AXIM BIOTECHNOLOGIES, INC.
Form 10-K
April 08, 2019

U. S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended **December 31, 2018**

[ ] 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: 000-54296

AXIM Biotechnologies, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**27-4029386**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

45 Rockefeller Plaza, 20th Floor, Suite 83

New York, NY 10111

(Address of principal executive offices)

Registrant's telephone number, including area code: **(212) 332-1677**

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section 12(g) of the Act: **Common stock, $0.0001 par value**

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act

Yes [ ] No [X]

Indicate by check mark whether the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes [ ] No [X]

Note – Checking in the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act form their obligations under those Sections.

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

Indicate by check mark whether registrant has submitted electronically and posted on its corporate Web site, 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 [X] 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 or any amendment of this Form 10-K. [X]

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.[ ]

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

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant as of June 30, 2018, based upon the closing price of the common stock as reported by finance.yahoo.com on such date, was approximately $30,369,429. This calculation does not reflect a determination that persons are affiliates for any other purposes.

As of April 8, 2019, there were 61,072,411 shares of the registrant's common stock were issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE: None

AXIM BIOTECHNOLOGIES, INC.

FORM 10-K

FOR THE YEAR ENDED DECEMBER 31, 2017

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information required by the Securities Exchange Act of 1934, as amended (the "Exchange Act"), with the Securities and Exchange Commission (the "SEC"). You may read and copy any document we file with the SEC at the SEC's public reference room located at 100 F Street, N.E., Washington, D.C. 20549, U.S.A. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our SEC filings are also available to the public from the SEC's internet site at http://www.sec.gov.

On our Internet website, http://www.aximbiotech.com, we post the following recent filings as soon as reasonably practicable after they are electronically filed with or furnished to the SEC: our annual reports on Form 10-K, our quarterly reports on Form 10-Q, our current reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act.

When we use the terms "AXIM", "Company", "we", "our" and "us" we mean Axim Biotechnologies, Inc., a Nevada corporation, and its consolidated subsidiaries, taken as a whole, as well as any predecessor entities, unless the context otherwise indicates.

FORWARD LOOKING STATEMENTS

This Annual Report on Form 10-K, the other reports, statements, and information that the Company has previously filed with or furnished to, or that we may subsequently file with or furnish to, the SEC and public announcements that we have previously made or may subsequently make include, may include, or may incorporate by reference certain statements that may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, and that are intended to enjoy the protection of the safe harbor for forward-looking statements provided by that Act. To the extent that any statements made in this report contain information that is not historical, these statements are essentially forward-looking. Forward-looking statements can be identified by the use of words such as "anticipate", "estimate", "plan", "project", "continuing", "ongoing", "expect", "believe "may", "will", "should", "could", and other words of similar meaning. These statements are subject to risks and uncertainties that cannot be predicted or quantified and, consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, marketability of our products; legal and regulatory risks associated with trading publicly; our ability to raise additional capital to finance our activities; the future trading of our common stock; our ability to operate as a public company; our ability to protect our proprietary information; general economic and business conditions; the volatility of our operating results and financial condition; our ability to attract or retain qualified senior management personnel and research and development staff; and other risks detailed from time to time in our filings with the SEC, or otherwise.

Information regarding market and industry statistics contained in this report is included based on information available to us that we believe is accurate. It is generally based on industry and other publications that are not produced for purposes of securities offerings or economic analysis. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and the additional uncertainties accompanying any estimates of future market size, revenue and market acceptance of products and services. We do not undertake any obligation to publicly update any forward-looking statements. As a result, investors should not place undue reliance on these forward-looking statements.

PART I

Item 1. Business

Overview

Axim Biotechnologies, Inc., a Nevada corporation, is an innovative biotechnology company focusing on research, development and production of pharmaceutical, nutraceutical and cosmetic products, and extraction and purification of cannabinoids technologies based on our proprietary technologies. We believe to be setting the standard for cannabinoid bioscience through the discovery and commercialization of new materials and technologies for healthy living. Our common stock is traded on the OTCQB under the symbol “AXIM.”

We were originally incorporated in the State of Nevada on November 18, 2010 under the name AXIM International, Inc. On July 24, 2014, we changed our name to AXIM Biotechnologies, Inc. to better reflect our business operations. On August 7, 2014, we incorporated a wholly owned Nevada subsidiary named Axim Holdings, Inc. to help facilitate the business operations of the Company.

On May 11, 2015, we entered into a 50 year, worldwide, exclusive intellectual property licensing agreement (“Agreement”) with CanChew Biotechnologies, LLC (“CanChew”). As compensation for the Agreement, CanChew received 5,826,706 restricted shares of the Company’s common stock and a royalty fee of approximately 2-3% of all gross sales derived from products produced under the Agreement. So long as we are in compliance with the Agreement, we have the option to purchase the licensed intellectual property after 5 years at a purchase price equal to fifty percent (50%) of the annual royalty fee paid.

In October 2017, we formed a wholly owned subsidiary in the Netherlands for purposes of holding pharmaceutical licenses as required by the Netherlands regulations and laws.

Our principal corporate headquarters are located at 45 Rockefeller Plaza, 20th Floor, Suite 83, New York, New York 10111. Our website address is www.aximbiotech.com. The information contained on, or that can be accessed through, our website is not a part of this prospectus. The trademarks, trade names and service marks appearing in this prospectus are the property of their respective owners.

Current Operations

The operations of the Company include: the research and development of pharmaceutical products, and extraction and purification of cannabinoids technologies. Over the next 12 months, we anticipate the following activities:

Development of a bioequivalent to Marinol product for treatment of nausea and vomiting associated with chemotherapy and lack of appetite in HIV/ AIDS patients based on proprietary controlled-release functional chewing gum delivery platform. This product will lead to a NDA according to 505(b)2 regulatory pathway according to a pIND meeting with the FDA.

Development and commercialization of products pending Phase I and II clinical trials for Restless Leg Syndrome.

Conducting a clinical trial at the Free University of Amsterdam, The Netherlands for a novel, patented controlled-release delivery form of cannabinoids for treatment of chronic pain and spasticity in patients with multiple sclerosis. The anticipated duration of the trials prior to FDA/ EMA registration is 12 to18 months.

Conducting a clinical trial at the University of British Columbia, Canada on patients suffering of illicit drug-related psychosis using innovative, (patented) delivery mechanisms containing cannabinoids. This trial is awaiting approval by Health Canada and will result in an NDA.

During the next twelve months we anticipate incurring costs related to: (i) filing Exchange Act reports, (ii) contractual obligations, (iii) clinical trials, and (iv) continued research and development of pharmaceutical formulations.

We believe we will be able to meet these costs through use of funds in our treasury, through deferral of fees by certain service providers and additional amounts, as necessary, to be loaned to or invested in us by our shareholders, management or other investors. As of the date of the period covered by this report, we have limited cash. There are no assurances that we will be able to secure any additional funding as needed. Currently, however our ability to continue as a going concern is dependent upon our ability to generate future profitable operations and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. Management's plan includes obtaining additional funds by equity financing and/or related party advances; however, there is no assurance of additional funding being available.

We are in our early stages of development and growth, without established records of sales or earnings. We will be subject to numerous risks inherent in the business and operations of financially unstable and early stage or potential emerging growth companies.

Research and Development

We are continuing our research and development at the Free University of Amsterdam with our novel (patent pending) delivery system for treatment of patients with pain and spasticity as a sequence of Multiple Sclerosis. The study is conducted in strict compliance with FDA/ EMA guidelines and is supervised by QPS as a CRO. The product tested is a pharmaceutical, functional chewing gum containing equal parts of THC and CBD. With our proprietary technology numerous problems related to cannabinoid' water-insolubility due to its lipophilic nature, first-pass liver metabolism and direct delivery into the systemic circulation has been resolved.

Phase I and II trial in patients with Restless Leg Syndrome will be conducted in Israel in strict adherence to FDA guidelines. The study is anticipated to commence in April of 2019 and will test a combination cannabinoid/ gabapentin product based on AXIM' proprietary delivery format.

Phase I and II clinical trial for treatment of patients affected by drug-related psychosis will commence at the University of British Columbia, Canada utilizing cannabinoids in a proprietary delivery formulation.

New, patent pending cannabinoid extraction techniques as well as pure, water soluble, freeze-dried cannabinoids are being developed in cooperation with Syncom, BV, The Netherlands, which practically solves the issue with very poor absorption of currently available, oil-based cannabinoids.

There are numerous other R&D projects being considered involving our proprietary intellectual property. These will be strategically planned depending on availability of funds to carry on.

Intellectual Property

Our pending patent applications include twelve (12) patent applications for oral care compositions, sugar alcohol kneading method, antimicrobial compositions, extraction method, cosmetic, nicotine dependence treatment gum, opioid dependence treatment gum, restless leg treatment gum, suppositories, method to treat psoriasis, method to treat atopic dermatitis, and method to treat vitiligo. Twelve (12) of our patent applications have entered non-provisional stage in the U.S. and/or international stage and/or national stages in other jurisdictions. Our patents include five (5) patents for toothpaste compositions, ophthalmic solutions, method to use the ophthalmic solution to treat glaucoma and conjunctivitis, method to extract THC, and suppository compositions; and one (1) licensed patent (chewing gum containing cannabinoids, covering all cannabinoids, including THC). Continuation applications for oral care compositions, method to extract THC, and suppository compositions have been filed, these pending applications are indicated above. We are in the process of developing and filing more patent applications.

We have twenty seven (27) trademark applications some of which are registered trademarks, received Notices of Allowance, or pending in front of the United States Patent and Trademark Office or other jurisdictions: A Axim Biotech, Axim, Cannanimals, CanQuit, CannaCoal, CanChui, CanShu, Oraximax, ReneCann, CannBleph, OpthoCann, Cannonich, Cannocyn, HempChew, SuppoCann, CanChew, CanChew Hemp CBD Gum, CanChew RX, CanChew Plus, CanQuit OC, CanChew +, CanChew +10, CanChew +50, CanChew +100, MedChew, MedChew GP, MedChew RL. Corresponding trademark applications have been filed in other jurisdictions for some of the marks and have received registration or are pending.

Market, Customers and Distribution Methods

Our focus is on the development of innovative pharmaceutical, nutraceutical and cosmetic products focusing on diseases and conditions for which currently there are no known efficient therapeutic ingredients or delivery systems for known active pharmaceutical ingredients. The body of knowledge regarding therapeutic use of cannabinoid-based formulations is steadily increasing. We plan to be an active player in this field of biosciences with our extensive R&D and pipeline of innovative products.

Our target customers are primarily end consumers via Internet sales, direct-to-consumer health and wellness stores, collectives, cooperatives, affiliate sales and master distributors. Secondarily, we are targeting manufacturers of products that can readily replace their raw base materials with our materials, making the products more environmentally friendly and sustainable. Next, we will target retail stores with major distribution companies who have preexisting relationships with major retail chain stores. As we continue to develop our business, these markets may change, be re-prioritized or eliminated as management responds to consumer and regulatory developments.

Competition

There are many developers of hemp-based consumer products, many of which are under-capitalized which we consider to be viable acquisition targets. There are also large, well-funded companies that currently do not offer hemp-based products but may do so in the future.

Source and Availability of Raw Materials

The Company currently has arrangements with multiple reputable suppliers which are expected to meet the projected needs for materials for the upcoming year. These suppliers are based in The Netherlands.

Government Regulation

On December 20, 2018, the 2018 Farm Bill was signed into law. The law went into effect on January 1st, 2019.

As a consequence of the 2018 Farm Bill, hemp has now been permanently removed from the Controlled Substances Act (CSA). It is now deemed an agricultural commodity, no longer able to be classified as a controlled substance, like marijuana. Furthermore, by redefining hemp to include its “extracts, cannabinoids and derivatives,” Congress explicitly removed popular hemp products – such as hemp-derived CBD — from the purview of the CSA.

Accordingly, the Drug Enforcement Administration (DEA) no longer has any claim to interfere with the interstate commerce of hemp products, so as long as the THC level is at or below 0.3%. State and Tribal governments may impose separate restrictions or requirements on hemp growth and the sale of hemp products. However, they cannot interfere with the interstate transport of hemp or hemp products.

We believe that the 2018 Farm Bill should give comfort to federally regulated institutions, pharmacies, banks, merchant services, credit card companies, e-commerce sites and advertising platforms, to conduct commerce with the hemp and hemp CBD industry.

On September 27, 2018, the Department of Justice and Drug Enforcement Administration announced that Epidiolex, the newly approved medication by the Food & Drug Administration, is being placed in Schedule V of the Controlled Substances Act, the least restrictive schedule of the federal Controlled Substances Act of 1970 (the "CSA"). On June 26 2018, the FDA announced it approved Epidiolex for the treatment of seizures associated with two rare and severe forms of epilepsy, Lennox-Gastaut syndrome and Dravet syndrome, in patients two years of age and older. Epidiolex contains cannabidiol (CBD), a chemical constituent of the cannabis plant (commonly referred to as marijuana). The CBD in Epidiolex is extracted from the cannabis plant and is the first FDA-approved drug to contain a purified extract from the plant. Schedule V drugs represents the least potential for abuse. Schedule V drugs, substances, or chemicals are defined as drugs with lower potential for abuse than Schedule IV and consist of preparations containing limited quantities of certain narcotics. Schedule V drugs are generally used for antidiarrheal, antitussive, and analgesic purposes. Some examples of Schedule V drugs are: cough preparations with less than 200 milligrams of codeine or per 100 milliliters (Robitussin AC), Lomotil, Motofen, Lyrica, Parepectolin.

Despite the approvals by the FDA and DEA for Epidiolex, any of these foregoing factors, many of which are beyond our control, could jeopardize our ability to obtain regulatory approval for and successfully market our planned products. Moreover, because our business is almost entirely dependent upon these product candidates, any such setback in our pursuit of regulatory approval would have a material adverse effect on our business and prospects.

Employees

As of April 8, 2019, we have 4 full-time employees and 2 part-time employees. We allow and utilize the services of independent contractors. We will be considering the conversion of some of our part-time employees to full-time positions. We are currently in discussions with qualified individuals to engage them for positions in sales and marketing, research and development, and operations. Management believes the Company has good relationships with its employees.

Costs and effects of compliance with environmental laws

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

Item 1A. Risk Factors

Not applicable to a “smaller reporting company” as defined in Item 10(f)(1) of Regulation S-K.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

Real Property

We currently rent our office space located at 45 Rockefeller Plaza in New York City, for $3,720 per month. The rent expense for our warehouse space located in the Netherlands is 1,731 Euros or approx. $2,040 per month. Rents are on a month to month basis. At present, we do not own any real property.

North American Address:

45 Rockefeller Plaza 20th Floor, Suite 83

New York, NY 10111

European Address:

Industrieweg 40, Unit B4

3401MA IJsselstein The Netherlands

Item 3. Legal Proceedings

We are subject to litigation, claims, investigations and audits arising from time to time in the ordinary course of our business. However, at this time, we are not aware on any material pending, threatened or unasserted claims.

Item 4. Mine Safety Disclosure

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock is currently traded on the OTCQB under trading symbol "AXIM." An active public market for our common stock may not develop or be sustained. Trading of securities on the OTCQB is often sporadic and investors may have difficulty buying and selling or obtaining market quotations.

The following table sets forth the high and low closing bid prices for our common stock as reported on OTCQB for the following periods. These prices do not include retail mark-ups, markdowns or commissions, and may not necessarily represent actual transactions.

	High ($)	Low ($)
Fiscal Year Ended December 31, 2018		
First Quarter	10.29	3.24
Second Quarter	6.96	2.28
Third Quarter	3.49	1.70
Fourth Quarter	1.91	0.46
Fiscal Year Ended December 31, 2017		
First Quarter	9.95	6.05
Second Quarter	8.80	4.45
Third Quarter	13.45	6.25
Fourth Quarter	19.80	8.01

As of April 2, 2019, there are 53 holders of record of our common stock. This number does not include beneficial holders of our stock. Because many of our shares of common stock are held by brokers and other institutions on behalf of shareholders, we are unable to estimate the total number of shareholders represented by these record holders.

Dividends

We have never declared or paid cash dividends on our common stock. We anticipate that in the future we will retain any earnings for operation of our business. Accordingly, we do not anticipate declaring or paying any cash dividends in the foreseeable future.

Securities Authorized for Issuance Under Equity Compensation Plans

Effective May 29, 2015 the company adopted a stock incentive plan under which eligible persons or vendors whom provide the company services may be afforded an opportunity to acquire an equity interest in the company in exchange for those services provided. The Company has reserved 9,806,000 shares of its common stock for issuance under this plan.

Unregistered Sales of Equity Securities and Use of Proceeds

The Company did not sell any securities that were not registered under the Securities Act of 1933, as amended, during fiscal year 2018 that have not already been reported on a Current Report on Form 8-K or a Quarterly Report on Form 10-Q.

Issuer Repurchases of Equity Securities

None.

Item 6. Selected Financial Data

Not applicable to a “smaller reporting company” as defined in Item 10(f)(1) of SEC Regulation S-K.

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

The following discussion of our financial condition and results of operations for the years ended December 31, 2018and December 31, 2017 should be read in conjunction with the financial statements and the notes to those statements that are included elsewhere in this Annual Report on Form 10-K. Our discussion includes forward-looking statements based upon current expectations that involve risks and uncertainties, such as our plans, objectives, expectations and intentions. Actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of a number of factors. We use words such as "anticipate", "estimate", "plan", "project", "continuing", "ongoing", "expect", "believe", "intend", "may", "will", "should", "could", and similar expressions to identify forward-looking statements.

Liquidity and Capital Resources

We are in our early stages of development and growth, without established records of sales or earnings. We will be subject to numerous risks inherent in the business and operations of financially unstable and early stage or emerging growth companies.

We estimate our G & A expenses for 2019 to be approximately $1,300,000, which includes projected audit and accounting costs of $80,000. R&D expenses for 2019 will vary based on drug formulation and clinical trial project activity that the Company is engaged in, which in turn is determined by available capital. We don't expect R&D expenditures to exceed $12 million in 2019.

We can provide no assurance that the Company can continue to satisfy its cash requirements for at least the next twelve months.

We expect to obtain financing through shareholder loans and private placements. Shareholder loans will be without stated terms of repayment or interest. We will not consider taking on any long-term or short-term debt from financial institutions in the immediate future. Shareholders loans may be granted from time to time as required to meet current working capital needs. We have no formal agreement that ensures that we will receive such loans. We may exhaust this source of funding at any time.

We are dependent upon certain related parties to provide continued funding and capital resources. If continued funding and capital resources are unavailable at reasonable terms, we may not be able to implement our plan of

operations. These loans may include terms that may be highly dilutive to existing shareholders.

On September 14, 2017, our Registration Statement on Form S-3 was declared effective by the SEC. We sold 1,945,000 shares of Company's common stock during the year ending December 31, 2018.

Sources of Capital

We expect to sustain our working capital needs through shareholder loans and private placements. Shareholder loans will be without stated terms of repayment or interest. We will not consider taking on any long-term or short-term debt from financial institutions in the immediate future. Shareholders loans may be granted from time to time as required to meet current working capital needs. We have no formal agreement that ensures that we will receive such loans. We may exhaust this source of funding at any time.

During the next twelve months, we anticipate incurring costs related to:

(i) filing Exchange Act reports,

(ii) contractual obligations

(iii) clinical trials, and

(iv) continued research and development of pharmaceutical formulations

We believe we will be able to meet these costs through use of funds in our treasury, deferral of fees by certain service providers and additional amounts, as necessary, to be loaned to or invested in us by our shareholders, management or other investors. As of the date of the period covered by this report, we have limited cash. There are no assurances that we will be able to secure any additional funding as needed. Currently, however our ability to continue as a going concern is dependent upon our ability to generate future profitable operations and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. Management's plan includes obtaining additional funds by equity financing and/or related party advances; however, there is no assurance of additional funding being available.

Going Concern

The Company's financial statements have been presented assuming that the Company will continue as a going concern. As shown in the financial statements, the Company has negative working capital of $1,301,337, has an accumulated deficit of $28,992,485, has cash used in operating activities of $4,845,269 and presently does not have the resources to accomplish its objectives during the next twelve months. These conditions raise substantial doubt about the ability of the Company to continue as a going concern. The financial statements do not include any adjustments related to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue in operation.

The Company intends to raise additional capital through private placements of debt and equity securities, but there can be no assurance that these funds will be available on terms acceptable to the Company or will be sufficient to enable the Company to fully complete its development activities or sustain operations. If the Company is unable to raise sufficient additional funds, it will have to develop and implement a plan to further extend payables, reduce overhead, or scale back its current business plan until sufficient additional capital is raised to support further operations. There can be no assurance that such a plan will be successful.

Results of Operations

Comparison of the year ended December 31, 2018 and 2017.

	December 31, 2018	December 31, 2017	$ Change	% Change
Revenues	$ 195,614	$ 47,573	$ 148,041	311.19%
Cost of goods sold	8,511	42,857	(34,346)	(80.14)%
Gross margin percentage	95.65%	9.91%	85.74%	-
Operating expenses	5,223,246	3,153,803	2,069,443	65.62%
Loss from operations	(5,036,143)	(3,149,087)	(1,887,056)	59.92%
Other expenses	1,718,503	1,019,116	699,387	68.63%
Net loss	$ (6,754,646)	$ (4,168,203)	$ (2,586,443)	62.05%

Revenue

For the year ended December 31, 2018, we had revenue of $195,614 from sales of our products, as compared to revenue of $47,573 for the year ended December 31, 2017. This is primarily due to revenue from a fee the company received to facilitate negotiation regarding an Australia and New Zealand licensing agreement of its products with Impression Healthcare Limited.

Cost of Revenue

For the year ended December 31, 2018, we had cost of revenue of $8,511 from sales of our products, as compared to cost of revenue of $42,857 for the year ended December 31, 2017. This is primarily due to using raw material for research purposes in 2018.

Operating Expenses

Research and Development Expenses

For the year ended December 31, 2018 our research and development expenses were $2,056,175 as compared to $1,352,969 for the year ended December 31, 2017. The increase is primarily due to increase in research activities of Marinol Biocomp, MedChew RLS, and MedChew Rx projects in 2018.

Selling, General and Administrative Expenses

Our Selling, General and Administrative expenses for the years ending in 2018 and 2017 were $3,163,715 and $1,797,478 respectively. Variance was primarily result due to non-cash compensation valued at $911,340 in 2018.

Depreciation Expenses

For the year ended December 31, 2018 our depreciation expenses were $3,356 as compared to $3,356 for the year ended December 31, 2017.

Other Income and Expenses

Our interest expenses for the year ending in 2018 and 2017 were $456,063 and $315,013 respectively. Variance was result of funding received in June 2017 which incurred interest expense. Interest income for the year ending in 2018 and 2017 were $0 and $1,597. Loss on extinguishment of debt for the years ending in 2018 and 2017 were $139,537 and $0 respectively. Amortization of debt discount was $1,122,903 and $705,700 respectively. Variance was result of debt exchange in 2018.

For the Year Ended December 31, 2018 and 2017

Net Cash Provided by/Used in Operating Activities

Net cash used in operating activities was $4,845,269 for the year ended December 31, 2018, as compared to net cash used of $3,081,956 for the year ended December 31, 2017. The increase is primarily attributable to our net loss from operations of $6,754,646 and offset by net changes in the balances of operating assets and liabilities and by amortization of prepaid services, amortization of prepaid insurance.

Net Cash Used in Investing Activities

Net cash used by investing activities during the year ended December 31, 2018 was $0 compared to $0 for the same period in 2017.

Net Cash Provided by Financing Activities

Net cash provided by financing activities during the year ended December 31, 2018, was $4,593,053 compared to $4,426,453 for the same period in 2017. Cash provided by financing activities were primarily a result of issuance of convertible notes.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Critical Accounting Policies

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses during the reported periods. The more critical accounting estimates include estimates related to revenue recognition and accounts receivable allowances. We also have other key accounting policies, which involve the use of estimates, judgments and assumptions that are significant to understanding our results, which are described in Note 3 to our consolidated financial statements.

Recently Issued Accounting Standards

Note 4 to our audited consolidated financial statements appearing elsewhere in this report includes Recently Issued Accounting Standards.

Foreign Currency Transactions

Foreign exchange loss in the year ended December 31, 2018 was $5,118 compared to $7,088 for the same period in 2017.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Not applicable to a “smaller reporting company” as defined in Item 10(f)(1) of Regulation S-K.

Item 8. Financial Statement and Supplementary Data

The full text of the Company's audited consolidated financial statements for the fiscal years ended December 31, 2018 and 2017, begins on page F-1 of this Annual Report on Form 10-K.

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

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed pursuant to the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules, regulations and related forms, and that such information is accumulated and communicated to our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As of December 31, 2018, we carried out an evaluation, under the supervision and with the participation of our principal executive officer and our principal financial officer of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Management's Annual Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in rule 13a-15(f) of the Exchange Act. The Company's internal control system is designed to provide reasonable assurance to the Company's management and Board of Directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. 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 assets of the Company;

Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; 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.

These limitations preclude the board and management from having absolute assurance of the achievement of the entity's objectives. Even an effective control system provides reasonable but not absolute assurances.

An evaluation was performed under the supervision and with the participation of the Company's management of the effectiveness of the design and operation of the Company's procedures and internal control over financial reporting as of December 31, 2018. In making this assessment, the Company used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework of 1992. Based on that evaluation, the Company's management concluded that the Company's internal controls over financial reporting were effective as of December 31, 2018. Management, board of directors, and other personnel use judgment every day to select, develop, and deploy controls across the Company. Management, among other personnel apply judgement as they monitor and assess the effectiveness of the system of internal control.

Attestation Report of the Registered Public Accounting Firm

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, wherein non-accelerated filers are exempt from Sarbanes-Oxley internal control audit requirements.

Changes in Internal Control over Financial Reporting

The Company has formal Compensation, Audit, Nominating and Governance Committees. Management and the Board established controls over financial reporting through policies and procedures that help ensure that management's directives to mitigate risks to the achievement of objectives are carried out. Control activities are performed at all levels of the entity, at various levels within day-to-day procedures, and over technology environment. The Company's control over financial reporting includes combination of preventive and detective controls and encompass a range of manual and automated activities such as authorizations and approvals, verifications, reconciliations, and business performance reviews.

Inherent Limitations of Internal Controls

Internal control provides reasonable assurance of achieving entity's objectives, limitations do exist. Internal control cannot prevent bad judgment or decisions, or external events that can cause the Company to fail to achieve its operational goals. However, even an effective system of internal control can experience a failure. The limitations include, but not limited to: suitability of objectives established as a precondition to internal control; reality that human judgment in decision making can be faulty and subject to bias; breakdowns that can occur because of human failures such as simple errors; ability of management to override internal control; ability of management, other personnel, and/or third parties to circumvent controls through collusion; external events beyond the organization's control. Notwithstanding these inherent limitations, management is aware of them when selecting, developing, and deploying controls that minimize, to the extent practical, these limitations. Segregation of duties is built into the selection and development of control activities. Where segregation of duties is not practical, management selects and develops alternative control activities. Ongoing evaluations are built into business process at different hierarchy levels of the Company and provide timely information. Findings are evaluated against criteria established by regulations, recognized standard-setting bodies or management and the board of directors, and deficiencies are communicated to management and the board of directors as appropriate.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Directors and Executive Officers

Our executive officers, key employees and directors are listed in the below table. There are no arrangements, agreements or understandings between non-management security holders and management under which non-management security holders may directly or indirectly participate in or influence the management of our affairs. There are no arrangements or understandings between any director and any other person pursuant to which any director or executive officer was or is to be selected as a director or executive officer, as applicable. There currently are no legal proceedings, and during the past ten years there have been no legal proceedings, that are material to the

evaluation of the ability or integrity of any of our directors or director nominees.

NAME	AGE	POSITION
John W. Huemoeller II	63	Chief Executive Officer, President
Dr. George E. Anastassov	54	Chairman, Founder
Dr. Philip A. Van Damme	64	Director, Chief Medical Officer
Lekhram Changoer	51	Director, Chief Technology Officer
Robert Malasek	50	Chief Financial Officer, Secretary
Timothy R. Scott, PhD	66	Director
Robert Cunningham	71	Director
Blake N. Schroeder, Esq. (1)	41	Director
Mauricio Javier Gatto-Bellora	57	Director

(1) Effective April 2, 2019, Blake N. Schroeder resigned as a member of the Company's Board of Directors. Mr. Schroeder's resignation was not because of any disagreements with the Company on matters relating to its operations, policies and practices.

The background of our executive officers, key employees and directors is as follows:

John W. Huemoeller II - Chief Executive Officer, President

Mr. Huemoeller has over 30 years' experience in financial markets and publicly traded companies including investment banking, corporate finance, executive management, sales and marketing, mergers and acquisitions, leveraged buyouts and private placements of securities. Since April 2015 to the present, Mr. Huemoeller has been the chief executive officer and president of Air Water Earth Inc. From March 2013 to January 2016, he was chairman, chief executive officer and chief financial officer of Propell Technologies Group Inc. From April 2012 to March 2013, Mr. Huemoeller served as the president of Joshua Tree Capital Inc. Mr. Huemoeller has held Series 3, 7, 24, 63 and 79 Securities Licenses, was registered with various state insurance boards, the Chicago Board of Trade as a commodities broker, and worked for various broker-dealers throughout his career including Smith Barney, Drexel Burnham, Prudential Securities, and Paine Webber. Mr. Huemoeller is co-author of U.S. Patent #5,855,005.

Dr. George E. Anastassov - Chairman of the Board

Dr. George E. Anastassov is the Chaiman of the Board of Directors and founder of AXIM Biotechnologies, Inc. as of May 2014. Prior to that Dr. Anastassov was one of the founders and the CEO of CanChew Biotechnologies, LLC in 2012. Dr. Anastassov is also one of the founders and a Board Member and a general partner of Sanammad Foundation and Sanammad Pharmaceuticals; both companies originated and located in The Netherlands since 2009 and 2014, respectively. He is one of the developers of the first-in-the-world cannabinoid-containing chewing gum-based delivery system. Dr. Anastassov possesses Medical and Dental Doctorates as well as an Executive MBA. Dr. Anastassov has been recognized in “Who’s Who in Medicine” as well as “Who’s Who in Business Professionals” numerous times. He is the recipient of multiple national and international professional and humanitarian awards. Dr. Anastassov has been actively involved in Research and Development in Medicine and Biotechnologies since 1987.

Lekhram Changoer - Director, Chief Technology Officer

Lekhram Changoer is the Chief Technology Officer of AXIM Biotechnologies, Inc. as of May 2014. He holds a bachelor’s degree in Analytical/Organic Chemistry and a master’s degree in Organic Chemistry. He was one of the founders of CanChew Biotechnologies, LLC in 2012 and is board member and partner of Sanammad Foundation and Sanammad Pharmaceuticals BV; both companies originated and located in The Netherlands since 2009 and 2014, respectively. He is the originator of multiple patents including patent-pending technology on chewing gum compositions comprising cannabinoids, together with his Sanammad partners. He has over 20 years of experience in the area of Sales & Marketing, R&D, product development, and quality assurance of technical, consumer healthcare and pharmaceutical products - all servicing European and other international markets. During his career he has co-founded different intellectual property-based pharmaceutical and dental companies in different stages from clinical development to the global sales of registered products.

Robert Malasek - Chief Financial Officer, Secretary

Mr. Malasek’s experience includes serving as the Assistant Controller for Starwood Hotel & Resorts Worldwide, Inc., Controller for Pacific Crest Equity Partners (a private equity company), and Chief Financial Officer for NatureWell, Inc. From 2011 to 2015, Robert served as the Chief Financial Officer, Secretary, Treasurer and a Director of Liberty Coal Energy Corp. Since 2015, Robert has served as the Chief Financial Officer of Cannalink, Inc. Robert received his Bachelor of Science in Accountancy from San Diego State University.

Dr. Philip A. Van Damme, DMD MD PhD - Director

Dr. Philip. A. Van Damme is Chief Scientific/Medical Officer of AXIM Biotechnologies Inc., as of May 2014. Prior to that, Dr. Van Damme was one of the founders and CSO of CanChew Biotechnologies LLC, in 2012. He is also one of the founders and President/Director of Sanammad Foundation and Sanammad Pharmaceuticals, both originated and located in The Netherlands since 2009 and 2014, respectively. He is one of the developers of the first-in-the-world cannabinoid-containing chewing gum-based delivery systems. Dr. Van Damme possesses Dental and Medical Doctorates as well as a PhD in Medical Sciences and has been actively involved in Research and Development in Dentistry, Medicine and Biotechnologies since 1983.

Timothy R. Scott, PhD - Director

Dr. Scott has served on the Board of Directors of Medical Marijuana, Inc. from March 2015 to the present. From September 2001 to May 2008, Dr. Scott served on the board of directors of Naturewell, Incorporated, a publicly traded company engaged in the nutraceutical and homeopathic drug business. From 1998 to 2000, Dr. Scott served as a member of the board of directors of ICH Corporation, an American Stock Exchange listed company, which owned 265 fast food and family dining restaurants having approximately $265 million in revenues and 7,800 employees, and as a member of ICH's compensation committee. Dr. Scott has served as chairman of the board of directors, president and senior pastor of a 2,500-member church located in San Diego, California from 1992 to the present. He also has served as chairman and president of Project Reach World, Inc., a 501(c)(3) charitable organization from 1995 to the present. He received his Ph.D. in Theology from Christian University in 1981 and served as a Professor of Philosophy and Religion at Pacific International College from 1981 to 1985.

Robert Cunningham - Director

Robert "Bob" Cunningham has over 40 years of executive management experience in financial services and venture capital. From August 2011 to the present, he serves as the chief executive officer of Preferred Dealer Programs LLC, a venture funded firm developing electronic payment technologies for banks. Prior to joining PDP, from January 1985 to December 2006, he was the founding partner in Placer Financial Group, a nationwide mortgage and real estate development company. Mr. Cunningham also served as Trustee for the U.S. Department of Justice, and as a member of the board for numerous firms, including Allied Commercial Corporation, Vermillion Development, Pacific Building Industries Corporation and Bond HD Hospitality Group. From March 2015 to the present, Mr. Cunningham has served on the board of directors of Medical Marijuana, Inc.

Blake N. Schroeder, Esq. - Director

Mr. Schroeder's career began as a litigator at a commercial litigation firm in Salt Lake City, UT. Beginning in 2008, Schroeder became involved in the sale and marketing of natural products and opening international marketplaces to those products. From 2008 to 2015 Mr. Schroeder served in various capacities at MonaVie LLC developing international business plans and growing international businesses. From August 2014 to February 2016, Mr. Schroeder served as the chief operating officer of Forevergreen International, where he was responsible for global operation and sales of the multinational organization, including oversight of a global supply chain. From 2016 to the present, Mr. Schroeder serves as the chief executive officer of Kannaway, LLC, a wholly owned subsidiary of Medical Marijuana, Inc. Mr. Schroeder is the vice president of operations for Medical Marijuana, Inc. and has served on the board of directors of Medical Marijuana, Inc. from March 2016 to the present. Mr. Schroeder holds a B.S. in Finance from Utah State University and a law degree from Syracuse University College of Law.

Mauricio Javier Gatto-Bellora - Director

Mr. Gatto-Bellora has over 30 years in the pharmaceutical, biochemistry and cosmetics industries throughout the world. Mr. Gatto-Bellora's business background includes Allergan (Mexico, Latin America, Brazil, Argentina) , Natura (USA,Argentina, Brazil, Chile, Peru, Bolivia, France), Jugos Del Sur S.A., Mary Kay Inc, DaumDeuman, LLC, MonaVie and Hair Ventures, LLC. Since 2015 to the present, Mr. Gatto-Bellora has been the founder and President of Hair Ventures, LLC based in New York City. While working with Natura from 2002-2011, Mr. Gatto-Bellora served as CEO-International, CEO-Brazil & Latin America, President-Latin America and General Manager-Argentina being responsible for more than US$ 5 Billion in sales. From 2011 to the present, Mr. Gatto-Bellora served as the founder and CEO of Daumdeuman, LLC, a company specializing in the strategy and implementation of startup and turnaround companies with an emphasis on international scenarios. From 2013-2015, Mr. Gatto-Bellora was the President, CEO and Chairman of the Board of MonaVie a MLM company selling nutritional products in 46 countries. Mr. Gatto-Bellora holds a doctor's degree in Pharmaceutical Sciences &

Biochemistry from the University of Buenos Aires, and Postgrad degree in International business from INSEAD. Mr Gatto Bellora was published in multiple countries including the Journal of Micro-encapsulation and Journal of antimicrobial agents and chemotherapy.

Corporate Governance

General

We believe that good corporate governance is important to ensure that the Company is managed for the long-term benefit of our shareholders. This section describes key corporate governance practices that we have adopted.

Board of Directors Meetings and Attendance

The Company's Board of Directors has responsibility for establishing broad corporate policies and reviewing our overall performance rather than day-to-day operations. The primary responsibility of the Board is to oversee the management of the Company and, in doing so, serve the best interests of the Company and its shareholders. The Board selects, evaluates and provides for the succession of executive officers and, subject to shareholder election, directors. It reviews and approves corporate objectives and strategies and evaluates significant policies and proposed major commitments of corporate resources. The Board also participates in decisions that have a potential major economic impact on the Company. Management keeps the directors informed of Company activity through regular communication, including written reports and presentations at Board and committee meetings.

Committees of the Board of Directors

The Company has formal Compensation and Audit and Nominating and Governance Committees. All other functions of the Board are being undertaken by the Board of Directors as a whole.

On April 2, 2019, Blake N. Schroeder resigned from the Company's Audit, Compensation and Nomination and Governance Committees. Mr. Schroeder's resignation was not because of any disagreements with the Company on matters relating to its operations, policies and practices.

Effective April 3, 2019, the Company's Board of Directors appointed Mauricio Javier Gatto-Bellora as a member of the Company's Audit, Compensation and Nominating and Governance Committees.

Compensation Committee

The Compensation Committee consists of Mauricio Javier Gatto-Bellora, Timothy Scott, and Robert Cunningham and has established a charter that requires all members of the Compensation Committee to be "non-employee directors" for purposes of Rule 16b-3 of the Exchange Act and satisfy the requirements of an "outside director" for purposes of Section 16(m) of the Internal Revenue Code. The Compensation Committee is responsible for overseeing and, as appropriate, making recommendations to the Board of Directors regarding the annual salaries and other compensation of our executive officers, our general employee compensation and other policies and providing assistance and recommendations with respect to our compensation policies and practices. The Compensation Committee is authorized to carry out these activities and other actions reasonably related to the Compensation Committee's purposes or assigned by the Board of Directors from time to time. The Compensation Committee's specific responsibilities are delineated in its charter.

Audit Committee

The Audit Committee consists of Robert Cunningham, Mauricio Javier Gatto-Bellora, and Timothy Scott and has established a charter that requires all members of the Audit Committee to be independent in accordance with applicable listing standards. Our securities are quoted on the OTCQB, which does not have any director independence requirements. Further, companies with securities only quoted on the OTCQB are not required to comply with the independence standards set forth in Rule 10A-3(b)(1) of the Exchange Act. Our Board of Directors has also determined that Mr. Robert Cunningham is an "audit committee financial expert" as defined in Item 407(d) of Regulation S-K.

The Audit Committees responsibilities include: a) selecting and evaluating the performance of our independent auditors; b) reviewing the scope of the audit to be conducted by our independent auditors, as well as the result of their audit, and approving audit and non-audit services to be provided; c) reviewing and assessing our financial reporting activities and disclosure, including our earnings press releases and periodic reports, and the accounting standards and principles followed; d) reviewing the scope, adequacy and effectiveness of our internal control over financial

reporting; e) reviewing management's assessment of our compliance with our disclosure controls and procedures; f) reviewing our public disclosure policies and procedures; g) reviewing our guidelines and policies regarding risk assessment and management, our tax strategy and our investment policy; h) reviewing and approving related-party transactions; and i) reviewing threatened or pending litigation matters and investigating matters brought to the committees attention that are within the scope of its duties.

Nominating and Governance Committee

The Nominating and Governance Committee consists of Mauricio Javier Gatto-Bellora, Robert Cunningham, and Timothy Scott and has established a charter that governs its role with the Company. Timothy Scott has been appointed as the Chairman of the Nominating and Governance Committee.

The role of the Nominating and Governance Committee is to identify, qualify and propose new board members for the Company. The Nominating and Governance Committee shall also submit a slate of officers including, when applicable. The Nominating and Governance Committee shall: (i) obtain biographies and effectively screen all nominations to ensure selection of members of the highest caliber to serve as selected officers and directors. and (ii) in connection with the performance of its duties, the Nominating and Governance Committee shall have unrestricted access to and assistance from the officers, employees and independent auditors of the Corporation, and shall be furnished with such resources and support from the Company as the Nominating and Governance Committee shall deem necessary. The Nominating and Governance Committee shall have the authority to employ, at the expense of the Company, such experts and professionals as the Nominating and Governance Committee shall deem appropriate from time to time.

Security Holder Communications with our Board of Directors

The Company provides an informal process for security holders to send communications to our board of directors. Security holders who wish to contact the board of directors or any of its members may do so by writing to: AXIM Biotechnologies, Inc., 45 Rockefeller Plaza 20th Floor, Suite 83, New York, NY 10111. Correspondence directed to an individual board member is referred, unopened, to that member. Correspondence not directed to a particular board member is referred, unopened, to the President and CEO.

Conflicts of Interest

Some of officers and all our directors are not obligated to commit their full time and attention to our business and, accordingly, they may encounter a conflict of interest in allocating their time between our operations and those of other businesses. In the course of their other business activities, they may become aware of investment and business opportunities which may be appropriate for presentation to us as well as other entities to which they owe a fiduciary duty. As a result, they may have conflicts of interest in determining to which entity a particular business opportunity should be presented. They may be currently and, in the future, may become affiliated with entities that are engaged in business activities similar to those we intend to conduct.

In general, officers and directors of a corporation are required to present business opportunities to the Company if:

1. The Company could financially undertake the opportunity;

2. The opportunity is within the Company's line of business; and

3. It would be unfair to the Company and its shareholders not to bring the opportunity to the attention of the Company.

Code of Ethics

We have adopted a written code of ethics that obligates our directors, officers and employees to disclose potential conflicts of interest and prohibits those persons from engaging in such transactions without our consent.

Compliance with Section 16(a) of Securities Exchange Act of 1934

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the registrant's officers and directors, and persons who own more than 10% of a registered class of the registrant's equity securities, to file reports of ownership and changes in ownership of equity securities of the Registrant with the Securities and Exchange Commission. Officers, directors and greater-than-10% shareholders are required by the Securities and Exchange Commission regulation to furnish the registrant with copies of all Section 16(a) forms that they file. Based solely upon a review of Forms 3 and 4 and amendments thereto furnished to us during our most recent fiscal year and Forms 5 and amendments thereto furnished to us with respect to our most recent fiscal year, to the best of our knowledge, all

executive officers, directors and persons holding greater than 10% of our issued and outstanding stock have filed the required reports in a timely manner during fiscal 2017.

Family Relationships

There is no family relationship between any Director, executive or person nominated or chosen by the Company to become a Director or executive officer.

Advisory Board

October 15, 2014, our Board of Directors created an Advisory Board to advise the Board on certain matters and decisions. As of December 31, 2018, the Company Advisory Board consists of:

Dr. Donald Abrams - Advisory Board

Dr. Donald Abrams is chief of the Hematology-Oncology Division at San Francisco General Hospital and a Professor of Clinical Medicine at the University of California San Francisco. Dr. Abrams has long been involved in clinical trials of complementary and alternative medicine interventions for HIV/AIDS and cancer, including evaluations of medicinal marijuana. In 1997, Dr. Abrams received funding from the National Institute on Drug Abuse (NIDA) to conduct clinical trials of the short-term safety of cannabinoids in HIV infection. Subsequently, he was granted funds by the University of California Center for Medicinal Cannabis Research to continue studies of the effectiveness of cannabis in a number of clinical conditions. Dr. Abram's NIDA-funded trial investigated the possible pharmacokinetic interaction between vaporized cannabis and opioid analgesics in patients with chronic pain. Dr. Abrams is conducting an NIH-funded trial investigating vaporized cannabis in patients with Sickle Cell disease. He co-authored the chapter on "Cannabinoids and Cancer" in the Oxford University Press Integrative Oncology text that he co-edited with Andrew Weil. He co-edits the NCI PDQ CAM Cannabinoids and Cancer website.

Professor Robert Ritch – Advisory Board

Professor Robert Ritch holds the Shelley and Steven Einhorn Distinguished Chair in Ophthalmology and is Surgeon Director Emeritus and Chief of Glaucoma Services at New York Eye and Ear Infirmary of Mount Sinai (NYEE). He has devoted his career to broadening the understanding of the underlying etiologies and mechanisms of glaucoma and innovation in its medical, laser, and surgical treatment. Prof. Ritch received his B.A. cum laude from Harvard College and an M.A. in cell biology from Harvard University. He received his M.D. from Albert Einstein College of Medicine and, after a residency in Ophthalmology at Mount Sinai School of Medicine, received fellowships in glaucoma from the Heed Foundation and the National Institutes of Health. A Diplomat of the American Board of Ophthalmology, Prof. Ritch is a Fellow of the American Academy of Ophthalmology, the American College of Surgeons, the International College of Surgeons, the Royal College of Ophthalmology, the Association for Research in Vision and Ophthalmology, and the New York Academy of Medicine, and is a member of more than 35 scientific and medical societies around the world.

Dr. Ilya Reznik - Advisory Board

Dr. Ilya Reznik is a Board-certified specialist in Adult Forensic & Clinical NeuroPsychiatry at MaReNa Diagnostic and Consulting Center, Israel. Dr. Reznik has published many original papers (including controlled trials), reviews and case reports in leading peer-reviewed journals in field of clinical psychiatry and neuropsychopharmacology. He is currently researching the medical use of cannabis and cannabinoids, especially for various neuropsychiatric illnesses, such as Chronic Pain Syndrome, Fibromyalgia, Post-Traumatic Stress Disorder (PTSD), OCD, Gilles de la Tourette syndrome, Parkinson's and Alzheimer diseases etc. During the last 7 years Dr. Reznik, coordinated the activities of Israel National Forum/Association for Medical Cannabis Research & Treatment. He is Associate Member of The Canadian Consortium for the Investigation of Cannabinoids (CCIC), Member of International Cannabinoid Research Society (ICRS). In 2013 he was elected to the Board of Directors, International Association for Cannabinoid Medicines (IACM) and promotes educational and international activity within IACM.

Professor John Zajicek MD, PhD

Professor John Zajicek Chair in Medicine at the University of St. Andrews School of Medicine, Institute of Behavioural and Neural Sciences. Professor Zajieck trained in Medicine at Cambridge and St Mary’s Hospital in London. He completed a Ph.D. in cell biology of myelination in Cambridge. He then moved to Plymouth in 1995 as a neurologist where he was involved in both laboratory and clinical research. He is Chair of Clinical Neuroscience at Plymouth University, Director of the Peninsula Clinical Trials Unit, and Chair of the UK NIHR Nervous System Disorders Specialty Group. Zajicek has served on the UK MRC Neuroscience and Mental Health Board and the MRC Methodology Panel. He is particularly interested in the way Axim Biotechnologies develops trials for neurodegenerative diseases. He has been Chief Investigator in several large multicentre randomized controlled trials,

including the investigation of cannabinoid use in multiple sclerosis. Professor Zajicek has authored many papers on cannabinoids, multiple sclerosis and the methodology of clinical trials in neurodegeneration.

Professor Renger Witkamp, PhD

Professor Renger Witkamp studied Biology and Pharmacy at the Utrecht University (NL). He obtained his pharmacist degree in 1987 and started his career as pharmacist/lecturer at the Veterinary Faculty of the Utrecht University, which was combined with his Ph.D. training on experimental pharmacokinetics. After his Ph.D., he continued as an assistant professor, and later as an associate professor at the Utrecht University, until 1996. Subsequently, he moved to TNO, the Netherlands' Organization for Applied Research.

At TNO, he held several scientific and managerial positions. In 2006, he became a professor in Nutrition and Pharmacology at Wageningen University, which at that time was a newly established academic chair. His group focuses on teaching and researching concepts and applications of the interface between food and pharma, including medical nutrition and drug-nutrient combinations. Research is predominantly directed at further elucidating the actions of plant cannabinoids and endocannabinoids on inflammatory processes and eating behavior. Practical applications of this program include muscle preservation during chronic disease and intestinal disorders.

Dr. Arno Hazekamp, PhD

Dr. Arno Hazekamp studied at Leiden University in the Netherlands, where he obtained his Bachelor's degree in the field of Molecular Biology, followed by an MSc in Biopharmaceutical Sciences. After finishing his research on Thai traditional medicine, he graduated with honors in 2000. Subsequently, Arno started his Ph.D., focused on the medicinal properties of the cannabis plant, and on the practical obstacles that stand between this plant and its development into a modern medicine. Arno was able to work closely with the official grower of medicinal cannabis in the Netherlands, Bedrocan BV, and was involved in numerous projects regarding the chemical analysis, quality control, and product development regarding medicinal cannabis. He was actively involved in setting up the medicinal cannabis program of the Dutch Health Ministry and became a strong advocate of a more science-based approach to the medicinal use of cannabis in the Netherlands and abroad. After finishing his Ph.D., Arno continued to set up his own consultancy lab for analysis of medicinal plants while keeping a special interest in cannabis. As an independent researcher, Arno worked closely with government agencies, universities, and pharmaceutical companies. Some relevant experiences during this period (2005-2011) include his involvement in the early phase of Echo Pharmaceuticals (a Dutch pharmaceutical company developing a sublingual administration form of THC and other cannabinoids) and validation studies for the German company Storz & Bickel (e.g., the basis for the successful development of the Volcano Medic, a vaporizer device specifically designed for inhalation of medicinal cannabis). Arno is considered an expert on standardized growing, quality control, and product development. He is an active traveler and medicinal cannabis advocate. In 2011, Arno became the head of Research and Development (R&D) of Bedrocan BV, where he currently works on the preparation of clinical trials with medicinal cannabis.

Professor Jacques F. Meis MD, PhD

Dr. Jacques F. Meis is a consultant microbiologist at Canisius-Wilhelmina Hospital in Nijmegen, The Netherlands, a large teaching hospital; and an honorary consultant at the Radboud University Medical Center in the same city. In addition to an MD, he holds a Ph.D. in Science, is a board-certified medical specialist in the Netherlands and is a Fellow of the Infectious Diseases Society of America and the Royal College of Pathology in the UK. He is a former President of the Dutch Society for Medical Mycology, former President of the European Confederation for Medical Mycology, and former Chairman of the External Quality Control Program in Bacteriology and Mycology in the Netherlands. In addition to being Senior Editor of Mycoses, he is a voting member on the CLSI Subcommittee on Antifungal Susceptibility Testing. He is (co)author of more than 350 peer-reviewed PubMed-included publications. His current research focuses on diagnosis, treatment, molecular typing and antifungal susceptibility of the opportunistic fungi Aspergillus, Cryptococcus and Candida in addition to other rare filamentous fungi.

Compensation of Company Directors and Advisory Board Members

Our Directors are compensated $5,000 on a quarterly basis plus on each annual anniversary of Board service additional $20,000. Our Advisory Board Members are compensated quarterly with stock grants of approximately 300 to 5,000 shares per quarter. Both, our Directors and Advisory Board Members are reimbursed for reasonable out-of-pocket expenses related to attending board of directors' meetings and for promoting our business. In the future, we may compensate our Directors for serving on Special Committees and our Advisory Board Members with additional cash or other compensation. From time to time we may request certain members of the board of directors to perform services on our behalf. In such cases, we will compensate the directors for their services at rates no more favorable than could be obtained from unaffiliated parties.

Item 11. Executive Compensation

The following table sets forth the cash compensation paid to our officers and directors for services rendered, and to be rendered:

Name and Principal Position	Year	Salary	Bonus	Stock Awards	Warrant Option Awards	Non-Equity Incentive Plan Compensation	Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
Dr. George E. Anastassov	2018	240,000	120,000	-	-	-	-	235,000	$595,000
Chairman	2017	240,000	-	-	-	-	-	-	$240,000
Dr. Philip A. Van Damme	2018	45,000	-	-	-	-	-	-	45,000
Director, Chief Scientific Officer	2017	15,000	-	-	-	-	-	-	15,000
Lekhram Changoer	2018	240,000	-	-	-	-	-	235,000	$475,000
Director, Chief Technology Officer	2017	240,000	-	-	-	-	-	-	$240,000
Robert Malasek	2018	12,000	-	-	-	-	-	235,000	247,000
Chief Financial Officer, Secretary	2017	13,000	-	-	-	-	-	-	13,000
Timothy R. Scott, PhD	2018	45,000	-	-	-	-	-	-	45,000

Director	2017	15,000	-	-	-	-	-	-	15,000
Robert Cunningham	2018	45,000	-	-	-	-	-	-	45,000
Director	2017	15,000	-	-	-	-	-	-	15,000
John W. Huemoeller II	2018	45,000	-	-	-	-	-	-	45,000
Director, Chief Executive Officer	2017	15,000	-	-	-	-	-	-	15,000
Blake N. Schroeder, Esq.	2018	45,000	-	-	-	-	-	-	45,000
Director	2017	15,000	-	-	-	-	-	-	15,000

Employment Agreements

On June 13, 2014, we entered into a 12-month employment agreement, at a compensation rate of $240,000 annually, with Dr. George E. Anastassov to serve as our Chairman, Chief Executive Officer, President, Chief Financial Officer and Secretary. The agreement automatically renews for an additional 12-month term unless terminated earlier by ether party. Following 12 months of continuous employment, Dr. Anastassov will receive either; at the sole option of the Company, 500,000 restricted shares of Company common stock; or the financial equivalent in cash, based upon the average 10 day closing price as of the Company's common stock immediately preceding the grant date, as quoted on finance.yahoo.com. Following 15 months of continuous employment, and every three (3) months thereafter, Dr. Anastassov will receive either, at the sole option of the Company, 125,000 restricted shares of Company common stock; or the financial equivalent in cash, based upon the average 10 day closing price as of the Company's commons stock immediately preceding the grant date, as quoted on finance.yahoo.com.

Effective January 1, 2016, we entered into a 12-month employment agreement, at a compensation rate of $126,000 annually, with Lekhram Changoer to serve as our Chief Technology Officer. Following 3 months of continuous employment, and every three months thereafter, Mr. Changoer will receive either; at the sole option of the Company, 120,000 restricted shares of Company common stock; or the financial equivalent in cash, based upon the average 10 day closing price as of the Company's common stock immediately preceding the grant date, as quoted on finance.yahoo.com.

On September 1, 2016, the Company entered into an amended and restated employment agreement with Dr. George Anastassov, its Chief Executive Officer. The agreement does not have a set term and may be terminated at any time by the Company or Dr. Anastassov with proper notice. Under the agreement, Dr. Anastassov receives an annual base agreement. Upon the one-year anniversary of the agreement, the Company has the direction to grant additional equity awards to Dr. Anastassov. On April 1, 2016 the Company was obligated to issue 120,000 restricted shares of the Company's common stock pursuant to the terms of the June 13, 2014, employment agreement. On September 1, 2016, the Company was obligated to issue 2,000,000 restricted shares of the Company's common stock pursuant to the terms of the September 1, 2016, employment agreement with Dr. Anastassov. The shares were issued in the 4th quarter 2016. At the year-end December 31, 2016 the Company recorded $600,000 compensation expense in the accompanying consolidated financial statements to account for the required issuance of the incentive shares. On March 20, 2018 the Company issued 50,000 restricted shares of its common stock and recorded $235,000 compensation expense. On May 15, 2018 the Company agreed to pay Dr. George Anastassov a bonus of $15,000 per month as a compensation. The Company recorded $120,000 of additional expense for the year ended December 31, 2018 as part of this bonus arrangement. On January 2, 2019 Dr. George Anastassov resigned as the Chief Executive Officer of Axim Biotechnologies, Inc.

On January 2, 2019 the Company entered into the term of Executive's employment agreement, at a base salary of $10,000 per month with John W. Huemoeller II to serve as its Chief Executive Officer. The Company and Executive acknowledge and agree that Executive's employment hereunder shall at all times be "at will," which means that either

Executive may resign at any time for any reason or for no reason, and that the Company may terminate Executive's employment at any time for any reason or for no reason, in either case, subject to the applicable provisions of this Agreement. In further consideration for Executive's services and subject to the approval of the Board, Executive will be granted an option to purchase 2,000,000 shares of the Company's common stock (the "Option Shares"). The option will be subject to the terms and conditions applicable to stock options granted under the Company's 2015 Stock

Incentive Plan, as amended from time to time (the "Plan"), and as described in the Plan and the stock option agreement, which Executive will be required to sign. 50% of the Option Shares shall vest on the date of grant and the remaining 50% of the Option Shares shall vest on the 12- month anniversary of the grant date, subject to Executive's continued employment by the Company. The exercise price per share will be equal to the fair market value per share on the date of grant, as determined by the last closing price of the Company's common stock the day prior to grant.

On September 1, 2016, the Company entered into an amended and restated employment agreement with Mr. Lekhram Changoer, its Chief Technology Officer. The agreement does not have a set term and may be terminated at any time by the Company or Mr. Changoer with proper notice. Under the agreement Mr. Changoer receives an annual base compensation of $240,000 and an incentive payment of 2,000,000 shares of the Company's common stock due upon execution of the agreement. Upon the one-year anniversary of the agreement, the Company has the discretion to grant additional equity awards to Mr. Changoer. On September 1, 2016, the Company was obligated to issue 2,000,000 restricted shares of the Company's common stock pursuant to the terms of the September 1, 2016, employment agreement with Mr. Changoer. The shares were issued in the 4th quarter 2016. At the year ended December 31, 2016 the Company recorded $600,000 of compensation expense in the accompanying consolidated financial statements to account for the required issuance of the incentive shares. On March 20, 2018 the Company issued 50,000 restricted shares of its common stock and recorded $235,000 compensation expense.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth certain information regarding our common stock beneficially owned as of December 31, 2018:

(i) each stockholder known by us to be the beneficial owner of five (5%) percent or more of our outstanding common stock;

(ii) each of our officers and directors; and

(iii) all executive officers and directors as a group.

This information as to beneficial ownership was furnished to the Company by or on behalf of each person named. As at December 31, 2018, there were 59,582,890 shares of our common stock issued and outstanding.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of Class
Common Stock	Dr. George E. Anastassov[1]	3,053,000	5.12%[4]
Common Stock	Dr. Philip A. Van Damme[3]	202,500	** [5]
Common Stock	Lekhram Changoer[3]	2,315,000	3.89%[7]
Common Stock	Robert Malasek[1]	50,000	**
Common Stock	Mauricio Javier Gatto-Bellora[1]	0	**
Common Stock	Timothy R. Scott, PhD[1]	0	0%
Common Stock	Robert Cunningham[1]	0	0%
Common Stock	John W. Huemoeller II[1]	0	0%
Common Stock	Blake N. Schroeder, Esq. [1]	0	0%
Common Stock	Sanammad Foundation USA[6]	14,943,650	25.08%
Common Stock	Sanammad Foundation	3,626,706	6.09%
Common Stock	MJNA Investment Holdings LLC[2]	17,969,125	30.16%[8]
Common Stock	Medical Marijuana Inc[2]	4,700,000	7.89%
Common Stock	All Directors and Officers as a Group	24,190,856	40.60%

** Less than 1%

(1) The address is: 45 Rockefeller Plaza 20th Floor, Suite 83, New York, NY 10111.

(2) The address is: 13831 Danielson, Poway, CA 92064.

(3) The address is: Bijleveldsingel 89, Nijmegen, 6521AP, Netherlands.

(4) Mr. Anastassov owns 3,053,000 shares individually and is a 1/3 owner and control person of Sanammad Foundation which holds 3,626,706 shares and Sanammad Foundation USA which holds 14,943,650 shares of our common stock and 500,000 shares of our Series B preferred stock.

(5) Mr. Van Damme owns 202,500 shares individually and is a 1/3 owner and control person of Sanammad Foundation which holds 3,626,706 shares and Sanammad Foundation USA which holds 14,943,650 shares of our common stock and 500,000 shares of our Series B preferred stock.

(6) The address is: 560 Sylvan Avenue, 3rd Floor, Englewood Cliffs, NJ 07632.

(7) Mr. Changoer owns 2,315,000 individually and is a 1/3 owner and control person of Sanammad Foundation which holds 3,626,706 shares and Sanammad Foundation USA which holds 14,943,650 shares of our common stock and 500,000 shares of our Series B preferred stock

(8) MJNA Investment Holdings, LLC owns 17,969,125 individually and holds 500,000 shares of our Series C preferred stock.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. The number of shares and the percentage beneficially owned by each individual listed above include shares that are subject to options held by that individual that are immediately exercisable or exercisable within 60 days from the date of this Report and the number of shares and the percentage beneficially owned by all officers and directors as a group includes shares subject to options held by all officers and directors as a group that are immediately exercisable or exercisable within 60 days from the date of this Report.

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

On August 8, 2014 the Company entered into a Promissory Note Agreement with CanChew Biotechnologies, LLC (CCB), a related party (the owners of CCB also own 90% of the outstanding shares of the Company), under which it borrowed $1,000,000 to fund working capital. The loan is a demand note which bears interest at a rate of 7% annually. The Promissory Note Agreement was amended effective January 1, 2015. The amended Promissory Note bears an annual interest rate of 3%. All other terms and conditions shall remain in full force and effect. On December 23, 2016, a principal payment of $120,000 was made. The total outstanding at December 31, 2018, is $880,000.

On May 21, 2014, the Company's President advanced an additional $5,000 to the Company to fund working capital needs.

On June 25, 2014, the Company received a non-interest-bearing advance from CanChew Biotechnologies, LLC (CCB) of $30,000 to pay the down payment on its D & O liability insurance. In addition, the Company during 2014 was advanced an additional $35,775 for operating expenses principally for the owner's salary. For the years ended December 31, 2017 and 2016, the Company received additional advance of $0 and $1,619,067, respectively for operation expenses. The advance is due on demand. In the 4th quarter of 2018 the Company evaluated change in imputed interest and recorded $44,312 of interest expenses which represents 2.76% interest rate (Index for Applicable Federal Rates) as provided by IRS for December 2018. The total outstanding due to related party as of December 31, 2018 and 2017 is $1,649,832 and $1,605,520, respectively.

Board of Directors Independence

The Company considers Mauricio Javier Gatto-Bellora, Robert Cunningham, and Timothy Scott to be "independent" within the meaning of definitions established by the Securities and Exchange Commission.

Item 14. Principal Accountant Fees and Services

Audit Fees

RBSM, LLP, billed us $97,500 and $56,300 in audit fees during the years ended December 31, 2018 and 2017.

Audit-Related Fees

We did not pay any fees to any of our primary auditors, for assurance and related services that are not reported under Audit Fees above, during our fiscal years ended December 31, 2018 and 2017.

Tax and All Other Fees

We did not pay any fees to any of our primary auditors for tax compliance, tax advice, tax planning or other work during our fiscal years ended December 31, 2018 and 2017.

Pre-Approval Policies and Procedures

With respect to the audit of our financial statements as of December 31, 2018 and 2017, and for the years then ended, none of the hours expended on any of our primary auditor's engagement to audit those financial statements were attributed to work by persons other than our primary auditor's full- time, permanent employees.

Item 15. Exhibits, Financial Statement Schedules

Please see the below Exhibit Index and the Index to Financial Statements and related notes to financials which follows the signature page to this annual report on Form 10-K and which is incorporated by reference herein.

Exhibit Index

Exhibits	Incorporated by Reference			Filed with This Report
	Exhibit #	(Form Type)	Filing Date	
Articles of Incorporation, as filed with the Nevada Secretary of State on November 18, 2010.	3.1	10-Q	11/14/2014	
Certificate of Amendment, as filed with the Nevada Secretary of State on July 24, 2014.	3.2	10-Q	11/14/2014	
Amended and Restated (As of August 17, 2016) Bylaws of AXIM Biotechnologies, Inc.	3.3	10-Q	8/22/2016	
Certificate of Designation of Series B Preferred Stock.	3.4	10-Q	8/22/2016	
Certificate of Designation of Series C Preferred Stock.	3.5	10-Q	8/22/2016	
Amended and Restated Employment Agreement effective September 1, 2016, by and between AXIM International, Inc. and Dr. George E. Anastassov.	10.1	10-Q	11/21/2016	
Amended and Restated Employment Agreement effective September 1, 2016, by and between AXIM International, Inc. and Lekhram Changoer.	10.2	10Q	11/21/2016	
Employment Agreement effective September 1, 2016, by and between AXIM International, Inc. and Dr. Philip A. Van Damme.	10.3	10-Q	11/21/2016	
Code of Business Conduct and Ethics.	14.1	10-Q	11/20/2017	
Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	31.1			X

Consent of Independent Registered Public Accounting Firm	23.1			X
Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	31.2			X
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.	32.1*			X
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.	32.2*			X
Nominating and Governance Committee Charter.	99.1	10-Q	11/20/2017	
Compensation Committee Charter.	99.2	10-Q	11/20/2017	
Audit Committee Charter.	99.3	10-Q	11/20/2017	
XBRL Instance Document	101.INS			X
XBRL Taxonomy Extension Schema Document	101.SCH			X
XBRL Taxonomy Extension Calculation Linkbase Document	101.CAL			X
XBRL Taxonomy Extension Definition Linkbase Document	101.DEF			X
XBRL Taxonomy Extension Label Linkbase Document	101.LAB			X
XBRL Taxonomy Extension Presentation Linkbase Document	101.PRE			X

*****These certifications are being furnished solely to accompany this annual report pursuant to 18 U.S.C. Section 1350, and are not being filed for purposes of Section 18 of the Securities Exchange Act of 1934 and are not to be incorporated by reference into any filing of the Registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing

SIGNATURES

Pursuant to the requirements 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.

Signature	**Title**	**Date**
/s/ John W. Huemoeller II John W. Huemoeller II	President and Director (Principal Executive Officer)	April 8, 2019
/s/ Robert Malasek Robert Malasek	Chief Financial Officer (Principal Financial Officer)	April 8, 2019
/s/ Lekhram Changoer Lekhram Changoer	Director	April 8, 2019