periods then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 1, the Company has incurred a net loss of $541,387 for the year ended August 31, 2015 and has incurred cumulative losses since inception of $1,279,138. This raises substantial doubt about the Company's ability to continue as a going concern. Management's plans regarding this matter are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Fruci & Associates II, PLLC

Fruci & Associates II, PLLC
Spokane, Washington
January 6, 2016

CANNABICS PHARMACEUTICALS INC.
Consolidated Balance Sheets

	August 31,	
	2015	**2014**
ASSETS		
Current assets:		
Cash and cash equivalents	$ 25,229	$ 98,768
Prepaid expenses	274	13,989
Total current assets	**25,503**	**112,757**
Equipment, net	**3,201**	**1,465**
Intangible assets	**–**	**–**
Total assets	**$ 28,704**	**$ 114,222**
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable and accrued liabilities	$ 113,847	$ 25,340
Due to a related party	224,483	48,800
Total current liabilities	**338,330**	**74,140**
Total liabilities	**338,330**	**74,140**
Commitments and contingencies	**–**	**–**
Stockholders' equity (deficit):		
Common stock, $.0001 par value, 900,000,000 shares authorized, 101,503,333 and 100,250,000 shares issued and outstanding at August 31, 2015 and 2014, respectively	10,150	10,025
Additional paid-in capital	959,362	767,808
Accumulated deficit	(1,279,138)	(737,751)
Total stockholders' equity (deficit)	**(309,626)**	**40,082**
Total liabilities and stockholders' equity (deficit)	**$ 28,704**	**$ 114,222**

See accompanying notes to consolidated financial statements.

CANNABICS PHARMACEUTICALS INC.
Consolidated Statements of Operations

	For the Year Ended August 31,	
	2015	**2014**
Operating expenses:		
General and administrative expenses	99,938	40,435
Professional and Consulting fees	166,014	154,715
Legal fees	61,296	15,500
Sales and marketing expenses	62,715	0
Research and development expenses	139,438	0
Transfer agent	5,795	4,425
Interest expenses and bank charges	3,026	971
Depreciation	1,304	86
Total operating expenses	**539,526**	**216,132**
Loss from operations	(539,526)	(216,132)
Other income (expense):		
Foreign exchange gain/(loss)	(1,861)	(3,009)
Total other income (expense)	**(1,861)**	**(3,009)**
Loss before income taxes	**(541,387)**	**(219,141)**
Provision for income taxes	–	–
Net loss from continuing operations	**(541,387)**	**(219,141)**
Net loss from discontinued operations	(0)	(50,864)
Net loss	**$ (541,387)**	**$ (270,005)**
Net loss per share - basic and diluted:		
Net loss from continuing operations	**$ (0.01)**	**$ (0.01)**
Net loss from discontinued operations	**$ –**	**$ (0.00)**
Net loss	**$ (0.01)**	**$ (0.01)**
Weighted average number of shares outstanding - Basic and Diluted	**100,706,876**	**51,632,445**

See accompanying notes to consolidated financial statements.

CANNABICS PHARMACEUTICALS INC.
Consolidated Statements of Cash Flows

	For the Year Ended August 31,	
	2015	**2014**
Cash flows from operating activities:		
Net loss	$ (541,387)	$ (270,005)
Adjustments to reconcile net loss to net cash used in operations:		
Depreciation	1,304	86
Stock issued for services	83,123	62,500
Mineral property impairment	–	30,000
Changes in operating assets and liabilities:		
Prepaid expenses	13,715	(13,989)
Accounts payable and accrued liabilities	88,507	(22,010)
Due to related party	175,683	18,002
Net cash used in operating activities	**(179,055)**	**(195,416)**
Cash flows from investing activities:		
Acquisition of mineral property	–	(30,000)
Acquisition of equipment	(3,040)	(1,551)
Net cash used in investing activities	**(3,040)**	**(31,551)**
Cash flows from financing activities:		
Proceeds from loans from shareholder	–	–
Proceeds received from exclusivity and collaboration agreement	–	150,000
Proceeds from sale of common stock	108,556	102,980
Net cash provided by financing activities	**108,556**	**252,980**
Net decrease in cash	(73,539)	26,013
Cash and cash equivalents at beginning of year	98,768	–
Cash and cash equivalents at end of year	**$ 25,229**	**$ 98,768**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ –	$ –
Cash paid for taxes	$ –	$ –
Non-cash compensation Due to related party services	$ (83,123)	$ 100,000
Common stock	$ 54	$ 4,000
Additional paid in capital	$ 83,069	$ 96,000

See accompanying notes to consolidated financial statements.

CANNABICS PHARMACEUTICALS INC.
Consolidated Statements of Stockholders' Equity (Deficit)
For the years ended August 31, 2015 and 2014

	Common stock				Additional paid in capital		Accumulated deficit		Total stockholders' equity (deficit)
	Shares		Amount						
Balance, August 31, 2013	**1,360,406**	**$**	**136**	**$**	**362,217**	**$**	**(467,746)**	**$**	**(105,393)**
Issuance of 40,400,000 shares of common stock for cash	40,400,000		4,040		98,940		–		102,980
Issuance of 40,000,000 shares of common stock in conversion of loan from shareholder	40,000,000		4,000		96,000		–		100,000
Issuance of 250,000 shares of common stock for services	250,000		25		62,475		–		62,500
Issuance of 18,239,594 shares of common stock and value of intangible asset acquired in conjunction with collaboration and exclusivity agreement	18,239,594		1,824		148,176		–		150,000
Net loss for the year ended August 31, 2014	–		–		–		(270,005)		(270,005)
Balance, August 31, 2014	**100,250,000**	**$**	**10,025**	**$**	**767,808**	**$**	**(737,751)**	**$**	**40,082**
Issuance of 313,333 shares of common stock for cash	313,333		31		78,302		–		78,333
Issuance of 70,000 shares of common stock for services	70,000		7		17,493		–		17,500
Issuance of 90,000 shares of common stock for services	90,000		9		17,991		–		18,000
Issuance of 400,000 shares of common stock and 1.6 million warrants for cash	400,000		40		30,183		–		30,223
Issuance of 80,000 shares of common stock for services	80,000		8		7,192				7,200
Issuance of 50,000 shares of common stock for services	50,000		5		9,995				10,000
Issuance of 30,000 shares of common stock for services	30,000		3		2,697				2,700
Issuance of 80,000 shares of common stock for services	80,000		8		7,192				7,200
Issuance of 100,000 shares of common stock for services	100,000		10		16,913				16,923
Issuance of 40,000 shares of common stock for services	40,000		4		3,596				3,600
Net loss for the year ended August 31, 2015	–		–		–		(541,387)		(541,387)
Balance, August 31,2015	**101,503,333**	**$**	**10,150**	**$**	**959,362**	**$**	**(1,279,138)**	**$**	**(309,626)**

See accompanying notes to consolidated financial statements.

CANNABICS PHARMACEUTICALS INC.
Notes to Consolidated Financial Statements
As of August 31, 2015

Note 1 – Nature of Business, Presentation and Going Concern

Organization

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

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

On April 25, 2014, the Company experienced a change in control. Cannabics, Inc. ("Cannabics") acquired a majority of the issued and outstanding common stock of the Company in accordance with stock purchase agreements by and between Cannabics and Thomas Mills ("Mills"). On the closing date, April 25, 2014, pursuant to the terms of the Stock Purchase Agreement, Cannabics purchased from Mills 41,000,000 shares of the Company's outstanding restricted common stock for $198,000, representing 51%.

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

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

Stock Split

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

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules and regulations of the Securities and Exchange Commission ("SEC").

Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred a net loss of $541,387 for the year ended August 31, 2015 and has incurred cumulative losses since inception of $1,279,138. These conditions raise substantial doubt about the ability of the Company to continue as a going concern.

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

Note 1 – Nature of Business, Presentation and Going Concern (Continued)

Going Concern (Continued)

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

Note 2 – Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates in the accompanying financial statements include the amortization period for intangible assets, impairment valuation of intangible assets, valuation of share-based payments and the valuation allowance on deferred tax assets.

Principles of Consolidation

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

Cash and Cash Equivalents

The Company considers all highly liquid temporary cash investments with an original maturity of three months or less to be cash equivalents. At August 31, 2015 and 2014, cash equivalents consisted of bank accounts held at financial institutions.

Concentration of Credit Risk

The Company places its cash and cash equivalents with high credit quality financial institutions. There is Federal Deposit Insurance on the Company's accounts.

Equipment, net

Equipment at August 31, 2015 consists of computer equipment and is recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation of property and equipment is computed by the straight-line method (after taking into account their respective estimated residual values) over the assets estimated useful lives of 3 years. Upon sale or retirement of property and equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in the consolidated statements of operations.

Depreciation expense was $1,304 for the year ended August 31, 2015.

Note 2 – Summary of Significant Accounting Policies (Continued)

Impairment or Disposal of Long-Lived Assets

The Company accounts for the impairment or disposal of long-lived assets according to the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 360 "Property, Plant and Equipment". ASC 360 clarifies the accounting for the impairment of long-lived assets and for long-lived assets to be disposed of, including the disposal of business segments and major lines of business. Long-lived assets are reviewed when facts and circumstances indicate that the carrying value of the asset may not be recoverable. When necessary, impaired assets are written down to estimated fair value based on the best information available. Estimated fair value is generally based on either appraised value or measured by discounting estimated future cash flows. Considerable management judgment is necessary to estimate discounted future cash flows. Accordingly, actual results could vary significantly from such estimates.

Fair Value of Financial Instruments

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of August 31, 2015 and 2014. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments.

The Company applied ASC 820 for all non-financial assets and liabilities measured at fair value on a non-recurring basis. The adoption of ASC 820 for non-financial assets and liabilities did not have a significant impact on the Company's financial statements.

Note 2 – Summary of Significant Accounting Policies (Continued)

Fair Value of Financial Instruments (Continued)

As of August 31, 2015 and 2014 the fair values of the Company's financial instruments approximate their historical carrying amount.

Stock Based Compensation

The Company accounts for Stock-Based Compensation under ASC 718 "Compensation – Stock Compensation", which addresses the accounting for transactions in which an entity exchanges its equity instruments for goods or services, with a primary focus on transactions in which an entity obtains employee services in share-based payment transactions. ASC 718-10 requires measurement of the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award. Incremental compensation costs arising from subsequent modifications of awards after the grant date must be recognized.

The Company accounts for stock-based compensation awards to non-employees in accordance with ASC 505-50, Equity-Based Payments to Non-Employees. Under ASC 505-50, the Company determines the fair value of the warrants or stock-based compensation awards granted as either the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. Any stock options or warrants issued to non-employees are recorded in expense and additional paid-in capital in shareholders' deficit over the applicable service periods using variable accounting through the vesting dates based on the fair value of the options or warrants at the end of each period.

The Company issues stock to consultants for various services. The costs for these transactions are measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. The value of the common stock is measured at the earlier of (i) the date at which a firm commitment for performance by the counterparty to earn the equity instruments is reached or (ii) the date at which the counterparty's performance is complete. The Company recognized consulting expense and a corresponding increase to additional paid-in-capital related to stock issued for services.

Mineral Property Payments and Exploration Costs

Mineral property acquisition costs are initially capitalized as tangible assets when purchased. The Company assesses the carrying costs for impairment when indicators of impairment exist. If proven and probable reserves are established for a property and it has been determined that a mineral property can be economically developed, costs will be amortized using the units-of-production method over the estimated life of the proven and probable reserve. Mineral property exploration and development costs are expensed as incurred until the establishment of economically viable reserves.

Income Taxes

Income taxes are accounted for under the liability method of accounting for income taxes. Under the liability method, future tax liabilities and assets are recognized for the estimated future tax consequences attributable to differences between the amounts reported in the financial statement carrying amounts of assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantially enacted income tax rates expected to apply when the asset is realized or the liability settled. The effect of a change in income tax rates on future income tax liabilities and assets is recognized in income in the period that the change occurs. Future income tax assets are recognized to the extent that they are considered more likely than not to be realized.

The FASB has issued ASC 740 "Income Taxes". ASC 740 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. This standard requires a company to determine whether it is more likely than not that a tax position will be sustained upon examination based upon the technical merits of the position.

Note 2 – Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

If the more-likely-than-not threshold is met, a company must measure the tax position to determine the amount to recognize in the financial statements.

As a result of the implementation of this standard, the Company performed a review of its material tax positions in accordance with recognition and measurement standards established by ASC 740 and concluded that the tax position of the Company has not met the more-likely-than-not threshold as of August 31, 2015.

Comprehensive Income

The Company adopted ASC 220, *Comprehensive Income* which establishes standards for reporting and display of comprehensive income, its components and accumulated balances. The Company is disclosing this information on its Statement of Stockholders' Equity. Comprehensive income comprises equity except those resulting from investments by owners and distributions to owners. The Company has no elements of “other comprehensive income” for the years ended August 31, 2015 and 2014.

Basic and Diluted Loss per Share

The Company computes income (loss) per share in accordance with ASC 260, "Earnings per Share", which requires presentation of both basic and diluted earnings per share (“EPS”) on the face of the statement of operations. Basic EPS is computed by dividing income (loss) available to common shareholders by the weighted average number of shares outstanding during the period. Diluted EPS gives effect to all dilutive potential shares of common stock outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. As of August 31, 2015 and 2014, there were no potentially dilutive shares outstanding.

Segment Information

In accordance with the provisions of ASC 280-10, “Disclosures about Segments of an Enterprise and Related Information”, the Company is required to report financial and descriptive information about its reportable operating segments. The Company does not consider itself to have any operating segments as of August 31, 2015 and 2014.

Reclassification

Certain amounts in the prior period financial statements have been reclassified to conform to the current period presentation.

Note 3 – Recent Accounting Pronouncements

In February 2015, the Financial Accounting Standards Board (the “FASB”) issued Accounting Standards Update (“ASU”) 2015-02, “Consolidation (Topic 810): Amendments to the Consolidation Analysis”, which provides guidance in evaluating entities for inclusion in consolidations. ASU 2015-02 is effective for fiscal years beginning after December 15, 2015. The Company does not believe the adoption of ASU 2015-02 will have a material effect on its consolidated financial statements.

In June 2014, the FASB issued Accounting Standards Update (“ASU”) No. 2014-10 (“ASU 2014-10”), *Development Stage Entities (Topic 915), Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation.* The objective of the amendments in this Update is to improve financial reporting by reducing the cost and complexity associated with incremental reporting requirements for development stage entities. The amendments in this Update also eliminate an exception provided to development stage entities in Topic 810, Consolidation, for determining whether an entity is a variable interest entity on the basis of the amount of investment equity at risk. The amendments related to the elimination of inception-to-date information and the other remaining disclosure requirements of Topic 915 should be applied retrospectively except for the clarification to Topic 275, which shall be applied prospectively. These amendments are effective for annual reporting periods beginning after December 15, 2014, and interim periods therein.

The amendment eliminating the exception to the sufficiency-of-equity-at-risk criterion for development stage entities in paragraph 810-10-15-16 should be applied retrospectively for annual reporting periods beginning after December 15, 2015 and interim periods therein. Early application of each of the amendments is permitted for any annual reporting period or interim period for which the entity's financial statements have not yet been issued. The Company has adopted ASU 2014-10 in the fourth quarter of 2014 and does not expect this adoption to have a material impact on its consolidated financial condition, results of operations or cash flows.

In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements-Going Concern (Subtopic 205-40), Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern.* The objective of the amendments in this Update is to provide guidance on determining when and how to disclose going-concern uncertainties in the financial statements. The new standard requires management to perform interim and annual assessments of an entity's ability to continue as a going concern within one year of the date the financial statements are issued. An entity must provide certain disclosures if "conditions or events raise substantial doubt about the entity's ability to continue as a going concern." The ASU applies to all entities and is effective for annual periods ending after December 15, 2016, and interim periods thereafter, with early adoption permitted. The Company is evaluating the impact of ASU 2014-15 on its consolidated financial condition, results of operations and cash flows.

In September 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2015-16 (ASU 2015-16) "Simplifying the Accounting for Measurement Period Adjustments". ASU 2015-16 require that an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. The amendments in ASU 2015-16 require that the acquirer record, in the same period's financial statements, the effect on earnings of changes in depreciation, amortization, or other income effects, if any, as a result of the change to the provisional amounts, calculated as if the accounting had been completed at the acquisition date. The amendments in ASU 2015-16 require an entity to present separately on the face of the income statement or disclose in the notes the portion of the amount recorded in current-period earnings by line item that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. For public business entities, the amendments in ASU 2015-16 are effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The amendments in ASU 2015-16 should be applied prospectively to adjustments to provisional amounts that occur after the effective date of this update with earlier application permitted for financial statements that have not been issued. For all other entities, the amendments in ASU 2015-16 are effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. The amendments in ASU 2015-16 should be applied prospectively to adjustments to provisional amounts that occur after the effective date of this update with earlier application permitted for financial statements that have not yet been made available for issuance.

Note 4 – Discontinued Operations

On April 25, 2014, the Company experienced a change in control. As of May 21, 2014, the Company has changed its course of business from toll milling and refining, mineral exploration and mine development to laboratory research and development. As such, all operations relating to toll milling and refining, mineral exploration and mine development were discontinued. No expenses were incurred during the year ended August 31, 2015 in conjunction with the discontinued operations. Expenses incurred in conjunction with the discontinued operation were $50,864 for the year ended August 31, 2014, consisting of $30,000 of mineral property licenses, $20,000 of consulting expenses for the acquisition of mineral properties, and $864 of claim staking expenses.

Note 5 – Intangible Assets

On July 24, 2014, the Company executed a Collaboration Agreement with Cannabics, Inc. ("Cannabics"), a Delaware corporation and largest shareholder of the Company. Per the terms of the Agreement, the Company has issued 18,239,594 shares of its common stock to acquire the entire institutional knowledge of Cannabics, Inc., which primarily consists of the human Brain Trust in its team of experts, the cumulative result of their years of scientific knowledge in the fields of Molecular Biology, Cancer and Pharmacology research.

As of May, 2014, the primary business of the Company has been the development and marketing of biotechnology therapies, as such the Company did not maintain its claims for said Newfoundland property, which expired on April 4th, 2015.

Note 6 – Related Party Transactions

On June 24, 2013, the Company accepted a subscription for 40,000,000 shares of its common stock at a purchase price of $0.0025 per share for total cash consideration of $100,000 from Ophion Management Ltd. ("Ophion"), a Canadian corporation controlled by Thomas Mills, who was at the time the controlling shareholder of the Company. On June 28, 2013, the subscription was rescinded by mutual consent and a promissory note for the principal amount of $100,000 (the "Promissory Note") was issued by the Company to Ophion. The Promissory Note was due on demand and accrued simple interest at the rate of 20% per year from June 20, 2013. The Promissory Note was assigned to Mr. Mills on October 7, 2013.

On October 24, 2013, the Company entered into a debt restructuring agreement with Mr. Mills, whereby he agreed to surrender the Promissory Note for cancellation. In exchange for the Promissory Note, the Company agreed to issue a convertible promissory note with a fixed maturity date of December 31, 2013 (the "Convertible Note"). The Convertible Note, accrued simple interest at the rate of 20% per annum from June 20, 2013, and was convertible at any time by the holder of the Convertible Note into shares of the Company's common stock at the rate of one share for each $0.0025 of indebtedness secured by the Convertible Note. On October 28, 2013, the Promissory Note was cancelled and the Convertible Note was issued.

On November 20, 2013, the Convertible Note was rescinded by agreement and a subscription by Mr. Mills for 40,000,000 shares of the Company's common stock at $0.0025 per share was accepted by the Company.

During the year ended August 31, 2015, the Company paid a total of $44,500 consulting fees and salary to one of its directors.

During the year ended August 31, 2015, Cannabics advanced $175,683 to the Company for working capital purposes resulting in a balance outstanding at August 31, 2015 of $224,483. The advance is due on demand and bears no interest.

Note 7 – Commitments and Contingencies

Operating Leases

The Company executed a two-year lease beginning on December 1, 2014 for office and lab space for approximately $2,600 per month. On March 1 st , 2015 the company terminated this lease agreement and as of August 31, 2015, the total amount due is $7,500. Rent expense for the twelve months ended August 31, 2015 was $14,938.

Note 8 – Stockholders' Equity (Deficit)

Authorized Shares

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

Common Stock

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

On July 24, 2014, the Company executed a Collaboration Agreement with Cannabics, Inc. ("Cannabics"), a Delaware corporation and largest shareholder of the Company. Per the terms of the Agreement, the Company has issued 18,239,594 shares of its common stock to acquire the entire institutional knowledge of Cannabics, Inc. and cash received $150,000.

During the year ended August 31, 2015, the Company issued 713,333 shares of its common stock to 2 investors for cash of $128,333.25, or an average of $0.18 per share. 313,333 were issued to one investor in September and November 2014 and 400,000 were issued to the second investor in August 2015. This 400,000 issuance included 1.6 million warrants.

During the year ended August 31, 2015, the Company issued 540,000 shares of its common stock to 8 consultants for services rendered at a fair value of $83,123, or an average of $0.16 per share.

Note 9 – Warrants

As part of the Company's private placements and equity received as described in note 8 the Company issued warrants, as follows:

1. In August 2015, the Company issued 1,600,000 non-transferable Common Stock warrants to an investor. Each Common Stock warrant ("December Warrants") can be exercised into one share at an exercise price of $0.20 per warrant and is exercisable until August 10, 2016 issuance price.

The fair value of each of the warrants described above is determined by using a black and Scholes type model based on a risk neutral approach. Accordingly the fair value for the warrants issued were as of August 31 st 2015 $18,547.

As of December 30, 2015, these are the assumptions which were used for the model:

PV of exercise Share price	$0.198
Expected Volatility	100%
Risk Free Interest Rate	0.721%
Expected Term (years)	1.0
Expected Dividend Yield	0%

Number of warrants issued 1,600,000.

Exercise price $0.20 per share.

Expiration date August 10, 2016.

Number of warrants outstanding 1,600,000.

Note 10 – Income Taxes

No provision for income tax was made for the period from September 15, 2004 (Inception) to August 31, 2015 as the Company had cumulative operating losses. For the years ended August 31, 2015 and 2014, the Company incurred net losses for tax purposes of approximately $540,000 and $270,000, respectively.

The income tax expense (benefit) differs from the amount computed by applying the United States Statutory corporate income tax rate as follows:

	For the Year Ended August 31,	
	2015	**2014**
United States statutory corporate income tax rate	34.0%	34.0%
Change in valuation allowance on deferred tax assets	-34.0%	-34.0%
Provision for income tax	-%	-%

Deferred income taxes reflect the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The components of the net deferred income tax assets are approximately as follows:

	August 31,	
	2015	**2014**
Deferred income tax assets:		
Net operating loss carry forwards benefit	$ 434,680	$ 250,840
Valuation allowance	(434,680)	(250,840)
Net deferred income tax assets	$ –	$ –

The amount taken into income as deferred income tax assets must reflect that portion of the income tax loss carry forwards that is more likely than not to be realized from future operations. The Company has established a full valuation allowance on its net deferred tax assets because of a lack of sufficient positive evidence to support its realization. The valuation allowance increased by $183,840 and $87,140 for the years ended August 31, 2015 and 2014, respectively.

No provision for income taxes has been provided in these financial statements due to the net loss for the years ended August 31, 2015 and 2014. At August 31, 2015, the Company has net operating loss carry forwards of approximately $1,278,,000, which expire commencing 2024. The potential tax benefit of these losses may be limited due to certain change in ownership provisions under Section 382 of the Internal Revenue Code (“IRS”) and similar state provisions.

IRS Section 382 places limitations (the “Section 382 Limitation”) on the amount of taxable income which can be offset by net operating loss carry forwards after a change in control (generally greater than 50% change in ownership) of a loss corporation. Generally, after a change in control, a loss corporation cannot deduct operating loss carry forwards in excess of the Section 382 Limitation. Due to these “change in ownership” provisions, utilization of the net operating loss and tax credit carry forwards may be subject to an annual limitation regarding their utilization against taxable income in future periods. The Company has not concluded its analysis of Section 382 through August 31, 2015, but believes the provisions will not limit the availability of losses to offset future income.

The Company is subject to income taxes in the U.S. federal jurisdiction and is subject to examination for a period of three years for current filings and indefinitely for any delinquent filings. The tax regulations within each jurisdiction are subject to interpretation of related tax laws and regulations and require significant judgment to apply. The Company filed the 2014 federal tax return.. The Company estimates that the amount of penalties, if any, will not have a material effect on the results of operations, cash flows or financial position. No provisions have been made in the financial statements for such penalties, if any.

Note 11 – Subsequent Events

On October 7th, 2015, the Company executed an Intellectual Property & Subsidiary Assignment and an Assignment & Assumption of Debt & Liabilities Agreement with Cannabics, Inc., a Delaware Corporation, related party, and majority holder of the Issuer. Said Agreements were executed as part of a restructuring of the Company, whereby the Research and Development components were at that time made separate from the Issuer's continuing business operations.

Per the Agreements, Cannabics, Inc. has assumed $362,000 of the Issuer's debts and liabilities in return for Assignment of a provisional patent related to High Throughput Screening and the Issuer's subsidiary "Grin Ultra, Ltd.". The Company believes that by eradicating significant current debts and liabilities from the Issuer along with this new this division of labor in corporate structure, it is better enabled to focus its energies on current licensing opportunities and agreements already in place, particularly in its world-wide licensing of Cannabics SR capsule technology.

On October 13th, 2015, the Company filed an 8K per Item 4.02 Non-Reliance On Previously Issued Financial Statements. This was due to the Company's determination to change the accounting methodology from fair value to a cost accounting basis to more accurately quantify the book value of the intangible asset brought into the Company by Cannabics Inc. per their July 24th, 2014 Agreement. .

On October 23rd, 2015 the Company filed its Amended form 10-K for the year ending August 31st, 2014 to reclassify its change of accounting methodology from fair value to a cost accounting basis to more accurately quantify the book value of the intangible asset brought into the Company by Cannabics Inc. and thereby remedy the Item 4.02 Non-Reliance filed on October 13th, 2015. See Note .

On November 17th, 2015, the Company filed its Amended forms 10-Q for all three quarters subsequent to the 10-K mentioned *supra* , reclassifying its change of accounting methodology from fair value to a cost accounting basis to more accurately quantify the book value of the intangible asset brought into the Company by Cannabics Inc. and thereby remedy the Item 4.02 Non-Reliance filed on October 13th, 2015.

In October 2015 the company issued additional 650,000 share to 3 consultants.

The Company has evaluated subsequent events through the date the financial statements were issued and filed with the Securities and Exchange Commission. The Company has determined that there are no other such events that warrant disclosure or recognition in the financial statements.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9a. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this Annual Report, an evaluation was carried out by Cannabics Pharmaceuticals Inc.'s management, with the participation of the Chief Executive Officer and the Chief Financial Officer , of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")) as of August 31, 2015. Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, the Company's management concluded, as of the end of the period covered by this report, that the Company's disclosure controls and procedures were not effective.

Management's Report on Internal Control Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and Rule 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, the Company's principal executive and principal financial officers, or persons performing similar functions, and effected by the Company's Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the Company's assets;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and the Board of Directors; and

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

The Company's management conducted an assessment of the effectiveness of the Company's internal control over financial reporting as of August 31, 2015, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). As a result of this assessment, management identified material weaknesses in internal control over financial reporting.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

The material weaknesses identified are described below.

Procedures for Control Evaluation. Management has not established with appropriate rigor the procedures for evaluating internal controls over financial reporting. Due to limited resources and lack of segregation of duties, documentation of the limited control structure has not been accomplished.

Lack of Audit Committee. To date, the Company has not established an Audit Committee. It is management's view that such a committee, including a financial expert, is an utmost important entity level control over the financial reporting process.

Insufficient Documentation of Review Procedures We employ policies and procedures for reconciliation of the financial statements and note disclosures, however, these processes are not appropriately documented. The Company has only one individual responsible for the preparation of the financial records.

Insufficient Information Technology Procedures. Management has not established methodical and consistent data back-up procedures to ensure loss of data will not occur.

As a result of the material weaknesses in internal control over financial reporting described above, the Company's management has concluded that, as of August 31, 2015, the Company's internal control over financial reporting was not effective based on the criteria in Internal Control – Integrated Framework issued by COSO.

This Annual Report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. We were not required to have, nor have we, engaged our independent registered public accounting firm to perform an audit of internal control over financial reporting pursuant to the rules of the Securities and Exchange Commission that permit us to provide only management's report in this Annual Report.

Changes in Internal Control Over Financial Reporting

As of the end of the period covered by this report, there have been no changes in internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the year ended August 31, 2015,that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART III

Item 10. Directors, Executive Officers, Promoters and Control Persons; Compliance With Section 16(A) of the Exchange Act

The following individuals serves as Directors and Executive Officers of the Company as of the date of this Annual Report. Directors of the Company hold office until the next annual meeting of our shareholders or until their successors have been elected and qualified. Executive officers of the Company are appointed by our board of directors and hold office until their death, resignation or removal from office.

Name	Position	Age	Held Position Since
Dr. Eyal Ballan	Director, CTO	42	April 29, 2014
Itamar Borochov	Director, CEO	57	April 29, 2014
Shay Avraham Sarid	Director	44	January 23, 2015
Dov Weinberg	CFO	63	March, 15, 2015

Dr. Eyal Ballan, 42, is a co-founder of Cannabics Inc. and is its CTO. Dr. Ballan holds a Ph.D. in Neurophysiology, EEG, Brain Wave Analysis and Cortical Connectivity. After obtaining his Ph.D. he was an entrepreneur in the field of Biofeedback Studies and developed a Resonating Neuro-Feedback system. Dr. Ballan holds a M.Sc. from Tel-Aviv University - Magna Cum Laude - in anticancer drug development. Dr. Ballan was part of the renowned research team which developed Salirasib (Treatment for Non-Small Cell Lung Cancer). He is an expert in molecular biology, cell cultures and genomics with a focus towards identification of anticancer compounds and delivery systems to tumors and a member of the American Neurology Association.

Itamar Borochov, 57, is a co-founder of Cannabics Inc. and is its Chief Marketing Officer. Mr. Borochov is a known environmentalist with experience as an entrepreneur in the fields of organic agricultural and medical botanicals and brings vast expertise in the areas of market intelligence and organizational branding.

Shay Avraham Sarid, 44, is a co-founder of Cannabics Inc., and is the founder of Seach, one of the oldest and largest medical Cannabis farms in Israel. Seach is an official supplier of medical grade Cannabis to the Israeli Ministry of Health and specifically licensed to grow and distribute medical cannabis to authorized patients. Shay is the recent Chairman of the Israeli Medical Cannabis Growers Council.

Dov Weinberg, 63 CPA, MBA - CFO, has More than 15 years of experience as CFO of public and private companies in the life science and Medical Device Industry. Prior to that, he served for 15 years as CFO of private and large multinational corporations. Dov has strong finance, operation, and business development background in both startups and public global companies in the US, Europe, and Israel including developing strategic policy and guidance with respect to corporate structure and fundraising

All directors serve for terms of one year each, and are subject to re-election at Annual Meeting of Shareholders, unless they earlier resign.

There are no material proceedings to which any of our directors, officers or affiliates, any owner of record or beneficially of more than five percent of any class of our voting securities, or any associate of any such director, officer, affiliate, or security holder is a party adverse to us or any of our subsidiaries or has a material interest adverse to us or any of our subsidiaries.

We have attempted and will continue to attempt to insure that any transactions between we and our officers, directors, principal shareholders, or other affiliates have been and will be on terms no less favorable to us than could be obtained from unaffiliated third parties on an arm's length basis.

Involvement in Certain Legal Proceedings

Except as noted herein or below, during the last ten (10) years none of our directors or officers have:

(1) had any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

(2) been convicted in a criminal proceeding or subject to a pending criminal proceeding;

(3) been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or

(4) been found by a court of competent jurisdiction in a civil action, the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

All of these filing requirements were satisfied by the Company's officers, directors, and ten-percent holders.

In making these statements, we have relied on the written representation of our Directors and Officers or copies of the reports that they have filed with the Commission.

Committees of the Board

All proceedings of the board of directors for the fiscal year ended August 31, 2015 were conducted by resolutions consented to in writing by our board of directors and filed with the minutes of the proceedings of our board of directors. Our company currently does not have nominating, compensation or audit committees or committees performing similar functions nor does our company have a written nominating, compensation or audit committee charter. Our board of directors does not believe that it is necessary to have such committees because it believes that the functions of such committees can be adequately performed by the board of directors.

The Company does not have any defined policy or procedure requirements for shareholders to submit recommendations or nominations for directors. The Company's board of directors believes that, given the stage of our development, a specific nominating policy would be premature and of little assistance until our business operations develop to a more advanced level. The Company does not currently have any specific or minimum criteria for the election of nominees to the board of directors and we do not have any specific process or procedure for evaluating such nominees. The board of directors will assess all candidates, whether submitted by management or shareholders, and make recommendations for election or appointment.

A shareholder who wishes to communicate with the Company's board of directors may do so by directing a written request addressed to any of our Directors at the address appearing on the first page of this registration statement.

Audit Committee Financial Expert

We do not have a standing audit committee. Our directors perform the functions usually designated to an audit committee. Our board of directors has determined that we do not have a board member that qualifies as an "audit committee financial expert" as defined in Item 407(d)(5) of Regulation S-K, nor do we have a board member that qualifies as "independent" as the term is used in Item 7(d)(3)(iv)(B) of Schedule 14A under the Securities Exchange Act of 1934, as amended, and as defined by Rule 4200(a)(14) of the NASD Rules.

We believe that our board of directors is capable of analyzing and evaluating our financial statements and understanding internal controls and procedures for financial reporting. Our board of directors does not believe that it is necessary to have an audit committee because management believes that the functions of an audit committees can be adequately performed by the board of directors. In addition, we believe that retaining an independent director who would qualify as an "audit committee financial expert" would be overly costly and burdensome and is not warranted in our circumstances given the stage of our development and the fact that we have not generated positive cash flow to date.

As we generate revenue in the future, we intend to form a standing audit committee and identify and appoint a financial expert to serve on our audit committee.

Code of Ethics

The Company has adopted a Code of Ethics for Senior Financial Officers that is applicable to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

Indemnification

Under our Articles of Incorporation and Bylaws of the corporation, we may indemnify an officer or director who is made a party to any proceeding, including a law suit, because of his position, if he acted in good faith and in a manner he reasonably believed to be in our best interest. We may advance expenses incurred in defending a proceeding. To the extent that the officer or director is successful on the merits in a proceeding as to which he is to be indemnified, we must indemnify him against all expenses incurred, including attorney's fees. With respect to a derivative action, indemnity may be made only for expenses actually and reasonably incurred in defending the proceeding, and if the officer or director is judged liable, only by a court order. The indemnification is intended to be to the fullest extent permitted by the laws of the State of Nevada.

Regarding indemnification for liabilities arising under the Securities Act of 1933, which may be permitted to directors or officers under Nevada law, we have been advised that, in the opinion of the Securities and Exchange Commission, indemnification is against public policy, as expressed in the Act and is, therefore, unenforceable.

Item 11. Executive Compensation

We have begun to pay monthly salaries to one of our Directors and Counsel as of August, 2015. For the current year ending August 31, 2015, only one Director received a yearly payment of $44,500 for FY 2015. We have no employment agreements with any of our officers. We do not contemplate entering into any employment agreements until such time as we have positive and stable cash flows.

There are no stock option plans, retirement, pension, or profit sharing plans for the benefit of our officers or directors. We do not have any long-term incentive plans that provide compensation intended to serve as incentive for performance.

Summary Compensation Table

Name and Principal Position	**Year**	**Salary**	**Bonus**	**Stock Awards**	**All Other Compensation**	**Total**
				(1)	(2)	
Eyal Ballan, Director, CTO	2015	$ 24,500	$ –	$ –	$ 20,000	$ 44,500
	2014	$ –	$ –	$ –	$ –	$ –

The following table sets forth, as of November 30, 2015, information concerning ownership of our securities by (i) each director, (ii) each executive officer, (iii) all directors and executive officers as a group; and (iv) each person known to us to be the beneficial owner of more than five percent of each class:

The number and percentage of shares beneficially owned includes any shares as to which the named person has sole or shared voting power or investment power and any shares that the named person has the right to acquire within 60 days.

	Beneficial Ownership	
Name of Beneficial Owner	**Common Shares**	**Percentage of class**
Cannabics Inc. *	88,289,594	86.4%

*Our 2 Directors Dr. Eyal Ballan, Itamar Borochov are also Directors of Cannabics, Inc., and Shay Avraham Sarid is a shareholder. The mailing address for all directors, executive officers and beneficial owners of more than 5% of our common stock is #3 Bethesda Metro Center, Suite 700, Bethesda, Maryland, 20814.

*The Directors of the Company hold positions in Cannabics, Inc., the majority holder. The relative positions of Cannabics, Inc. are listed below:

Shareholder	Common Stock	% Issued
Eyal Barad	316	26.27%
Eyal Ballan	239	19.84%
Shay Avraham Sarid	235	19.51%
Itamar Borochov	235	19.51%
Seach Sarid Ltd.	40	3.32%
Ariel Kirtchuk	25	2.08%
J Riger Ltd	114	9.49%
Total	**1,205**	**100.00%**

Unless otherwise noted, we believe that all persons or entities named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them. For purposes hereof, a person is considered to be the beneficial owner of securities that can be acquired by such person within 60 days from the date hereof.

Item 13. Certain Relationships and Related Transactions, and Director Independence

On June 24, 2013, the Company sold 40,000,000 shares of its common stock for $100,000 through a private placement to Ophion Management Ltd., a Canadian corporation controlled by Thomas Mills, who is also the controlling shareholder of the Company. On June 28, 2013, the private placement was rescinded by agreement and a promissory note for the principal amount of $100,000 (the “Promissory Note”) was issued by the Company to Ophion Management Ltd. The Promissory Note was due on demand and accrued simple interest at the rate of 20% per year from June 20, 2013. The Promissory Note was assigned to Mr. Mills on October 7, 2014.

On October 24, 2013, the Company entered into a debt restructuring agreement with Mr. Mills, whereby he agreed to surrender the Promissory Note for cancellation. In exchange for the Promissory Note, the Company agreed to issue a convertible promissory note with a fixed maturity date of December 31, 2018 (the “Convertible Note”). The Convertible Note, accrues simple interest at the rate of 20% per annum from June 20, 2013, and is convertible at any time by the holder of the Convertible Note into shares of the Company’s common stock at the rate of one share for each $0.005 of indebtedness secured by the convertible note.

On October 28, 2013, the Promissory Note was cancelled and the Convertible Note was issued.

On November 20, 2013, the Convertible Note was rescinded by mutual agreement and the Company accepted a subscription from Mr. Mills for 40,000,000 shares of its common stock at a price of $0.0025 per share in full consideration of the $100,000 he advanced to the Company on June 20, 2013.

On October 7th , 2015, the Company executed an Intellectual Property & Subsidiary Assignment and an Assignment & Assumption of Debt & Liabilities Agreement with Cannabics, Inc., a Delaware Corporation, related party, and majority holder of the Issuer. Said Agreements were executed as part of a restructuring of the Company, whereby the Research and Development components were at that time made separate from the Issuer’s continuing business operations.

Per the Agreements, Cannabics, Inc. has Assumed $362,000 of the Issuer’s debts and liabilities in return for Assignment of a provisional patent related to High Throughput Screening and the Issuer’s subsidiary “Grin Ultra, Ltd.”. The Company believes that by eradicating significant current debts and liabilities from the Issuer along with this new this division of labor in corporate structure, it is better enabled to focus its energies on current licensing opportunities and agreements already in place, particularly in its world-wide licensing of Cannabics SR capsule technology.

No other material related party transactions between the Company and its officers, directors or control persons occurred during the fiscal years ended August 31, 2015 and 2014.

Item 14. Principal Accounting Fees and Services

Audit Fees

The aggregate fees billed by Fruci & AssociatesII,,PLLC for professional services rendered for the audit of our annual financial statements included in this Annual Report on Form 10-K for the fiscal year ended August 31, 2014 were $5,000.

The aggregate fees billed by Fruci & AssociatesII,PLLC for professional services rendered for the audit of our annual financial statements included in this Annual Report on Form 10-K for the fiscal year ended August 31, 2015 were $10,000

Audit Related Fees

For the fiscal years ended August 31, 2015 and 2014, the aggregate fees billed for assurance and related services by Fruci & AssociatesII,PLLC relating to our quarterly financial statements which are not reported under the caption "Audit Fees" above, were $20,636 and $8,670-, respectively.

Tax Fees

For the fiscal years ended August 31, 2015 and 2014, the Company paid fees of $1,000 for tax compliance.

All Other Fees

For the fiscal years ended August 31, 2015 and 2014, the Company did not pay any other fees.

Effective May 6, 2003, the Securities and Exchange Commission adopted rules that require that before Fruci & AssociatesII PLLC is engaged by us or our subsidiaries to render any auditing or permitted non-audit related service, the engagement be:

- approved by our audit committee; or
- entered into pursuant to pre-approval policies and procedures established by the audit committee, provided the policies and procedures are detailed as to the particular service, the audit committee is informed of each service, and such policies and procedures do not include delegation of the audit committee's responsibilities to management.

We do not have an audit committee. Our Board of Directors pre-approves all services provided by our independent auditors. All of the above services and fees were reviewed and approved by our Board of Directors either before the respective services were rendered.

PART IV

Item 15. Exhibits

Exhibit 3.1	Amended Articles of Incorporation, Cannabics Pharmaceuticals Inc., Incorporated by reference
Exhibit 3.2	Bylaws of Cannabics Pharmaceuticals, Incorporated by reference.
Exhibit 3.3	Subsidiary – G.R.I.N. Ultra Ltd – Board Resolution Authorizing Creation, Incorporated by reference.
Exhibit 3.4	Subsidiary – G.R.I.N. Ultra Ltd – Official Companies Listing (Israel) Incorporated by reference.
Exhibit 3.5	Material Contract – Collaboration & Exclusivity Agreement with Cannabics, Inc., incorporated by reference from Form 8K filed July 25th, 2014.
Exhibit 3.6	Intellectual Property & Subsidiary Assignment of October 7th, 2015, Incorporated by reference from form 8K of October 8th, 2015.
Exhibit 3.7	Assignment & Assumption of Debt & Liabilities Agreement of October 7th, 2015, Incorporated by reference from form 8K of October 8th, 2015.
Exhibit 3.8	Debt Cancellation Agreement of October 7th, 2015, Incorporated by reference from form 8K of October 8th, 2015.
Exhibit 3.9	IP Licensing Agreement with The CIMA Group LLC, December 17th, 2015.
Exhibit 31.1	Certification by the Principal Executive Officer of Registrant pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14(a) or Rule 15d-14(a)). *
Exhibit 31.2	Certification by the Principal Financial Officer of Registrant pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14(a) or Rule 15d-14(a)). *
Exhibit 32.1	Certification by the Principal Executive Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. *
Exhibit 32.2	Certification by the Principal Financial Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. *
101.INS	XBRL Instance Document **
101.SCH	XBRL Taxonomy Extension Schema Document **
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document **
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document **
101.LAB	XBRL Taxonomy Extension Label Linkbase Document **
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document **

* Filed herewith.

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

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: January 7 th , 2016	By:	*/s/ Itamar Borochov*
		Itamar Borochov, Director Chief Executive Officer
		/s/ Dr. Eyal Ballan
		Dr. Eyal Ballan, Director, Chief Technical Officer
		/s/ Dov Weinberg
		Dov Weinberg, Chief Financial Officer Principal Accounting Officer

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Itamar Borochov, certify that:

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

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 7 th , 2016

By: */s/ Itamar Borochov*

Itamar Borochov
Director, Chief Executive Officer
CANNABICS PHARMACEUTICALS INC.

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Dov Weinberg, certify that:

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

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 7 th , 2016

By: */s/ Dov Weinberg*

Dov Weinberg
Chief Financial Officer
Principal Accounting Officer
CANNABICS PHARMACEUTICALS INC.

Exhibit 32.1

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

In connection with this Annual Report of CANNABICS PHARMACEUTICALS INC. (the “Company”) on Form 10-K for the year ending August 31 st , 2015, as filed with the U.S. Securities and Exchange Commission on the date hereof (the “Report”), I, Itamar Borochov, Chief Executive Officer (Principal Executive Officer) of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

1. Such Annual Report on Form 10-K for the year ending August 31 st , 2015 , fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in such Annual Report on Form 10-K for the year ending August 31 st , 2015, fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 7 th , 2016

By: */s/ Itamar Borochov*

Itamar Borochov
Director, Chief Executive Officer
CANNABICS PHARMACEUTICALS INC.

Exhibit 32.2

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

In connection with this Annual Report of CANNABICS PHARMACEUTICALS INC. (the "Company") on Form 10-K for the year ending August 31 st , 2015, as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Report"), I, Dov Weinberg, Chief Financial Officer (Principal Financial Officer) of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

1. Such Annual Report on Form 10-K for the year ending August 31 st , 2015, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in such Annual Report on Form 10-K for the year ending August 31 st , 2015, fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 7 th , 2016

By: */s/ Dov Weinberg*

Dov Weinberg
Chief Financial Officer
Principal Accounting Officer
CANNABICS PHARMACEUTICALS INC.