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

FORM 10-K

(Mark One)

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

For the fiscal year ended **DECEMBER 31, 2023**

☐ 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)

6191 Cornerstone Court, E, Suite 114
San Diego, CA 92121
(Address of principal executive offices)

Registrant's telephone number, including area code: **(858) 923-4422**

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 ☒

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 ☒

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 ☒ No ☐

Indicate by check mark whether registrant has submitted electronically 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 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	☐	Smaller reporting company	☒
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 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the registrant's voting equity held by non-affiliates of the registrant, as of June 30, 2023, the last day of the registrant's most recently completed second fiscal quarter, was $5,340,925 (based on the closing sale price of the common stock reported on the OTC Markets, Inc. on June 30, 2023). For purposes of the above statement only, all directors, executive officers and 10% shareholders are assumed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes". ☐

Note. - If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable eff ort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided that the assumptions are set forth in this Form.

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

Indicate by check mark whether the registrant has filed all documents and reports required to be fi led by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☐ No ☐

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date. 278,429,403

DOCUMENTS INCORPORATED BY REFERENCE

None

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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"). Our SEC filings are 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," "intend," "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 a leading developer of diagnostic healthcare solutions serving to enhance the health of people. Through the development of diagnostic solutions that quickly and accurately diagnose various diseases, our products allow healthcare workers to quickly test and treat at the point-of-care, which leads to improved patient outcomes and provides numerous economic benefits to the healthcare system.

Axim's core competencies include development of rapid lateral flow immunoassays, reagents and monoclonal antibody development for such assays. Our current products fall into these categories:

(1) Eye Health, wherein we acquired two FDA cleared 510(k) tests for dye eye disease and have internally developed a third assay; and

(2) SARS-CoV-2 neutralizing antibody tests

Following the acquisition of two FDA cleared 510(k) tests for dye eye disease, the Company's product focus has been primarily in the area of Eye Health. We continue to maintain the products and assays developed in connection with SARS-CoV-2 neutralizing antibody tests should a commercialization opportunity present itself in the future.

Our principal executive office is located at 6191 Cornerstone Court, E. Suite 114, San Diego, CA 92121. Our telephone number is (858) 923-4422 and our website is www.aximbiotech.com. Unless expressly noted, none of the information on our website is part of this Report. Our common stock is quoted on the OTCQB Marketplace operated by the OTC Markets Group, Inc., under the ticker symbol "AXIM."

Historical Business Operations

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.

The Company's historical business operations focused on the research, development and production of pharmaceutical, nutraceutical and cosmetic products based upon our proprietary technologies. This business and its related intellectual property were divested by the Company in May, 2020.

In March 2020, we acquired Sapphire Biotech, Inc. ("Sapphire"), a diagnostic healthcare solutions company, changing our business operations.

Acquisition of Sapphire Biotech, Inc.

On March 17, 2020, we entered into a Share Exchange Agreement with Sapphire and all of its stockholders, pursuant to which, upon closing of the transaction, we: (i) acquired 100% of Sapphire's outstanding capital, consisting of 100,000,000 shares of common stock; and (ii) assumed all of the outstanding debt of Sapphire. The outstanding debt included two convertible notes in the principal amounts of $310,000 and $190,000, respectfully.

In exchange for 100% of the issued and outstanding shares of Sapphire, we issued an aggregate of 54,000,000 newly issued shares of Company common stock to Sapphire's existing stockholders (the "Share Exchange"). As a result of the Share Exchange, Sapphire became a wholly owned subsidiary of the Company, which has resulted in consolidated financial reporting by the Company to include the results of Sapphire.

Acquisition of Advanced Tear Diagnostics, LLC Technology

On August 26, 2021, we purchased certain eye disease diagnostic technology from Advanced Tear Diagnostics, LLC, a Delaware Limited Liability Company ("Advanced Tear"), consisting of worldwide exclusive licenses to manufacture, distribute and sell 510(k) cleared medical diagnostic devices already being marketed for Lactoferrin, a biomarker for dry eye disease and a 510(K) license for IgE, a biomarker for allergic ocular reaction and ownership of the two FDA registered 510(k) clearances (collectively, the "DED Licenses"). Pursuant to the agreement, AXIM became the FDA registered owner of the two 510(k)'s. The purchase price for the technology licenses and the 510(k)'s was $4,270,000, which price was paid by issuing 7,000,000 restricted shares of Company common stock to Advanced Tear.

This asset purchase will prohibit another company from manufacturing the same devices under the 510(k)'s now owned by AXIM. Companies wishing to compete with AXIM by manufacturing the diagnostic devices acquire by AXIM must initiate a new 510(k) application and conduct costly clinical trials in support of the lengthy clearance process.

Also on August 26, 2021, we purchased technology and intellectual property relating to electrochemical impedance spectroscopy which included five pending patent applications, one of which has now been allowed by the US Patent & Trademark Office, from Advanced Tear for $250,000 (included assuming and paying $30,000 of the Advanced Tear liabilities). The bulk of the purchase price ($210,000) was in a note that requires seven equal monthly payments of $30,000, which payment started on September 3, 2021. The note has since been repaid in full.

Eye Health Overview

On August 26, 2021, we acquired the technology, intellectual property and the exclusive global rights to market two FDA cleared lateral flow assays which utilize a non-invasive, quantitative, point of care human tear test to aid in the diagnosis and selection of therapeutics for the treatment of eye diseases. With the acquisition, the Company became focused on improving the landscape for the diagnosis of ophthalmological conditions such as Dry Eye Disease (DED) through rapid diagnostic tests. The Company owns two of the only five FDA Cleared Diagnostic tests for Dye Eye Disease.

Currently, we have an FDA 510(k) clearance to test Lactoferrin (an aqueous deficiency biomarker) and IgE (a non-specific allergy biomarker). Our objective is to establish point of care testing for dry eye disease ("DED") and to establish this modality as the new standard of care. The tests are quick, simple to use, and inexpensive to the clinic. The tests are CMS and private insurance reimbursable.

Low levels of Lactoferrin confirm inadequate glandular tear production (aqueous deficiency) and high levels of IgE indicate an active ocular allergy. If both biomarkers are normal, the cause of a patient's dry eye condition could be attributed to evaporative dry eye. So, by performing these two tests, an eye doctor may now better assess the underlying cause of the tear film disorder, its severity and the appropriate treatment protocol to pursue. In addition, these tests are rapid, accurate, reimbursable, profitable and can be performed by a technician, which allows the physician to be more productive and attend to more patients.

While at one time the tests were sold in numerous eye doctors' locations, when the Company acquired the assays, they had been mothballed. The Company has had to redevelop the tests, reagents and select a quantitative reader. Since the acquisition of the technology, the Company has been successful in redevelopment and is launching sales.

We have signed a supply agreement with Barcelona-based IUL SA ("IUL") for our iPeak DED readers, which will be deployed for diagnostic testing with a focus on Lactoferrin and IgE levels. This state-of-the-art portable reader is a colorimetric lateral flow reader designed to hold different cassette sizes and can read cassettes of up to five strips and seven lines per strip at a time.

iPeak is equipped with "Flash Eye" technology based on the principles of machine vision illumination. Its camera captures the image of the test illuminated from LED lights situated in the most studied geometry to achieve a precise and uniform illumination and enhance the colors of any lateral flow test. The iPeak technology also allows for more sensitivity, which is the main success of its application.

We evaluated the iPeak readers in the lab against several other comparable products before deciding on IUL's state-of-the-art products. The Company's diagnostic testing process for DED, and specifically for Lactoferrin levels as a primary indicator, will include the use of reagent strip samples. The new readers are calibrated with the new test strips and will be distributed to ophthalmologists and optometrists at the point of care. The patients' tear sample will be obtained and applied to the strips and then an ophthalmologist or optometrist will run the strips through a reader to determine Lactoferrin levels and incidence and severity of DED.

On September 19, 2022 the Company announced that it had signed an exclusive global commercialization agreement with Verséa Ophthalmics, LLC, a business division of Verséa Holdings, Inc. ("Verséa"), is one of the fastest growing U.S. healthcare companies, specialized in the sale and distribution of diagnostic and therapeutic solutions.

Our tests are considered moderately complex by CLIA. This requires the user of the test to obtain a CLIA certificate of compliance. This is done by filing a simple application with CMS (Form 116) and paying a fee. However, there are various lab requirements that must be in place first, and there is a considerable amount of ongoing record keeping that is required, which restricts potential growth of the business.

The FDA allows for a CLIA waivers, and we intend to pursue a waiver for both current tests and all future product offerings. Our scientists have been diligently making patentable improvements to the tests which will simplify use by the clinician and enhance likelihood of CLIA waiver approval. We plan to file for the waiver in the second quarter of 2024 after conducting a fairly simple comparative clinical study. The objective will be to determine whether the AXIM Eye test system has equal or better simplicity than the other forms of diagnostic testing for DED, which we believe is the case. This study is a key component of the filing process with the FDA for a Clinical Laboratory Improvement Amendment (CLIA) Certificate of Waiver. We believe that the acquisition of these FDA 510(k) cleared diagnostic products, a waiver and the distribution partnership we have with Versea will allow the business to grow at a rapid pace.

Dye Eye Market

An estimated 16 million Americans have been diagnosed with DED, but the actual number of Americans suffering from dry eye symptoms is likely much higher. Some reports indicate that nearly half of all U.S. adults experience dry eye signs and symptoms, and 33% of patients in eye care clinics present with complaints about dry eye.

DED, though widespread, is under-diagnosed, in part because symptoms do not always correlate with objective signs. It has a highly variable symptom profile at different stages of the disease, and there is often a discordance between signs and symptoms. A patient can have severe symptoms yet show no sign of ocular surface damage, while others have advanced ocular surface damage, yet report no symptoms. This lack of correlation between clinical signs and symptoms of DED makes diagnosing and treating patients a challenge. Often times, inflammation is present before the clinical signs of DED.

Currently, our eye business focuses exclusively on ophthalmology and optometry, in the United States, where there are 37,000 optometrists and 19,000 ophthalmologists performing approximately 400,000 medical (dilated) eye exams per day. Of this total, we believe that approximately 20% to 30% would present with symptoms where the Company's Lactoferrin and IgE tests would be indicated. It is estimated that total US market for our eye care systems could approach 50,000 systems (USA Only).

We have completed development of our immunoassay system, which includes an automated colorimetric photometer reader and two FDA market-cleared point-of-care (POC) quantitative diagnostic ophthalmic lab tests and are now manufacturing the tests. These are:

Ocular Lactoferrin Lf) CPT code 83520 2021 CMS reimbursement $17.27/eye *

Ocular Immunoglobulin E (IgE) CPT Code 83520 2021 CMS reimbursement $16.46/eye*

Studies indicate that in 2021, 16-49 million Americans had DED, representing 32 - 98 million potential use cases for our POC tests. These tests are not limited to DED diagnostics, but can also be used to determine the Lactoferrin and allergic components of tear film prior to:

- Contact lens fitting – approximately 45 million people wear contact lens in the US alone (2021).
- LASIK surgery- approximately 718,000 (2020).
- Cataract surgery with lens exchange - approximately 3.8 million (2018).

The barrier for entrance into the dry eye space is difficult and requires extensive clinical studies, large capital expense and FDA 510(k) clearance. This process alone can take several years and substantial investment, with no certainty that the product will receive FDA 510(k) clearance. For this reason, the Company determined that acquiring the two 510(k)'s would be a favorable strategic decision.

Business Model

Our eye business model utilizes a razor/razor blade model with the idea of placing as many readers into the field as possible and selling the disposable tests. It is anticipated that our gross profits will be generated from the manufacturing and sale of tests to our distribution partner who then resells the tests. Discounts will be offered to purchasing groups, corporate accounts, academic institutions engaged in research or training, and others as deemed appropriate. It is anticipated that the average price for the reader will be at our acquisition cost so we can get as many razors in the field, while pricing of consumable diagnostic kits will be at roughly half of the CMS published reimbursement floor rate.

Market demand for the system is expected to be moderate to begin with until we are granted a waiver from CLIA. At which time we expect extremely high demand for our system and tests. We also expect very high demand for our recently developed MMP-9 quantitative test once we obtain a FDA 510(k) clearance. While we must compete with other capital equipment expenditures under consideration in any ophthalmic physician's office, we believe that no other ophthalmic device offers the combination of compelling clinical and financial benefits afforded by our system. The clinical utility of the tests offers important diagnostic precision, differentiation and treatment management direction. Inner-office efficiencies significantly improve the patient flow characteristics, reducing patients in office visit time and greatly reducing physicians chair time with each patient.

Financially, for every patient tested per day, the physician will receive, on average, $2 in reimbursement for every $1 expended on supplies. CMS and private insurance allow for physicians to retest their patients as often as deemed medically necessary.

Dye Eye Disease Market Competition

Currently there are five FDA approved tests for DED:

Biomarker	**Company**	**Type**	**CLIA status**
Lactoferrin	Axim	(quantitative analysis)	moderate complexity
IgE	Axim	(quantitative analysis)	moderate complexity
MMP9	Quidel	(qualitative only)	waived
Osmolarity	TearLab	(quantitative analysis)	waived
Ocular Adenovirus	Quidel	(qualitative only)	waived

The preferred clinical analysis is quantitative, giving us an advantage over the competition. Since our reader can interpret many different analytes other than Lf and IgE, it also opens the possibility of additional quantitative test development.

New Quantitative MMP-9 Test

On March 8, 2022, we announced that we had successfully developed what we believe to be the first-ever rapid quantitative tear test for MMP-9, an inflammatory biomarker for DED. Matrix metalloproteinase-9 (MMP-9), an inflammatory biomarker consistently elevated in the tears of dry eye patients, may accelerate early diagnosis when detected.

Ocular surface disease (OSD) and dry eye syndrome are often mistakenly considered synonymous. OSD occurs when there is damage to the front surface of the eyes, the cornea. The central role of inflammation in OSD is widely recognized, but the ability to measure this in the clinic has been limited to the Quidel InflammaDry test, which measures tear matrix MMP-9 levels and provides a positive/negative result around a threshold of 40ng/ml of MMP-9. This "yes or no" report has clinical value, but it is limited. Currently available MMP-9 testing does not detect a reduction in tear MMP-9 levels until the concentration drops below 40ng/ml and, thus, may miss clinically significant improvement that did not reach that threshold.

The clinical benefits of our quantitative tear MMP-9 testing would be a significant advancement in the ability to measure the degree of inflammation affecting dry eye patients, allowing for more objective classification of their disease. Equally important would be the ability to measure improvement in control of inflammation that is the goal of many of our therapies for Ocular Surface Disease (OSD), including pharmaceuticals, thermal pulsation treatments and even light based therapies.

We intend to run a clinical study for MMP-9 in the 3rd quarter of 2024. The distribution agreement we have with Versea calls for Versea to pay for half of the expense in return for a paid up license to market the test after the 510(k) clearance is achieved.

We are also in the process of developing additional biomarker tests that will be used on the existing platform, without the constant need of the clinician to upgrade to a newer platform. The Lateral Flow test reader is software driven and can be programmed to interpret other biomarkers as they are clinically studied and FDA approved. The test uses 1.0 microliters of human tear fluid, that is applied to a disposable lateral flow cassette (one cassette per patient tested). The disposable single use cassette generates a substantial, recurring revenue stream for our eye business and our stakeholders.

CURRENT OPERATIONS FOLLOWING ACQUISITION OF SAPPHIRE AND ADVANCED TEAR DIAGNOSTICS ASSETS

Summary:

- AXIM's strategic focus is on commercializing FDA-cleared Dry Eye Disease (DED) diagnostic system
- Plans to address largely underserved DED diagnosis market with patent pending tear collection method and approved tests, supported by world-class DED management team
- Supply agreements in place to fulfill demand for DED readers and test strips, creating large revenue opportunity
- Company places emphasis on generating positive cash flow through DED program

The Company has been working diligently to further position AXIM for both immediate and long-term success. Since our acquisition of Sapphire Biotech and with the onset of the COVID-19 pandemic, we have been focused on three key areas specific to the diagnostic area: oncological, COVID-19, and most recently, dry eye disease (DED). Each of these provide strong upside potential for AXIM; however, each comes with its own set of regulatory and scientific hurdles that must be overcome. While the Company remains optimistic about each program, we believe it to be of the utmost importance to focus the most time and resources on the program with the ultimate potential for success, in the nearest term. While these other programs will not be abandoned, the Company recognizes that waiting on the painstaking slow regulatory approvals needed to generate revenue is not the best strategy to further our mission and unlock shareholder value. As such, following an extensive analysis by our management team, board of directors, and expert consultants with an objective perspective, the Company determined our best path forward lies with DED. The DED initiative is an extremely large opportunity for our Company and has been gaining strong momentum in recent months. The Company believes it offers the most potential for rapid and immediate growth, which could lead to ultimate profitability for the organization.

Since the third quarter of 2021, we have acquired substantial assets, including already approved diagnostic tests, which complement the research we had been conducting to-date. Despite DED being the most common ocular surface disorder, affecting approximately 350 million people worldwide—causing persistent eye irritation, blurred vision, pain and decreased quality of life—the sector has seen little innovation. There remains a desperate demand for better DED testing and diagnosis, especially at the point-of-care, and we believe we are well positioned to dominate this marketplace, while we actively work to develop and bring to market new solutions enabling us to offer comprehensive state-of-the-art suite of DED solutions.

Our next-generation solutions are unique in that they offer patients not only a fast and reliable answer as to why they are suffering, but offer a solution to physicians who are looking to help patients suffering from this overly common disease.

Covid Neutralizing Antibodies

Over the past few years, as COVID ravaged the world, our scientific team proved its world-class scientific acumen by swiftly developing first-in class COVID-19 neutralizing antibody tests. Shortly after its development, we filed for Emergency Use Authorization with the Food and Drug Administration (FDA), signed a distribution and manufacturing agreement, initiated live virus comparison studies, and filed several patent applications on the diagnostic tools. We waited in anticipation that the FDA would move quickly given the nature of the pandemic; however, we were disappointed week after week until we finally received a response that the FDA had changed its guidance and that they were denying our application. This was unfortunate especially given our firm belief in the efficacy of our test and the potential to assist in the global fight against this virus. That said, we are fearful that the U.S. government's drive to approve such solutions is fading, and that it is unlikely to grant an EUA to ours or similar tests in the near future, although it is still a possibility since this virus is likely going to be around for a long time. It is this realism that further compelled readjustment of our focus on the DED program.

DED Business

It is important to underscore the rationale supporting the Company's decision to focus on DED. According to the American Academy of Ophthalmology, approximately 20 million people in the U.S. have DED and the number is growing in both young and old adults. It is imperative that clinicians determine how to best diagnose and treat DED.

Diagnosing DED is a particular challenge because of the multifactorial nature of the disease, with symptoms similar to other ocular surface conditions. There is often discordance between signs and symptoms, highlighting the need for more sensitive and accurate diagnostic tools. Figures from the American Journal of Ophthalmology corroborate this. As of July 2017, an estimated six million people reported DED symptoms without receiving a diagnosis.

The DED marketplace is massive, with analysts projecting the global market to grow at a CAGR of 6.6% from 2021 to 2026 and reach $6.1 billion by 2024.

Accordingly, in mid-2021, we started building the infrastructure and foundation needed to engage this large and dynamic market successfully. Our cutting-edge, next-generation solutions provide AXIM with far higher prospects of predictable growing revenue and earnings power.

On August 26, 2021, we signed an agreement to acquire two FDA-cleared 510(k)'s DED diagnostic testing technologies. The tests are part of a highly specialized point-of-care (POC) lab testing system explicitly designed to assist eye care physicians in detecting and quantifying various biomarkers associated with external ocular disorders. The tests are also approved for insurance and Medicare reimbursement. Both these tests are non-invasive, Rapid Lateral Flow Assays using tears:

The first is a rapid (10-minute) lateral flow diagnostic assay that tests for exact levels of Lactoferrin through the collection of 1.0 microliter in tears. The benefits of testing Lactoferrin Levels in the tear film include:

- Low Lactoferrin levels directly correlate to DED caused by aqueous deficiency
- The severity of DED can be determined by the Lactoferrin level
- Low Lactoferrin levels may represent increased surgical risk or contact lens intolerance
- Changes in Lactoferrin levels may show the efficacy of the prescribed treatment

The second test is for the measurement of Ocular Immunoglobulin E (IgE), a biomarker for allergies and a key biomarker primarily associated with Dry Eye Disease. The benefits of Testing IgE Levels in the Tear Film include:

- The presence of IgE indicates the diagnosis of allergic conjunctivitis
- Levels of IgE increase with the severity of the allergic response
- IgE testing can help differentiate allergic conjunctivitis from dry eye syndrome
- Allergic conjunctivitis is a contraindication for LASIK and other surgical procedures

Lactoferrin is a tear protein that protects the ocular surface through antimicrobial and anti-inflammatory properties. Lower concentrations of lactoferrin have been demonstrated in patients with dry eye, which is associated with decreased aqueous tear production. Ocular Immunoglobulin E (IgE) is a biomarker for allergies and a key biomarker primarily associated with allergic conjunctivitis. Mild allergic conjunctivitis is frequently challenging to clinically distinguish from dry eye. AXIM's diagnostic technology allows for eye doctors to not only identify and differentiate clinically overlapping conditions but also drive more targeted therapeutic interventions. The tests provide doctors with access to real-time quantitative results at the point-of-care, allowing them to better prescribe a therapy to patients, leading to overall improved personalized patient care.

On March 8th of last year, we announced that we had successfully developed what we believe to be the first-ever rapid quantitative tear test for MMP-9, an inflammatory biomarker for DED. Matrix metalloproteinase-9 (MMP-9) is an inflammatory biomarker consistently elevated in the tears of dry eye patients. The central role of inflammation in Ocular Surface Disease (OSD) is widely recognized, but the ability to measure this in the clinic has been limited to the Quidel InflammaDry test, which provides a positive/negative result. This "yes or no" report has clinical value, but it is limited. OSD occurs when there is damage to the front surface of the eyes, the cornea. OSD includes dry eye syndrome, but also refers to a number of other disorders that affect the surface of the eye and can cause significant issues with vision and quality of life.

The clinical benefits of our quantitative tear MMP-9 testing are a significant advance in the ability to measure the degree of inflammation affecting dry eye patients, allowing for more objective classification of their disease. Equally important would be the ability to measure improvement in control of inflammation that is the goal of many therapies for OSD, including pharmaceuticals, thermal pulsation treatments and even light based therapies.

Key Diagnostic Device Supply Agreement

In February of this year, we entered into a key supply agreement for DED test strip readers which will be deployed for diagnostic testing, focusing on lactoferrin levels. The readers, a point of care medical device, will be supplied by Barcelona, Spain-based IUL SA ("IUL"). We will be utilizing state-of-the-art portable iPeak readers that were tested against other comparable products. These readers are designed to hold different cassette sizes and are equipped with connectivity and can read cassettes of up to five strips and seven lines per strip at a time. iPeak is equipped with "Flash Eye" technology based on the principles of machine vision illumination.

We are also in the process of developing additional biomarker tests that will be done on the existing platform, without the constant need of the clinician to upgrade to a newer platform. The Lateral Flow test reader is software-driven and can be programmed to interpret other biomarkers as they are clinically studied and FDA approved. The test uses 1.0 microliters of human tear fluid that is applied to a disposable lateral flow cassette (one cassette per patient tested). The disposable single use cassette generates a substantial, recurring revenue stream for our eye business.

Exclusive Global Commercial Partnership

On September 19, 2022, the Company announced that it had signed an exclusive global commercialization agreement with Verséa Ophthalmics, LLC, a business division of Verséa Holdings, Inc. ("Verséa"), one of the fastest growing U.S. healthcare companies, specialized in the sale and distribution of ocular diagnostic and therapeutic solutions.

The agreement will provide Verséa with the exclusive commercial right to AXIM's proprietary portfolio of point-of-care (POC) lab testing readers and three key biomarker diagnostic tests designed specifically to assist eye-care physicians in detecting and quantifying biomarkers associated with aqueous deficient Dry Eye Disease and non-specific allergic conjunctivitis. AXIM's three key biomarker tests – the Ocular Immunoglobulin E (IgE) test, the Lactoferrin test, and the future MMP-9 test – require the collection of 1.0 microliters in tears and provide quantitative results in under 10 minutes, an industry-leading return time.

On September 30, 2022, Verséa launched the IgE and Lactoferrin tests at the 2022 American Academy of Ophthalmology (AAO) and American Academy of Optometry (AAOPT) conferences. The MMP-9 test is anticipated to follow in 2nd quarter 2024 upon FDA clearance. In recent months, AXIM has been preparing for the scaling of production of its tests in anticipation of significant new orders and is now prepared to support new orders associated with the Versea agreement and subsequent launch.

The commercial launch of the Company's IgE and Lactoferrin tests mark the evolution of AXIM as a development-stage biotech company to a revenue generating healthcare organization. Since the development of our novel ocular diagnostic tests and subsequent success in proving their effectiveness, the Company had been searching for a partner with a solid commercial infrastructure and a firm commitment to eye care, capable of bringing our tests to clinical offices on a global scale. With existing sales channels to support their human amniotic membrane therapeutics, Verséa has added our technology to their expanding portfolio of healthcare solutions. Our partner's mission aligns with that of the Company's—together, we aim to change the landscape of dry eye disease diagnosis.

On October 4, 2022, the Company announced that it had received an initial order of 19,000 point-of-care (POC) diagnostic tests and 100 readers targeting ocular surface diseases through its exclusive global commercialization partner Verséa Ophthalmics, marking the Company's first large-scale revenue generating order. To date we have delivered approximately 4000 tests.

The order is part of the recently announced exclusive global commercialization agreement reached between Verséa and AXIM to support the commercial launch of sales at the 2022 American Academy of Ophthalmology (AAO) conference in Chicago. The order represents the largest revenue-generating event in the history of the Company. AXIM is completing the manufacturing and is preparing the order for shipment from its laboratory facilities in San Diego, California as per Verséa's direction. The order includes both the tear based tests for Lactoferrin and Immunoglobulin E (IgE) as well as 100 of the associated digital reader that allows for quantitative test results. The tests provide doctors with access to real-time quantitative results within 10 minutes, allowing them to more accurately diagnose and prescribe targeted therapy to patients, leading to overall improved personalized patient care. Both tests are FDA-cleared and have dedicated Medicare CPT codes that allow for rapid POC diagnosis of common ocular conditions such as dry eye disease (DED) and allergic conjunctivitis. On February 20, 2024 we announced that Verséa Ophthalmics placed an order for an additional 50 digital readers.

This large order through our agreement with Verséa Ophthalmics marks a pivotal point for AXIM, where we are revenue generating. This initial order through Versea also supports the Company's vision that our tests and readers will become available in clinics nationwide. While our readers can be used over and over again, our test strips are one-time use, and we expect to receive repeat orders from clinicians who have performed the tests. This will be a significant revenue additive to the growing new test demand.

The expectation with the Versea partnership is that the launch of the ocular surface disease testing platform is the beginning of a robust testing pipeline of future diagnostic test solutions that can be introduced on the same digital reader system. Eye care professionals have struggled with differentiating mild allergic conjunctivitis from dry eye disease as well as distinguishing between different causes of dry eye [aqueous deficient versus evaporative] which impacts clinical decision making. The portfolio of rapid, tear-based, quantitative point of care tests allows for more specific diagnoses, targeted therapeutic intervention and the potential for therapeutic monitoring which is a true breakthrough for the industry.

CLIA Waiver Process

Commencing in the 2nd quarter of 2024, the Company plans to conduct a comparative clinical study. The objective will be to prove that the AXIM Eye test system has equal or better simplicity than the other forms of diagnostic testing for DED. This study is a key component of our filing process with the FDA for a Clinical Laboratory Improvement Amendment (CLIA) Certificate of Waiver. We will be targeting a waiver for both IgE and the Lactoferrin diagnostic tests. The testing is expected to prove that the products are simple to use with minimal risks of erroneous results. The expected timeline for filing and receiving a final CLIA decision is approximately three to six months.

Patented Tear Collection System

Tear fluid analysis contributes to the greater understanding of various ocular and systemic diseases. However, there is a pressing need for a better tear collection system. AXIM is developing and filed for a patent of a novel tear sample collector system that is extremely cost-effective to produce on a mass scale. It is soft, non-intimidating, and easy to use by untrained personnel. It features a simple indicator that appears on the strip when enough tear fluid has been absorbed.

AXIM 2023: Goals and Targeting Positive Cash Flow

Our DED business strategy is starting to take off. Looking ahead we plan to:

- Successfully complete our clinical trials to prove the accuracy and ease of use to achieve CLIA waivers.
- Generate positive, peer reviewed reviews by eye care professionals as to the performance and ease of use.
- Penetrate the ophthalmologist and optometrist marketplace through our partner with our industry-changing DED diagnostic technology.
- Identify potential strategic acquisition targets to accelerate our DED diagnostic applications and capabilities expansion.
- Grow our DED business to reach a positive cash flow run rate by the end of 2023 and build its profitability beyond.

With our partnership with Versea, AXIM is now commercializing a healthcare solution that holds the potential to truly revolutionize the world. With the sales launch of AXIM's diagnostic platform, AXIM is executing on our vision of penetrating a market where DED impacts over 350 million people worldwide. This strategy will enable our business to grow revenues and increase our earnings power to enhance shareholder value.

Milestones to Date

On August 03, 2021, we announced that the Company has signed a Binding Term Sheet to acquire the technology for the testing of Dry Eye Disease (DED), including two FDA clearances for the commercial sale of two ophthalmic diagnostic lab tests. The transaction closed on August 26, 2021.

On March 6, 2022, we announced that while the Company explores filing one or more EUA's for point of care and/or at home use, it would begin to sell the Company's neutralizing antibody ("Nab") rapid test For Research Use Only ("RUO") as it does not require FDA approval.

On March 8, 2022, we announced that we had successfully developed what we believe to be the first-ever rapid quantitative tear test for MMP-9, an inflammatory biomarker for Dry Eye Disease. Matrix metalloproteinase-9 (MMP-9), an inflammatory biomarker consistently elevated in the tears of dry eye patients, may accelerate early diagnosis when detected.

On April 27, 2022, we announced the successful development of a rapid quantitative tear test for Lacritin, a tear protein that autonomously promotes tearing and is deficient in all forms of Dry Eye Disease.

On May 10, 2022, we announced the development of a novel tear sample collector system and the filing of a provisional patent application for it with the U.S. Patent and Trademark Office that provides a more comfortable experience for patients and that facilitates the tear collection process.

On May 24, 2022, we announced that we had completed the optimization of a rapid diagnostics test for the quantitative measurement of Ocular Immunoglobulin E (IgE), a biomarker for ocular allergies.

On June 2, 2022, we launched the Company's new mobile-optimized website designed to provide doctors, researchers and other medical professionals with tailored, timely information and resources that will enable them to make informed decisions when purchasing AXIM's proprietary diagnostic tests.

On July 12, 2022, we announced our publication in collaboration with researchers at Arizona State University (ASU) entitled, "Third COVID-19 Vaccine Dose Boosts Neutralizing Antibodies in Poor Responders" in Communications Medicine, part of the Nature family of journals.

On July 21, 2022, we announced that Axim's CEO John Huemoeller had been featured on the Vision is More Than 20/20™ podcast.

On July 26, 2022, we announced that we had developed an enhanced version of our rapid Ocular Immunoglobulin E (IgE) test in response to a study recently published in Nature that climate change is making allergy season occur sooner and for a longer period of time than in recent years.

On September 19, 2022, we signed an exclusive global commercial partnership agreement with Verséa Ophthalmics, LLC, a business division of Verséa Holdings, Inc. ("Verséa"), one of the fastest growing US healthcare companies, specialized in the sale and distribution of ocular diagnostic relating to Axim's proprietary portfolio of point-of-care (POC) lab testing readers and three key biomarker diagnostic tests designed specifically to assist eye-care physicians in detecting and quantifying biomarkers associated with aqueous deficient Dry Eye Disease and non-specific allergic conjunctivitis.

On September 29, 2022, we started selling our ophthalmic point-of-care (POC) diagnostic product portfolio in advance of the American Academy of Ophthalmology Annual Meeting through our exclusive commercialization partner Verséa Ophthalmics, LLC, a subsidiary of Verséa Holdings, Inc.

On October 4, 2022, we received an initial order of 19,000 point-of-care (POC) diagnostic tests and 100 readers targeting ocular surface diseases through our exclusive global commercialization partner Verséa Ophthalmics, LLC ("Verséa"), marking the Company's first large-scale revenue generating order.

On December 6, 2022, our commercial partner, Versea Ophthalmics highlighted the benefits of AXIM's Eye Diagnostic Solutions in leading scientific media, including Eyes On 2023 and the Ophthalmology Times.

In both interviews, Dr. Rob Sambursky emphasized the improved features of AXIM's tests, noting that while osmolarity testing is currently taking place with ocular surface disease patients, the rapid new tear based tests are complementary to those existing tests and enhance a clinician's ability to manage treatment in a more personalized way.

On December 13, 2022, AXIM announced the development of a novel dual IgE/MMP rapid ophthalmological diagnostic test for which the Company filed a provisional patent with the US Patent and Trademark Office. The new product offers clinicians an innovative new rapid ophthalmological diagnostic solution designed to reliably measure both Ocular Immunoglobulin E (IgE) and MMP-9 in a single test. The test is slated for further clinical development in the third quarter of 2024 and, once FDA approved, will be added to AXIM's expanding catalog of ophthalmological diagnostic tools available to clinicians throughout North America.

On April 11, 2023, we announced the start of manufacturing of both the Company's proprietary Ocular Immunoglobulin E (IgE) and Lactoferrin diagnostic assays to fulfill the orders placed by its commercialization partner Versea.

On May 23, 2023, we announced the appointment of Kurt Phinney as the Company's new Chief Operating Officer. Phinney is a seasoned healthcare operations executive and will play a vital role in scaling and optimizing AXIM's manufacturing operations for its proprietary ophthalmological diagnostic assays in order to meet rising demand.

On July 12, 2023, AXIM announced that it had begun shipping revenue generating validation kits for Ocular Immunoglobulin E (IgE), a key biomarker primarily associated with non-specific, allergic conjunctivitis, which often mimics Dry Eye Disease.

On July 25, 2023, Verséa™ Ophthalmics, LLC, a division of Verséa Health, Inc. announced the commencement of initial shipments of its T-POC TOTAL IgE Immunoassay and Lateral Flow Readers. The company focuses on delivering innovative Tear-based Point-of-Care (T-POC) testing and biologic solutions that optimize diagnosis, treatment, and management of various eye care conditions, including ocular surface disease and pterygium surgery.

AXIM supplies the readers and manufactures and supplies the IgE Immunoassay to Verséa, its distribution partner.

On August 1, 2023, AXIM announced that the U.S. Patent & Trademark Office sent the Company notices of U.S. patent allowances for three separate patents, including its rapid point of care neutralizing antibody test.

On September 12, 2023 AXIM announced that it has successfully developed the world's first rapid, point-of-care, non-invasive diagnostic assay for the detection of abnormal alpha-synuclein, a known biomarker for Parkinson's Disease using tears.

On December 20, 2023, AXIM announced that the Company had signed an agreement with contract manufacturer Auer Precision for the production of its two FDA-cleared diagnostic assays designed for point-of-care diagnosis of Dry Eye Disease (DED). The partnership will enable scaling of production quantities of the assays to meet demand for the tests in a cost-effective way.

On February 20, 2024, AXIM announced that Verséa™ Ophthalmics, LLC, placed an order for an additional 50 of IUL Lateral Flow Readers.

Anticipated Expenses

During the next twelve months we anticipate incurring costs related to: (i) filing Exchange Act reports, (ii) contractual obligations, (iii) clinical trials, (iv) continued research and development, and (v) inventory for sales of dye eye products.

AXIM INTELLECTUAL PROPERTY

AXIM has been developing a proprietary diagnostic platform that can be adapted to test for a variety of analytes including, for example, SARS-Cov-2, Lactoferrin, IgE, Lacritin, MMP-9. This innovative platform allows clinicians to detect with greater speed and accuracy different conditions that, as an example, allow for point of care testing of viruses, diseases, and conditions such as Dry Eye Disease. The platform capability can also be applied to rapid testing for vaccine candidates, including COVID vaccines and a potential Fentanyl vaccine. AXIM's proprietary platform can also be used to enable point-of-care detection for one or more cancers using a unique cancer biomarker, QSOX1-L.

New Patent Allowances

AXIM was recently notified by the United States Patent & Trademark Office (USPTO) of three patent allowances. The first patent application relates to COVID and other neutralizing antibody (Nab) testing and treatment. The allowance confirms that AXIM was a pioneer in developing a rapid point of care Nab test and its novelty. Additionally, the company was notified by the USPTO of a second patent allowance for systems and methods for rapid diagnostic for various cancers. The invention relates to the discovery by AXIM scientists of a unique biomarker for cancer, QSOX1-L. A third patent allowance was received for a point-of-care apparatus and methods for detecting cancer that uniquely uses electrochemical or impedance spectroscopy (EIS).

These allowances have increased the depth of AXIM'S IP portfolio to include 10 patent applications, including the 3 above allowed patent applications, that cover AXIM's innovative platforms and technologies. The Company sees a significant value in its IP portfolio whereas it may look to either further develop the covered technologies or license the IP to larger healthcare organizations, both creating significant upside value for the organization. These allowances further validate both the novelty and underlaying science of AXIM's diagnostic technologies.

Innovations in Diagnostics

While we continue to manufacture and ship our FDA-cleared diagnostic assays to customers through our commercialization partner, we have simultaneously continued to expand our value proposition through innovations in the diagnostics field, that are now protected under the USPTO. We see our growing IP portfolio as a major opportunity for the organization, with an unrealized market value which probably exceeds the company's current market capitalization. For instance, while the original SAR COVID-19 virus which plagued the world in recent years received extensive attention from the medical community, our now protected assay methodology can be applied to any future mutations or new SARS viruses or vaccines.

Following is an overview of AXIM's patent portfolio:

SARS-Cov-2

Neutralizing Antibody Testing and Treatment. 1 Allowed Patent; 3 Utility Patent Applications.

The invention refers to a Rapid Test to measure levels of Neutralizing Antibodies to SARS-CoV2. Unlike currently available serological COVID-19 tests that detect an antibody response to the virus, the rapid 10-minute test measures a specific subpopulation of antibodies that block binding of the virus to host cell receptors. In contrast to current tests using live viruses which are time-consuming, expensive and require trained personnel in a tightly controlled laboratory setting to measure neutralizing antibodies, the rapid test is a portable, low cost, rapid point- of-care test that measures levels of neutralizing antibodies in 10 minutes.

The invention is a diagnostic test intended for semi-quantitative measurement of neutralizing antibodies in plasma, serum or whole blood of persons who have had recent or prior infection with SARS-CoV2 or have received a COVID-19 vaccine.

DRY EYE DISEASE

Tests for Human Monomeric Lacritin. 1 Utility Patent Application

The invention relates to a Rapid Point of Care test for Human Monomeric Lacritin. Lacritin is a tear protein that, in its monomeric form, autonomously promotes tearing and ocular surface survival. Lower concentrations of Lacritin may diagnose several eye diseases, including Blepharitis, Sjögren's syndrome, Dry Eye Disease and other inflammatory conditions.

Tear Sample Collectors Systems and Methods. 1 Utility Patent Application

Tear fluid analysis contributes to the greater understanding of various ocular and systemic diseases and obtaining adequate samples for tear analysis requires effective collection methods. Most tear sample collectors on the market use capillary designs as tear sample collectors. These designs are intimidating to the patient when a sharp looking object is approaching the eye, are rather difficult to use by untrained personnel and are expensive to manufacture. Quidel InflammaDry is using a wick type tear sample collector that does not have any fill-up indicator and is rather intricate to produce on mass scale. Other prototype sample collectors employ Q-tip designs, filter paper strips (Schirmer's test) are imprecise, some are difficult to produce en masse. The invention relates to a laminated and looped tear sample collector that addresses these and that is: 1) Cost-effective to produce on mass scale 2) Features a fill-up indicator (in case of laminated version) 3) Easy to use 4)Soft and non-intimidating to user and patient.

CANCER DIAGNOSTICS

Systems and Methods for Rapid Diagnostic for Various Cancers. 1 Allowed Patent Application

QSOX1 (Quiescin Sulfhydryl Oxidase 1) is an enzyme that is over-expressed in multiple tumor types. Genetically silencing QSOX1 in tumors has been shown to slow their growth, migration, invasion and metastasis. QSOX1-L, a splice variant of QSOX1, has been identified as a novel biomarker of bladder cancer and possibly other cancers in serum. Proprietary antibodies have been generated that selectively detect only this variant and not others. QSOX1-L has been used to develop a rapid and cost-effective diagnostic test for bladder and possibly other urologic cancers from urine.

DIAGNOSTIC METHODS AND TOOLS

Molecules and Related Assays, Test Kits and Methods. 1 Utility Patent Application, 1 Provisional Patent Application.

The invention relates to the use of various recombinant proteins, test kits, test kit components and methods for detecting and measuring "binding antibodies" (for example, non-neutralizing antibodies) as well as "functional antibodies" (for example, neutralizing) in a single test and at the same time. Such test kit and method can advantageously improve the diagnosis and therapy of various diseases.

Use of Micromesh Materials in Diagnostic Devices. 1 Provisional Patent Application

When small sample sizes (0.1-2 microliters) are used, such as tears, there is a need for the sample to be spread out over the application area for a proper flow. The invention allows dispersion of a small sample volume over a wide area controllable by the mesh size. This enables homogeneous sample dispersion over the entire sample application area.

VACCINE DIAGNOSTIC TEST

Fentanyl Diagnostic Test. 1 Provisional Patent Application

Researches have reported that broadly neutralizing antibodies may prevent lethality from the fentanyl class of synthetic opioids. The University of Houston is developing a vaccine targeting the dangerous synthetic opioid fentanyl that could block its ability to enter the brain. The invention relates to a test that can measure neutralizing antibodies against fentanyl, either therapeutic or generated by anti-fentanyl vaccine. The test can be used to monitor the vaccine’s response and help decide when a booster is needed.

EIS TECHNOLOGY

Point of Care Apparatus and Methods for Detecting Cancer Using Electrochemical Impedance or Capacitance Spectroscopy (EIS). 1 Allowed Patent, 1 Utility Patent Application

These inventions relate to detection tools, diagnostics and related methods involving the use of an electrochemical sensor in conjunction with electrochemical impedance spectroscopy or electrochemical capacitance spectroscopy (EIS). Such detection tools may be utilized to detect cancer via biomarkers contained in bodily fluids. Many different analyte detection devices and systems exist. However, those that can be practically applied in a clinical, point of care or other setting requiring accuracy and reliability are fairly limited and tend to be complex and expensive.

V. TRADEMARKS

We have two trademarks registered with the United States Patent and Trademark Office: Axim (Registration Date: May 19, 2015; and Axim Biotech (Registration Date: May 31, 2016).

Market, Customers and Distribution Methods

Our focus is on the development of innovative pharmaceutical and diagnostic products. We plan to be an active player in the field of biosciences with our extensive R&D and pipeline of innovative products. Currently, our eye business focuses exclusively on ophthalmology and optometry, in the United States, where there are 37,000 optometrists and 19,000 ophthalmologists performing approximately 400,000 medical (dilated) eye exams per day.

Competition

The biotechnology and pharmaceutical industries are characterized by rapidly advancing technologies, intense competition and a strong emphasis on proprietary products.

We face competition from many different sources, including commercial pharmaceutical and biotechnology enterprises, academic institutions, government agencies, and private and public research institutions. Our commercial opportunities will be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer side effects or are less expensive than any products that we or our collaborators may develop based on the use of our technologies.

While we believe that the potential advantages of our new technologies will enable us to compete effectively against other providers of technology for Covid-19 NAb product development and manufacturing, many of our competitors have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, clinical trials, regulatory approvals and marketing approved products than we do. Smaller or early stage companies may also prove to be significant competitors, particularly through arrangements with large and established companies, and this may reduce the value of our technologies. In addition, these third parties compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies and technology licenses complementary to our programs or advantageous to our business.

The barrier for entrance into the dry eye space is difficult and requires extensive clinical studies, large capital expense and FDA 510(k) clearance. This process alone can take several years and substantial investment, with no certainty that the product will receive FDA 510(k) clearance. It is estimated that as of 2021, the total Company funding necessary to develop a Class II 510(k) cleared medical device is approximately $30 million. The development and engineering costs comprise approximately $2-5 million of this total. There are many factors that influence these costs, including the need for clinical studies, regulatory pathway and technology complexity.

We believe that we are well situated in the Eye Health sector with two 510(k) cleared tests. Additionally, the preferred clinical analysis is quantitative, giving us an advantage over the competition. Since our reader can interpret many different analytes other than Lf and IgE, it also opens the possibility of additional quantitative test development.

Source and Availability of Raw Materials

In general there are a limited number of suppliers for raw materials that we use to manufacture our products and product candidates, and there may be a need to assess alternate suppliers to prevent a possible disruption of the manufacture of the materials necessary to produce our product candidates for clinical trials, and if approved, ultimately for commercial sale. We do not have any control over the process or timing of the acquisition of these raw materials by us.

We currently manufacture the majority of our testing materials in-house, and use contract manufacturers for the manufacture of some of our product candidates. We may or may not manufacture the products we develop, if any. Our internal manufacturing and contract manufacturers are subject to extensive governmental regulation. In the dry eye segment, we either make our reagents or they are sourced from select suppliers. We use contract manufacturers for the manufacture of our assays and readers.

Government Regulation

Government authorities in the U.S. (including federal, state and local authorities) and in other countries extensively regulate, among other things, the manufacturing, research and clinical development, marketing, labeling and packaging, storage, distribution, post-approval monitoring and reporting, advertising and promotion, export and import of pharmaceutical products, such as those we are developing. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources. Moreover, failure to comply with applicable regulatory requirements may result in, among other things, warning letters, clinical holds, civil or criminal penalties, recall or seizure of products, injunction, disbarment, partial or total suspension of production or withdrawal of the product from the market. Any agency or judicial enforcement action could have a material adverse effect on us.

Many, if not all of our customers, are covered entities under the Health Insurance Portability and Accountability Act of August 1996 or HIPAA. As part of the operation of our business, we provide reimbursement assistance to certain of our customers and as a result we act in the capacity of a business associate with respect to any patient-identifiable medical information, or PHI, we receive in connection with these services. We and our customers must comply with a variety of requirements related to the handling of patient information, including laws and regulations protecting the privacy, confidentiality and security of PHI. The provisions of HIPAA require our customers to have business associate agreements with us under which we are required to appropriately safeguard the PHI we create or receive on their behalf. Further, we and our customers are required to comply with HIPAA security regulations that require us and them to implement certain administrative, physical and technical safeguards to ensure the confidentiality, integrity and availability of electronic PHI, or EPHI. We are required by regulation and contract to protect the security of EPHI (electronic protected health information) that we create, receive, maintain or transmit for our customers consistent with these regulations. To comply with our regulatory and contractual obligations, we may have to reorganize processes and invest in new technologies. We also are required to train personnel regarding HIPAA requirements. If we, or any of our employees or consultants, are unable to maintain the privacy, confidentiality and security of the PHI that is entrusted to us, we and/or our customers could be subject to civil and criminal fines and sanctions and we could be found to have breached our contracts with our customers. Under the Health Information Technology for Economic and Clinical Health Act, or HITECH Act, and recent omnibus revisions to the HIPAA regulations, we are directly subject to HIPAA's criminal and civil penalties for breaches of our privacy and security obligations and are required to comply with security breach notification requirements. The direct applicability of the HIPAA privacy and security provisions and compliance with the notification requirements requires us to incur additional costs and may restrict our business operations.

U.S. Government Regulation

Government authorities in the United States and other countries extensively regulate, among other things, the research, development, testing, manufacture, labeling, promotion, advertising, distribution and marketing of our product, which is a medical device. In the United States, the FDA regulates medical devices under the Federal Food, Drug, and Cosmetic Act and implementing regulations. Failure to comply with the applicable FDA requirements, both before and after approval, may subject us to administrative and judicial sanctions, such as a delay in approving or refusal by the FDA to approve pending applications, warning letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, administrative fines or criminal prosecution.

Unless exempted by regulation, medical devices may not be commercially distributed in the United States until they have been registered, cleared or approved by the FDA. Medical devices are classified into one of the three classes, Class I, II or III, on the basis of the controls necessary to reasonably assure their safety and effectiveness. Our tests have been assigned Moderate Complexity by CLIA (Clinical Laboratory Improvement Amendments of 1988). This law requires any facility performing examination of human specimens for diagnosis to be certified by the Department of Health and Human Services to be safe and effective. The assignment of Moderate Complexity to our tests requires laboratories or sites that perform our tests to have a CLIA certificate, to be inspected, and to meet the CLIA quality standards.

After a device receives 510(k) clearance, any modification to the device that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, would require a new 510(k) clearance or an approval of a Premarket Approval, or PMA. A PMA is the FDA process of scientific or regulatory review to evaluate the safety and effectiveness of Class III medical devices which are those devices which support or sustain human life, are of substantial importance in preventing impairment of human health, or which present a potential, unreasonable risk of illness or injury. Although the FDA requires the manufacturer to make the initial determination regarding the effect of a modification to the device that is subject to 510(k) clearance, the FDA can review the manufacturer's determination at any time and require the manufacturer to seek another 510(k) clearance or an approval of a PMA.

CLIA is intended to ensure the quality and reliability of clinical laboratories in the United States by mandating specific standards in the areas of personnel qualifications, administration, and participation in proficiency testing, patient test management, quality control, quality assurance and inspections. The regulations promulgated under CLIA establish three levels of in vitro diagnostic tests: (1) waived; (2) moderately complex; and (3) highly complex. The standards applicable to a clinical laboratory depend on the level of diagnostic tests it performs. A CLIA waiver is available to clinical laboratory test systems if they meet certain requirements established by the statute. Waived tests are simple laboratory examinations and procedures employing methodologies that are so simple and accurate as to render the likelihood of erroneous results negligible or to pose no reasonable risk of harm to patients if the examinations or procedures are performed incorrectly. These tests are waived from regulatory oversight of the user other than the requirement to follow the manufacturer's labeling and directions for use. We intend to file waiver applications with the FDA for the AXIM Eye System.

Regardless of whether a medical device requires FDA clearance or approval, a number of other FDA requirements apply to the device, its manufacturer and those who distribute it. Device manufacturers must be registered and their products listed with the FDA, and certain adverse events and product malfunctions must be reported to the FDA. The FDA also regulates the product labeling, promotion and, in some cases, advertising of medical devices. In addition, manufacturers and their suppliers must comply with the FDA's quality system regulation which establishes extensive requirements for quality and manufacturing procedures. Thus, suppliers, manufacturers and distributors must continue to spend time, money and effort to maintain compliance, and failure to comply can lead to enforcement action. The FDA periodically inspects facilities to ascertain compliance with these and other requirements.

Environmental Matters

No significant pollution or other types of hazardous emission result from our current operations, and we do not anticipate that our operations will be materially affected by federal, state or local provisions concerning environmental controls. Our costs of complying with environmental, health and safety requirements have not been material. Furthermore, compliance with federal, state and local requirements regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment, have not had, nor are they expected to have, any material effect on the capital expenditures, earnings or competitive position of the Company. However, we will continue to monitor emerging developments in this area.

Employees

As of December 31, 2023, we had six full-time employees and one part-time employee. We also allow and utilize the services of independent contractors. Management believes that we have a good relationship with our employees.

Company Website

We maintain a corporate Internet website at: www.aximbiotech.com. The contents of our website are not incorporated into or otherwise are to be regarded as part of this Report.

We file reports with the Securities and Exchange Commission ("SEC"), which are available on our website free of charge. These reports include annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, "Section 16" filings on Form 3, Form 4, and Form 5, and other related filings, each of which is provided on our website as soon as reasonably practical after we electronically file such materials with or furnish them to the SEC. In addition, the SEC maintains a website (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including the Company.

I. TL-66 LLC Convertible Notes Modification and Default Waiver Agreement

On January 23, 2023, AXIM Biotechnologies, Inc. (the “Company”) and TL-66 LLC entered into a Convertible Notes Modification and Default Waiver Agreement (“Waiver Agreement”) in order to modify and cure defaults on various notes issued by the Company and its subsidiaries to TL-66 as summarized below.

(a) For five senior secured convertible notes, as amended, issued by the Company to TL-66, aggregate face value of $934,478 (the "Secured Notes"), which are currently in default, TL-66 agreed to waive and forfeit all interest accrued on the Secured Notes through December 31, 2022, in the aggregate amount of $216,572. In addition, all prior defaults on the Secured Notes were waived through January 23, 2023, and the next interest payments due on each of the Secured Notes was extended from April 1, 2023, to July 1, 2023. All of the Secured Notes pays semi-annual interest at the rate of 3.5% per annum on each October and April 1st until maturity of October 1, 2029. In addition, the conversion price for each of the Secured Notes was reduced from $0.2201 to $0.04.

(b) For a convertible note issued by the Company to TL-66, face value $365,931 (the "TL-66 Note"), TL-66 agreed to waive and forfeit all interest accrued on the Convertible Notes through January 27, 2023, in the aggregate amount of $11,190.96 and to waive all prior defaults on the TL-66 Note through January 23, 2023.The TL-66 Note pays annual interest at the rate of 3.0% per annum on each January 27 until maturity on January 27, 2032 and is convertible into the Company's common stock at a conversion price of $0.10.

(c) For a convertible note issued by the Company's wholly-owned subsidiary, Sapphire Biotech, Inc, to TL-66, face value $190,000 (the "Sapphire Note"), TL-66 agreed to waive and forfeit all interest accrued on the Sapphire Note through December 31, 2022, in the amount of $17,115.84 and to waive all prior defaults on the Sapphire Note through January 23, 2023. The Sapphire Note pays annual interest each December 31st at the rate of 3.0% per annum until maturity on December 31, 2034 and is convertible into the Company's common stock at a conversion price of $0.03166667. In addition, TL-66 has the right to require the Company to assume the Sapphire Note at any time upon demand.

II. John W. Huemoeller II Settlement Agreement

On January 23, 2023, the Company entered into a “Settlement Agreement” with its Chief Executive Officer, John W. Huemoeller II (the "Executive") regarding $512,500 of accrued and unpaid salary owed to the Executive through December 31, 2022 (the "Amount Due").

(a) $250,000 of the Amount Due will be paid by issuing to Executive a convertible note, face value $250,000 (the "Executive Note"). The Executive Note is unsecured, shall pay interest annually at the rate of 4% per annum with the first interest payment beginning on January 1, 2024, and each January 1st thereafter until maturity on January 1, 2033, and shall have a conversion price of $0.01.

(b) Executive shall waive/forfeit $50,000 of the Amount Due. The remaining balance of $212,500 of the Amount Due ($512,500 minus $250,000 for the Executive Note = $262,500 minus $50,000 waiver = $212,500) shall not be payable at any time prior to July 1, 2023, and Executive shall have no right prior to July 1, 2023 to seek payment of the remaining balance. If in the reasonable discretion of the Board of Directors full payment of the remaining balance of the Amount Due on July 1, 2023 ($212,500) is too burdensome for the Company's working capital position at that time, then Executive will either grant an additional 3-month extension for the payment of the remaining Amount Due or engage in good faith discussions with the Board in order to enter into a payment plan for the remaining Amount Due, or a combination of both.

(c) Executive agreed to a $55,000 reduction in salary for the period of January 1, 2023 through June 30, 2023 (from $175,000 for the period reduced to $120,000). After June 30, 2023, Executive's salary shall be reinstated to the full amount prior to the reduction.

III. MMI Convertible Note Modification and Default Waiver Agreement

On January 23, 2023, the Company and Medical Marijuana, Inc ("MMI") entered into a Convertible Note Modification and Default Waiver Agreement ("MMI Modification Agreement") in order to modify and cure the default of a convertible note, as amended, face value $4 million, issued by the Company to MMI (the "MMI Convertible Note") as set forth below.

(a) MMI agreed to waive and forfeit all interest accrued on the MMI Convertible Note through December 31, 2022, in the amount of $261,536.96, and to waive all prior defaults through January 23, 2023. The MMI Convertible Note was further modified so that interest shall accrue at the original rate of 3.5% per annum through June 30, 2023, and payable on that date. Thereafter interest will be payable on a monthly basis beginning on August 1, 2023. In addition, the conversion price for the MMI Convertible Note was reduced from $0.25 to $0.075.

On January 23, 2023, the Company issued a $250,000 unsecured convertible note as more fully described in Item 1.01 II. (a) above, which is incorporated by reference.

On May 23, 2023, our Chief Executive Officer appointed Kurt Phinney as the Company's Chief Operating Officer.

Mr. Phinney's experience includes serving as the Quality and Regulatory Manager of Great Lakes Cheese; Sr. Director of Operations for Rapid Pathogen Screening; and R&D Scientist & Manufacturing Manger for Immunetics, Inc. Mr. Phinney received multiple honors and medals serving as a Corpsman in the United States Coast Guard (1989-1995); Principal Consultant for ICA Biotechnology, VP of Operations for Lumos Diagnostics from (2018–2022), VP of Operations for Versea Health (2022-2023) and Principal Consultant for Accalle Group (2022-Present). In addition, Mr. Phinney holds USPTO Patent 20050277185: Chemistry, Molecular Biology, and Microbiology Binding Assay Device and has presented Modification of a Commercial HIV-1 Enzyme Immunoassay for Identification of Recent HIV-1 Infection, at the annual Conference of Retrovirus and Opportunistic Infections.

Mr. Phinney will serve for a minimum of six months and, pursuant to a Consulting Agreement with the Company, will be compensated with an option to purchase up to 2,000,000 shares of the Company's common stock registered on Form S-8 (the "Option Shares") vesting at a rate 1/6 of the Option Shares every 30 days.

On May 23, 2023, AXIM Biotechnologies, Inc. (the "Company") issued five (5) convertible promissory notes in the aggregate principal amount of $575,000 (the "Convertible Notes") to certain investors. Four (4) of the Convertibles Notes, for a combined principal amount of $325,000, were issued in exchange for cash of $325,000. One (1) of the Convertible Note, in the principal amount of $250,000, was issued as repayment of five cash advances made to the Company, for a total of $250,000, during the period between January 12, 2023, and April 11, 2023. Each of the Convertibles Notes has the same terms as follows: (a) unsecured; (b) interest rate of 3.75% per annum, payable annually beginning on May 23, 2024; (c) maturity date of May 23, 2033, (d) the Company may not prepay the Convertibles Notes, either in whole or in part, without the express written consent of holder; € convertible at any time, in whole or in part (subject to a 4.9% beneficial ownership blocker), at the option of the holder, into shares of Company common stock at a conversion price that is equal to the lesser of $0.01 or 70% of the average of the two lowest closing prices of the Company's common stock in the ten (10) trading days prior to any particular conversion; and (f) if an Event of Default (as defined in the Convertibles Notes) occurs, the holder thereof may declare the entire balance of the note, including all accrued interest immediately due.

On June 1, 2023, AXIM Biotechnologies, Inc., a Nevada corporation (the "Company"), entered into an Equity Purchase Agreement (the "Purchase Agreement") with an institutional accredited investor (the "Investor"), pursuant to which the Investor committed to purchase up to $20,000,000 of the Company's common stock (the "Financing"). Capitalized terms not defined herein shall have the meaning set forth in the Purchase Agreement, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Pursuant to the Financing, upon filing and effectiveness of a Registration Statement on Form S-1, and provided that certain other closing conditions are met, the Company shall have the right, but not the obligation, to direct the Investor to purchase shares of the Company's common stock (the "Put Shares") as follows: (i) in a minimum amount of not less than $10,000 and (ii) in a maximum amount of $250,000; provided, however, that the number of Put Shares that the Company may direct the Investor to purchase shall not exceed 300% of the average daily trading volume in dollar amount for the Company's common stock during the ten trading days preceding the date that the Company delivers the put notice or the maximum amount, unless waived in writing by the Investor, in its sole discretion.

At any time, and from time to time, during the term of the Purchase Agreement (the "Commitment Period"), the Company may deliver a notice to Investor (the "Put Notice") of its election to direct the Investor to purchase Put Shares, and the Company shall deliver such Put Shares to Investor via DWAC within two trading days thereafter. The Purchase Price of the Put Shares shall be 87.5% of the lowest traded price (as reported by Bloomberg Finance L.P.) during the ten consecutive trading days including and immediately prior to the settlement date of the sale (the "Valuation Period"). The closing of a Put Notice shall occur within one trading day following the end of the respective Valuation Period, whereby (i) the Investor shall deliver the investment amount to the Company by wire transfer of immediately available funds and (ii) the Investor shall return surplus Put Shares if the value of the Put Shares delivered to the Investor causes the Company to exceed the maximum commitment amount. The Company shall not deliver another Put Notice to the Investor within ten trading days of a prior Put Notice.

The right of the Company to issue and sell the Put Shares to the Investor is subject to the satisfaction of certain closing conditions, including, but not limited to, (i) an effective Registration Statement on Form S-1 for resale by Investor of the Put Shares, (ii) accuracy of the Company's representations and warranties, (iii) the Company's performance under the Purchase Agreement in all material respects, (iv) no suspension of trading or delisting of the Company's common stock, (v) limitation of the Investor's beneficial ownership to no more than 4.99% of the Company's issued and outstanding shares of common stock, (vi) the Company maintaining its DWAC-eligible status, (vii) the Company maintaining a sufficient share reserve, and (viii) the minimum pricing for the Put Shares must exceed $0.01.

Pursuant to the terms of the Purchase Agreement, the Company must file a Registration Statement which relates to the resale by Investor of the Put Shares as soon as reasonably practicable.

Effective December 26, 2023, AXIM Biotechnologies, Inc. (the "Company") entered into a Convertible Note Purchase Agreement (the "Agreement") with Medical Marijuana, Inc ("MJNA"), currently an affiliate of the Company and one of its largest shareholders, for the purchase of up to $750,000 face value in convertible notes. Also, effective December 26, 2023, MJNA purchased its first convertible note, face value of $100,000, under the terms of the Agreement (the "Initial Note").

Under the terms of the Agreement, until June 26, 2025, MJNA has the option, but not the obligation, to purchase up to $750,000 in convertible notes to be issued by the Company, which includes the Initial Note for $100,000. The notes shall bear interest at the rate of 5.25% per annum, which is payable annually beginning on December 26, 2024, and each year thereafter until maturity on December 26, 2033. Any notes acquired by MJNA pursuant to the Agreement (including the Initial Note) are convertible at any time prior to the maturity date, at the sole option of MJNA, into shares of the Company's common stock at a conversion price equal to the lesser of $0.01 or 70% of the average of the two lowest closing prices of the Company's common stock in the ten (10) trading days immediately preceding the date of conversion. Notwithstanding the foregoing, MJNA, shall not be permitted to convert any note, or portion thereof, if such conversion would result in beneficial ownership of the Company by MJNA and its affiliates of more than 4.9% of the outstanding Common Stock of the Company as of the date of conversion.

The Company sold the securities referenced in this Item 1.01 in reliance upon an exemption from registration contained in Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder.

On February 10, 2022, the Company paid in full the remaining balance due on that certain convertible note issued to GS Capital Partners, LLC, face value $1,110,000 (as amended, the "GS Note"). In connection with the repayment, the Company was required to pay accrued interest in the amount of $21,875, by issuing 173,390 restricted shares of the Company's common stock pursuant to the formula set forth in the GS Note.

In March 2022, the Company issued 624,290 of its shares of common stock pursuant to a stock purchase agreement for cash gross proceeds of $55,000.

In January 2022 the company issued 7,000,000 of its shares in completion of its agreement with Advanced Tear Diagnostics regarding the acquisition of two 510(k) cleared medical devices.

In December 2019, a novel strain of coronavirus ("COVID-19") was reported in Wuhan, China. The COVID-19 pandemic, as it was declared by the World Health Organization, has continued to spread and has already caused severe global disruptions. The extent of COVID-19's effect on our operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape.

We expect COVID-19, along with the resulting government-imposed restrictions on businesses, to negatively impact our operations due to decreased consumer demand as well as potential production and warehouse limitations which results in an event or condition, before consideration of management's plans, that could impact our ability to meet future obligations. We believe that our cash and cash equivalents on hand and these cost reduction measures, as needed, will provide sufficient liquidity to fund our operations for the next 12 months from the issuance of the consolidated financial statements.

Sources of Capital

We expect to sustain our working capital needs through shareholder loans, private placements and/or registered offerings of our securities. Shareholder loans may be without stated terms of repayment or interest. We may 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) building inventory of our approved devices;
(iii) clinical trials; and
(iv) continued research and development of our diagnostic tests.

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.

Known Trends or Uncertainties

We have seen some consolidation in the pharmaceutical and biotechnology industries during economic downturns. These consolidations have not had a negative effect on us to date; however, should consolidations and downsizing in the industry continue to occur, those events could adversely impact our financial results and business operations going forward.

The potential for growth in new markets is uncertain. We will continue to explore these opportunities until such time as we either generate sales or determine that resources would be more efficiently used elsewhere.

As discussed in this Annual Report, the world has been affected due to the COVID-19 pandemic. The pandemic has negatively impacted our business in various ways over the last two years, including, more recently, as a result of global supply chain constraints at least partially attributable to the pandemic. Even now as the pandemic has passed, there remains uncertainty as to the effect of COVID-19 on our business in both the short and long-term.

Inflation

Inflation has increased during the periods covered by this Annual Report, and is expected to continue to increase for the near future. Inflationary factors, such as increases in the cost of our products (and components thereof), interest rates, overhead costs and transportation costs may adversely affect our operating results. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, we may experience some effect in the near future (especially if inflation rates continue to rise) due to supply chain constraints, consequences associated with COVID-19 and the ongoing conflict between Russia and Ukraine, employee availability and wage increases, trade tariffs imposed on certain products from China and increased product pricing due to semiconductor product shortages.

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.

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 $5,821,960 has an accumulated deficit of $72,184,858, has cash used in operating activities of $1,030,500 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 may not be able to meet its contractual obligations to Arizona State University regarding past research; in addition, the Company may not be able to maintain its staff at current levels.

The Company intends to raise additional capital through private placements and/or registered offerings 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.

ITEM 1C. CYBERSECURITY

Risk Assessment and Management

We regularly assess risks from cybersecurity threats; monitor our information systems for potential vulnerabilities; and test those systems pursuant to our cybersecurity policies, processes, and practices, which are integrated into our overall risk management program. To protect our information systems from cybersecurity threats, we use various security tools that are designed to help identify, escalate, investigate, resolve, and recover from security incidents in a timely manner.

The company has an ERM program to identify, evaluate, and manage risks. Cybersecurity risks are evaluated alongside other critical business risks under the ERM program to align cybersecurity efforts with the company's broader business goals and objectives. We believe that integrating cybersecurity risks into our ERM program fosters a proactive and holistic approach to cybersecurity, which helps safeguard the company's operations, financial condition, and reputation in an ever-evolving threat landscape.

The company maintain a cybersecurity program that is designed to identify, protect from, detect, respond to, and recover from cybersecurity threats and risks, and protect the confidentiality, integrity, and availability of its information systems, including the information residing on such systems. Keep in mind we are a small company with limited exposures. As such we rely on traditional bookkeeping and reconciliations to discover any cybersecurity issues.

Cybersecurity threats, including those resulting from any previous cybersecurity incidents, had not materially affected the company, including our business strategy, results of operations, or financial condition. We do not believe that cybersecurity threats resulting from any previous cybersecurity incidents of which we are aware are reasonably likely to materially affect our company. Our systems, infrastructure or data, or those used by our CROs, CMOs, clinical sites or other contractors or consultants, may or may be perceived to fail or suffer a cyberattack, security breach or other incident, including a breakdown or compromise of the confidentiality, integrity and availability of our systems, networks or data, which could adversely affect the operation of our business and reputation.

Incident Response

The company does not have a dedicated incident management team responsible for managing and coordinating its cybersecurity incident response efforts. We have limited exposure to cybersecurity risks. We are a small company.

Governance

Board Oversight Role

Our Board of Directors oversees our risk management process, including as it pertains to cybersecurity risks, directly and through its committees. The Audit Committee (the Committee) of the Board of Directors oversees our cybersecurity and data privacy. The Committee meets periodically to review and discuss with management risks relating to significant cybersecurity matters and concerns involving the company, including information security, data privacy, backup of information systems and related regulatory matters and compliance. The Committee regularly reports to the Board of Directors with respect to the Committee's activities and recommendations, including those relating to cybersecurity matters and concerns. The company provides reports to the Committee on information security matters, including the adequacy and effectiveness of the company's information security policies and practices and the internal controls regarding information security, and notifies the chairperson of the Committee as soon as practicable of significant information security matters and concerns as they arise on a periodic basis.

Management's Role

The company does not have a dedicated cybersecurity organization within its technology department that focuses on current and emerging cybersecurity matters.

Use of Third Parties

Oversight of Third-Party Service Providers

The company uses third-party service providers to support its operations and many of its technology initiatives, and evaluates its third-party service providers from a cybersecurity risk perspective, which may include an assessment of that service provider's cybersecurity posture or a recommendation of specific mitigation controls. Following such evaluation, the company determines and prioritizes service provider risk based on the potential threat impact and likelihood, and such risk determination drives the level of due diligence and ongoing compliance monitoring required for each service provider.

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. Any OTCQB market quotations reflect inter-dealer quotations, without adjustment for retail mark-up, mark-down or commission and may not necessarily represent actual transactions.

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, 2023		
First Quarter	0.043	0.017
Second Quarter	.049	0.02
Third Quarter	0.036	0.019
Fourth Quarter	0.024	0.016
Fiscal Year Ended December 31, 2022		
First Quarter	0.399	0.125
Second Quarter	0.13	0.056
Third Quarter	0.107	0.04
Fourth Quarter	0.104	0.027

As of April 12, 2024, there are 156 holders of record of our common stock. This number does not include beneficial holders of our common stock. Because many of our shares of common stock are held by brokers and other institutions on behalf of shareholders, we are unable to estimate the total number of shareholders represented by these record holders.

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

The company adopted its 2015 Stock Incentive Plan, effective May 29, 2015, 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 2015 Stock Incentive Plan was amended effective December 24, 2021.

The following table provides information as of December 31, 2023, regarding our equity compensation plans:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	27,662,576	$ 0.13	25,881,671
Equity compensation plans not approved by security holders	–	–	–
Total	27,662,576	$ 0.13	25,881,671

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 2022 that have not already been reported on a Current Report on Form 8-K or a Quarterly Report on Form 10-Q.

During the year ended December 31, 2023, the Company entered into a Stock Purchase agreement whereby shares were issued in exchange for the purchase of equipment. 7,280,000 shares were issued at .01 per share resulting in a loss at issuance of $80,080.

Issuer Repurchases of Equity Securities

None.

Item 6. [Reserved]

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

The following discussion and analysis of our financial condition and results of operations for the years ended December 31, 2023 and 2022 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.

As of December 31, 2023, we had cash and cash equivalents of $156,457, working capital deficit of $(5,821,960), and an accumulated deficit of $72,184,858. We estimate our G&A expenses for 2024 to be approximately $3,500,000, which includes projected audit and accounting costs of $250,000. R&D expenses for 2024 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. R&D expenditures in 2024 will depend on available cash flow and the extent of additional capital funding.

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, private placements and/or registered offerings of our securities. Shareholder loans may be without stated terms of repayment or interest. In addition, we may consider taking on 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 issued 20,977,638 shares common stock pursuant to the Company's Registration Statement on Form S-3 and S-1 during the year ending December 31, 2022. We issued 7,494,792 shares common stock pursuant to the Company's Registration Statement on Form S-3 during the year ending December 31, 2020. No shares were issued in 2021 under the S-3.

On June 22, 2021, our Registration Statement on Form S-1 was declared effective by the SEC. We issued 1,000,000 shares of Company common stock pursuant to an equity purchase agreement, dated on May 14, 2021, and the Registration Statement on Form S-1 during the year ending December 31, 2021. Subsequent to the year ended December 31, 2022, the Company issued an additional 8,000,000 shares of its common stock for cash of $130,000 pursuant to the equity purchase agreement, which shares were also registered pursuant to the S-3 Registration Statement.

During January 2022, the Company issued 612,104 shares for cash of gross proceeds of $75,000 pursuant to various stock purchase agreements. The cash was received in the fourth quarter 2021 and first quarter 2022. The Company also issued warrants to purchase an aggregate of 612,104 shares of common stock at an average exercise price of $0.315 per share. The warrants are exercisable within a three-year period from issuance.

Effective February 10, 2022, the Company issued two short term notes, each having a face amount of $250,000, in exchange for a total of $500,000 in cash (the "Short Term Promissory Notes"). The Short Term Promissory Notes bear interest at the rate of 1.5% per annum and were due and payable on or before March 10, 2022, unless demand for payment is made prior to such date. One of the two notes was paid in full on February 14, 2022.

Effective February 10, 2022, the Company issued seven convertible notes to a series of investors having an aggregate face value of $1,325,000 in exchange for $1,325,000 in cash (the "Convertible Notes"). One of the Convertible Notes, face value $25,000, was purchased by Blake N. Schroeder who is a director of the Company.

Each of the Convertible Notes is (i) unsecured; (ii) bears interest at a rate of 3% per annum; (iii) matures on February 10, 2032; and (iv) is convertible, in whole or in part, at any time by the holder, into restricted shares of the Company's common stock at a conversion price equal to the lesser of $0.08125 or 70% of the average of the two lowest closing prices of the Company's common stock in the ten trading days preceding any particular conversion, provided, the holder is prohibited from converting the convertible note, or portion thereof, if such conversion would result in beneficial ownership by the holder and its affiliates of more than 4.99% of Company's issued and outstanding common stock as of the date of the conversion.

On February 10, 2022, the Company paid in full the remaining balance due on that certain convertible note issued to GS Capital Partners, LLC, face value $1,110,000 (as amended, the "GS Note"). In connection with the repayment, the Company was required to pay accrued interest in the amount of $21,875, by issuing 173,390 restricted shares of the Company's common stock pursuant to the formula set forth in the GS Note.

During 2022, the Company issued 14,837,874 of its shares of common stock pursuant to a stock purchase agreement for cash gross proceeds of $455,000.

In January 2022 the company issued 7,000,000 of its shares in completion of its agreement with Advanced Tear Diagnostics regarding the purchase of various patents.

During 2023 the Company issued 23,000,000 shares of its stock pursuant to its S-1 which generated cash of $514,931.

During 2023 the company issued 22,207,486 shares of its stock to convert various notes payable valued at $688,432.

In December 2023 the company issued 7,280,000 shares of its stock in exchange for equipment valued at $152,800.

In December 2019, a novel strain of coronavirus ("COVID-19") was reported in Wuhan, China. The COVID-19 pandemic, as it was declared by the World Health Organization, has continued to spread and has already caused severe global disruptions. The extent of COVID-19's effect on our operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape.

We expect COVID-19, along with the resulting government-imposed restrictions on businesses, to negatively impact our operations due to decreased consumer demand as well as potential production and warehouse limitations which results in an event or condition, before consideration of management's plans, that could impact our ability to meet future obligations. We believe that our cash and cash equivalents on hand and these cost reduction measures, as needed, will provide sufficient liquidity to fund our operations for the next 12 months from the issuance of the consolidated financial statements.

Sources of Capital

We expect to sustain our working capital needs through shareholder loans, private placements and/or registered offerings of our securities. Shareholder loans may be without stated terms of repayment or interest. We may 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) building inventory of our approved devices;
(iii) clinical trials; and
(iv) continued research and development of our diagnostic tests.

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.

Known Trends or Uncertainties

We have seen some consolidation in the pharmaceutical and biotechnology industries during economic downturns. These consolidations have not had a negative effect on us to date; however, should consolidations and downsizing in the industry continue to occur, those events could adversely impact our financial results and business operations going forward.

The potential for growth in new markets is uncertain. We will continue to explore these opportunities until such time as we either generate sales or determine that resources would be more efficiently used elsewhere.

As discussed in this Annual Report, the world has been affected due to the COVID-19 pandemic. The pandemic has negatively impacted our business in various ways over the last two years, including, more recently, as a result of global supply chain constraints at least partially attributable to the pandemic. Until the pandemic has passed, there remains uncertainty as to the effect of COVID-19 on our business in both the short and long-term.

Inflation

Inflation has increased during the periods covered by this Annual Report, and is expected to continue to increase for the near future. Inflationary factors, such as increases in the cost of our products (and components thereof), interest rates, overhead costs and transportation costs may adversely affect our operating results. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, we may experience some effect in the near future (especially if inflation rates continue to rise) due to supply chain constraints, consequences associated with COVID-19 and the ongoing conflicts between Russia and Ukraine, and Israel/Hamas, employee availability and wage increases, trade tariffs imposed on certain products from China and increased product pricing due to semiconductor product shortages.

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.

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 $5,821,960, has an accumulated deficit of $72,184,858 has cash used in operating activities of $1,030,500 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 may not be able to meet its contractual obligations to Arizona State University regarding ongoing research and maintain its staff at current levels required by various employment agreements.

The Company intends to raise additional capital through private placements and/or registered offerings 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, 2023 and 2022.

	December 31, 2023	December 31, 2022	$ Change	% Change
Revenues	$ 39,518	$ 8,875	$ 30,643	> 100%
Gross margin percentage	-	-	-	-
Operating expenses	2,790,357	4,661,647	(1,871,290)	> (41)%
Loss from operations	(2,750,839)	(4,652,772)	(1,901,933)	> (41)%
Other expenses (income)	5,308,843	1,590,177	3,718,666	> 100%
Net loss	$ (8,059,682)	$ (6,242,949)	$ 1,816,733	> 29%

Revenue

Revenues from operations recognized for twelve months ended December 31, 2023 and 2022 amounted to $39,518 and $8,875, respectively.

Cost of Revenue

Cost of Revenue from operations recognized for twelve months ended December 31, 2023, and 2022 amounted to $-0- and $-0-, respectively. The lack of COGS is due to lack of sales of products to customers in 2023.

Operating Expenses

Research and Development Expenses

For the twelve months ended December 31, 2023 and 2022 the Company incurred research and development expenses of $125,496 and $153,697 from operations, respectively The decrease is primarily due to discontinued research and clinical activities because of lack of cash resources.

Selling, General and Administrative Expenses

Our Selling, General and Administrative expenses for the years ending in 2023 and 2022 were $2,308,569 and $4,081,824, respectively.

Depreciation Expenses

For the year ended December 31, 2023 our depreciation expenses were $32,573 as compared to $31,680 for the year ended December 31, 2022. The increase is primarily due to recognizing the property and equipment as a result of the acquisition of Laboratory equipment for the Eye Care division.

Amortization Expenses

For the year ended December 31, 2023 our amortization expenses were $394,446 as compared to $394,446 for the year ended December 31, 2022. The amortization is primarily due to recognizing the write off intangible assets as a result of the acquisition of Sapphire Biotech.

Impairment Loss

For the year ended December 31, 2023 we recorded an impairment loss of $-0- as compared to $-0- for the year ended December 31, 2022.

Other Income and Expenses

Our interest expenses for the years ending 2023 and 2022 were $1,028,336 and $1,697,455, respectively. Loss on extinguishment of debt for the years ending in 2023 and 2022 were $(162,811) and $479,573 respectively, variance was result of debt exchange Amortization of debt discount was $176,428 and $178,962 respectively. Loss on settlement of Litigation 955,000 in 2023 and zero in 2022. The company settled a patent infringement suit. during 2023 we purchased equipment by issuing shares at a discount resulting in a loss of $80,080.

For the Year Ended December 31, 2023 and 2022

Net Cash Provided by/Used in Operating Activities

Net cash used in operating activities $1,030,500, respectively, for the twelve months ended December 31, 2023, as compared to net cash used of $2,044,326 for the twelve months ended December 31, 2022. The cash used in operating activities is primarily attributable to our net loss from operations of $8,059,682 and offset by net changes in the balances of operating assets and liabilities and non-cash expenses. For the twelve months ended December 31, 2023, stock-based compensation was $197,727 and amortization of debt discount was $176,428. For the twelve months ended December 31, 2022 these non-cash expenses were stock-based compensation of $1,107,494 and amortization of $178,962. For the twelve months ended December 31, 2023 and 2022 the Company recorded increase to accounts payable and accrued expenses of $769,030 and $659,400, respectively, of operating activities. The Company recorded for the twelve months ended December 31, 2023 and 2022 a loss on extinguishment of debt of $(162,811) and $266,111, respectively. The Company recorded amortization of prepaid expenses for the twelve months ended December 31, 2023 and 2022 of $42,858 and $210,094 respectively. The Company recorded stock issued for services for the twelve months ended December 31, 2023 and 2022 of $-0- and $79,500 respectively.

The company recorded common stock issued for settlement of obligation for the twelve months ended December 31, 2023 and 2022 of $-0- and $226,172 respectively. The Company recorded non cash interest expense for the twelve months ended December 31, 2023 and 2022 of $790,000 and $1,316,846 respectively. The Company recorded change in fair value of derivative liabilities for the twelve months ended December 31, 2023 and 2022 of $6,619 and $765,556 respectively. The Company recorded an increase in deferred revenue for the twelve months ended December 31, 2023 and 2022 of $(29,998) and $333,125 respectively. The Company recorded an increase in prepaid expenses for the twelve months ended December 31, 2023 and 2022 of $-0- and $103,230 respectively.

Net Cash provided by Investing Activities

Net cash used in (provided by) investing activities during the period ended December 31, 2023 was $-0- compared to $8,710 for the same period in 2022

Net Cash Provided by Financing Activities

Net cash provided by financing activities during the twelve months' period ended December 31, 2023, was $1,139,675 compared to $1,647,355 for the same period in 2022. The Company has successfully raised significant capital in exchange for its common stock for the twelve months ended December 31, 2023. The company recorded proceeds from convertible note of $675,000 in 2023 and $1,325,000 in 2022. The Company repaid a convertible note at $1,243,200 in 2022.

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 5 to our consolidated financial statements.

Our management's discussion and analysis of financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities and expenses and the disclosure of contingent assets and liabilities in our consolidated financial statements during the reporting periods. These items are monitored and analyzed by us for changes in facts and circumstances, and material changes in these estimates could occur in the future. We base our estimates on historical experience, known trends and events, and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Changes in estimates are reflected in reported results for the period in which they become known. Actual results may differ materially from these estimates under different assumptions or conditions.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants. A fair value hierarchy has been established for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

Research and Development Costs

Research and development costs are expensed as incurred. Research and development reimbursements and grants are recorded by us as a reduction of research and development cost.

Share-Based Payments

We estimate the fair value of each stock option award at the grant date by using the Black-Scholes option pricing model. The fair value determined represents the cost for the award and is recognized over the vesting period during which an employee is required to provide service in exchange for the award. We account for forfeitures of stock options as they occur.

Income Taxes

We use the asset and liability method to calculate deferred taxes. Deferred taxes are recognized based on the differences between the financial reporting and income tax bases of assets and liabilities using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. We review deferred tax assets for a valuation allowance based upon whether it is more likely than not that the deferred tax asset will be fully realized. A valuation allowance, if necessary, is provided against deferred tax assets, based upon our assessment as to their realization.

We recognize tax when the positions meet a "more-likely-than-not" recognition threshold. There were no tax positions for which it is considered reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within the next year. We recognize interest related to unrecognized tax benefits in interest expense and penalties in operating expenses.

Recently Issued Accounting Standards

Note 5 to consolidated financial statements appearing elsewhere in this report includes Recently Issued Accounting Standards.

Foreign Currency Transactions

Foreign exchange gain (loss) in the year ended December 31, 2023, was $-0- compared to $-0- for the same period in 2022.

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 consolidated financial statements for the fiscal years ended December 31, 2023 and 2022, 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, 2023 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, 2023. 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 as updated as of 2017. Based on that evaluation, the Company's management concluded that the Company's internal controls over financial reporting were effective as of December 31, 2023. 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 on Form 10-K 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.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Directors, Executive Officers and Key Employees of AXIM

Our current 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	67	Chief Executive Officer, President
Catalina Valencia	74	CEO Sapphire Biotechnologies
Robert Malasek	56	Chief Financial Officer, Secretary
Timothy R. Scott, PhD	70	Director
Robert Cunningham	75	Director
Peter O'Rourke	50	Director
Blake N. Schroeder	47	Director

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

John W. Huemoeller II - Chief Executive Officer, President

Mr. Huemoeller was appointed as the Company's Chief Executive Officer on January 2, 2019 and as a director on our Board of Directors since May 18, 2017. Mr. 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.

Robert Malasek - Chief Financial Officer, Secretary

Mr. Malasek has served as the Company's Chief Financial Officer since June 29, 2016. 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.

Timothy R. Scott, PhD - Director

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

Peter O'Rourke – Director

Mr. O'Rourke has served as a director on our Board of Directors since July 21, 2020. Mr. O'Rourke's background includes holding leadership roles in management consulting, private equity, aerospace and operations companies. Mr. O'Rourke's experience includes leadership in sales, marketing, operations, finance and performance improvement. In 2018, Mr. O'Rourke was appointed Acting Secretary of the U.S. Department of Veterans Affairs after serving as the Chief of Staff and Executive Director for the Office of Accountability and Whistleblower Protection. Before joining the Department of Veterans Affairs, Mr. O'Rourke honorably served as a U.S. Navy enlisted Airman and an Air Force Officer and Logistician. Mr. O'Rourke received a Bachelor of Arts in Political Science from the University of Tennessee in Knoxville as well as a Master of Science in Logistics and Supply Chain Management from the United States Air Force's Institute of Technology.

Blake N. Schroeder

Mr. Schroeder has served as a director on our Board of Directors since January 6, 2022. Mr. Schroder began his career with a commercial litigation law firm in Salt Lake City, Utah. Beginning in 2008, Schroeder focused on the sale and marketing of natural products and opening international marketplaces to those products. From 2008 to 2014 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 2021 to the present, Mr. Schroeder has served as the Chief Executive Officer and Chairman of the Board of Medical Marijuana, Inc. From 2016 to the present, Mr. Schroeder serves as the chief executive officer of Kannaway USA, LLC, a wholly owned subsidiary of Medical Marijuana, Inc. Medical Marijuana, Inc. is one of the Company's largest shareholders holding approximately 16.4% of the Company's common stock, as of January 10, 2022. Mr. Schroeder holds a B.S. in Finance from Utah State University and a law degree from Syracuse University College of Law.

Officers of Sapphire Biotech, Inc.

Catalina Valencia, J.D
Chief Executive Officer and Co-Founder - Sapphire Biotech, Inc.

Catalina specialized in leading enterprises to success through the strategic development of businesses and products. Her career focus has been on start-ups and small businesses in the biotech industry starting with Genentech. Early in her legal career, Catalina joined the Rio de Janeiro office of Cleary, Gottlieb, Steen & Hamilton as an Associate Attorney where she represented American companies seeking to enter into joint ventures with Brazilian enterprises. In the Bay Area, she was recruited by Itel, a Wall Street success story that declared a historic bankruptcy due to its size just one year after she joined the company. She successfully completed the disposition of over $1 Billion in executory contracts, enabling the company to emerge from bankruptcy. Subsequently, Catalina was recruited by Genentech, Inc., the premier biotech pioneer, during the company's early start-up phase. Catalina's accomplishments included structuring ventures which formed the basis for Genentech's international expansion. Catalina has been the co-founder of several companies, most recently Sapphire Biotech, all with a mission to develop pioneering scientific technologies with life-saving potential. Catalina graduated Magna Cum Laude, Highest Department Honors, with a B.A. degree from UCLA and received her J.D. Degree from the University of California, Berkeley School of Law. Her scholastic achievements include an Alumni Scholarship to UCLA, Fellowship to Berkeley Law School, Teaching Fellowship to Stanford Law School and Fulbright Fellowship to Brazil.

Dr. Sergei A. Svarovsky, Ph.D, MBA
Chief Scientific Officer and Co-Founder - Sapphire Biotech, Inc.

Dr. Svarovsky is the scientific founder of Sapphire. He brings to the Company a breadth of experience and expertise from his academic, government and industry careers in the fields of medicinal chemistry and medical diagnostics. He has authored over 25 peer reviewed publications, reviews and book chapters, contributed to at least 20 international and U.S. patents and participated in over 50 international symposia. Some of his patents has been licensed by Pfizer, BioRad, among others. He serves on Editorial Boards of several international journals in the fields of chemistry, medical technology and nanotechnology and is a reviewer for a number of national and international funding organizations including National Science Foundation, National Institutes of Health, Israeli Science Foundation, and Georgian Science Foundations. Dr. Svarovsky obtained a PhD in Physical Organic Chemistry and MBA in Finance from University of West Virginia in 2000. Prior to entering the biopharma industry, Dr. Svarovsky served as a Postdoctoral Fellow at the Laboratory of Medicinal Chemistry at the National Cancer Institute. In 2006 he became an Associate Professor at the Biodesign Institute at Arizona State University where he met with another co-founder of Sapphire, Dr. Douglas Lake. Dr. Svarovsky joins Axim Biotechnologies, Inc. in the role of Chief Scientific Officer with a mission to develop novel therapeutics modalities and diagnostics for the treatment and detection of cancer.

Dr. Douglas Lake, Ph.D
Chief Clinical Officer - Sapphire Biotech, Inc.

Douglas Lake is a tumor immunologist who has been at ASU since 2006. Previously, he was at the University of Arizona Cancer Center where he studied anti-tumor T cells and tumor-associated peptides as immunotherapy targets. Currently, he is investigating an enzyme called QSOX1 that is over-expressed in multiple tumor types. Lake was the first to show that this enzyme is important in tumor cell growth, invasion and metastasis. His laboratory is developing chemical and biological inhibitors of QSOX1 with strong therapeutic potential. His laboratory also studies Valley Fever (Coccidioidomycosis). A pressing clinical need is that Valley Fever lacks an accurate and sensitive diagnostic test while patients are acutely symptomatic. Lake is developing a test that detects bits and pieces of the fungus in urine in infected patients. Lake's research team also studies chimeric antigen receptor T cells (CAR T cells). This technology re-directs the immune system toward defined markers on tumors and unleashes T cells as the most potent killers against tumors. The vision for CAR T therapies is to re-activate patients' immune systems against their tumors, such that they will have lifelong immunity against their tumor and any mutant tumors that might arise. In addition, Lake teaches immunology and microbiology at the undergraduate level and advance cell biology at the graduate level.

Alim Seit-Nebi, Ph.D
Chief Technology Officer and Co-Founder - Sapphire Biotech, Inc.

Maria Moa, Ph.D
VP, Product Development - Sapphire Biotech, Inc.

Dr. Maria J. Gonzalez Moa is an NCI-trained Medicinal Chemist and as VP, Product Development, will be responsible for chemical synthesis, compound design, compound acquisition from outside sources, and assistance with molecular modeling and NMR. Dr. Moa holds a Ph.D in Organic/Physical Chemistry from the University of Vigo, Spain. At the University of Vigo, she was Postdoctoral Research Associate, Department of Organic and Physical Chemistry. Dr. Moa was a Postdoctoral Fellow in the Laboratory of Medicinal Chemistry at the National Cancer Institute, National Institutes of Health, Frederick, Maryland. Dr. Moa was Postdoctoral Research Associate at the Center for Innovations in Medicine, the Biodesign Institute, Arizona State University in Tempe, Arizona. She has extensive experience working with new tools for diagnostics and was in charge of the development of novel lateral flow assay tests for the rapid diagnostic of infectious diseases. Her experience in Medicinal Chemistry includes design, synthesis, and the computational study of small molecules with potential anticancer and antiviral activity. Dr. Moa has published and co-authored over 40 articles in peer-reviewed publications, reviews and book chapters.

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, Audit and Nominating and Governance Committees. All other functions of the Board are being undertaken by the Board of Directors as a whole.

Compensation Committee

Audit Committee

The Audit Committee consists of Robert Cunningham 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 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: (i) selecting and evaluating the performance of our independent auditors; (ii) 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; (iii) reviewing and assessing our financial reporting activities and disclosure, including our earnings press releases and periodic reports, and the accounting standards and principles followed; (iv) reviewing the scope, adequacy and effectiveness of our internal control over financial reporting; (v) reviewing management's assessment of our compliance with our disclosure controls and procedures; (vi) 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 (vii) 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 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., 6191 Cornerstone Court E Suite 114 San Diego, CA 92121. 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 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 did not file the required reports in a timely manner during fiscal 2022.

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.

Item 11. Executive Compensation

Summary Compensation Table

The following table sets forth the total compensation for services rendered in all capacities that was earned by each individual who served (i) as our principal executive officer at any time during fiscal 2023, and (ii) our two most highly compensated executive officers other than our principal executive officer who were serving as executive officers as of December 31, 2023:

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/$
John W. Huemoeller II	2023	420,000	-	-		-	-	-	420,000
Director, Chief Executive Officer	2022	420,000	-	-	5,000,000	-	-	-	420,000
Catalina Valencia	2023	187,500							187,500
CEO Sapphire Biotechnologies	2022	187,500							187,500
Robert Malasek	2023	90,000	-	-		-	-	-	90,000
Chief Financial Officer, Secretary	2022	72,500	-	-	500,000	-	-	-	72,500

Employment Agreements

John W. Huemoeller II

On January 2, 2019, the Company entered into an executive employment agreement, at a base salary of $20,000 per month, with John W. Huemoeller II to serve as its Chief Executive Officer. Pursuant to the agreement, Mr. Huemoeller's employment shall at all times be "at will," which means that he may resign at any time for any reason or for no reason, and that the Company may terminate his employment at any time for any reason or for no reason, in either case, subject to the applicable provisions of the agreement. In further consideration for Mr. Huemoeller's services and subject to the approval of the Board, Mr. Huemoeller will be granted an option to purchase 2,000,000 shares of the Company's common stock, upon his hiring (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 Mr. Huemoeller 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 Mr. Huemoeller'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. Beginning in October 2019, the Board of Directors decided to increase Mr. Huemoeller's base salary to $35,000 per month.

Robert Malasek

On or about June 29, 2016, Robert Malasek was appointed as the Company's Chief Financial Officer and Secretary. In April, 2017 the Company entered in employment agreement with Robert Malasek its, Chief Financial Officer and Secretary. The agreement does not have a set term and may be terminated by any time by the Company or Mr. Robert Malasek with proper notice. Under the agreement Mr. Malasek receives a monthly base compensation of $1,000 and effective April 1, 2022, Mr. Malasek's base compensation was increased to $7,500 per month.

Outstanding Equity Awards at Fiscal Year-End 2023

Name	Number of Securities Underlying Unexercised Options (Exercisable)	Number of Securities Underlying Unexercised Options (Unexercisable)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options	Option Exercise Price	Option Expiration Date
John W. Huemoeller II					
	5,000,000			$ 0.052	08/22/2032
Total					
Robert Malasek	300,000	0	0	$ 0.42	12/10/2030
	500,000			0.052	08/22/2032
Total					

Directors Compensation

The following table sets forth information for the year ended December 31, 2022, regarding the compensation awarded to, earned by, or paid to our non-employee directors who served on our board of directors during 2022.

Director Compensation for Fiscal Year 2023

Name of Director	Fiscal Year	Fees earned or paid in cash ($)	Option Awards ($)	Stock Grants ($)	All other compensation ($)	Total ($)
Timothy R. Scott, PhD	2023	20,000		—	—	20,000
Robert Cunningham	2023	20,000		—	—	20,000
Peter O' Rourke	2023	20,000		—	—	20,000
Blake N. Schroeder[(1)]	2023	20,000				20,000
		0		—	—	0

Director Compensation for Fiscal Year 2022

Name of Director	Fiscal Year	Fees earned or paid in cash ($)	Option Awards ($)	Stock Grants ($)	All other compensation ($)	Total ($)
Timothy R. Scott, PhD	2022	20,000		—	—	20,000
Robert Cunningham	2022	20,000		—	—	20,000
Peter O' Rourke	2022	20,000		—	—	20,000
Blake N. Schroeder[(1)]	2022	20,000				20,000
Mauricio J Gatto-Bellora[(1)]	2022	0		—	—	0

(1) Mr. Gatto-Bellora resigned from his role on the Company's Board of Directors on January 4, 2022. Mr. Blake Schroeder was appointed as a director of the Company on January 6, 2022, to fill the vacancy created by Mr. Bellora's resignation.

For the year ended December 31, 2023, our directors were each entitled to receive an annual $20,000 cash stipend as compensation for their services as directors of the Company.

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 April 15, 2024.

(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 named executive officers and directors

This information as to beneficial ownership was furnished to the Company by or on behalf of each person named. As at April 16, 2024, there were 278,429,403 shares of our common stock issued and outstanding. Beneficial ownership is determined in accordance with the rules of the SEC, which generally attribute beneficial ownership of securities to persons who possess sole or shared voting or investment power with respect to those securities and for such persons includes shares of our common stock issuable to such persons pursuant to the exercise of stock options, warrants or other securities that are exercisable or convertible into shares of our common stock within 60 days of March 31, 2024.

	Name and Address of Beneficial Owner	(Stock)	(Options)	Amount and Nature of Beneficial Ownership	Percentage of Class
Named Executive Officers and Directors					
	John W. Huemoeller II[1][4]	6,000,000	5,000,000	11,000,000	69%
	Robert Malasek[1]	50,000	800,000	850,000	5%
	Timothy R. Scott, PhD[1]	333,333	1,000,000	1,333,333	9%
	Robert Cunningham[1]	333,333	1,000,000	1,333,333	9%
	Peter O'Rourke [1]	250,000	1,000,000	1,250,000	8%
	All Directors and Officers as a Group	6,966,666	8,800,000	15,766,666	100
5% Stockholders					
	Medical Marijuana, Inc.[2]	22,669,125			
	Catalina Valencia	25,117,590			
	Glycodots, LLC	19,800,000			
	Juniper & Ivy Corporation[3]	500,000			

* Less than 1%

(1) The address is: 6191 Cornerstone Court, E. Suite 114, San Diego, CA 92121.

(2) The address is: 2384 La Mirada Drive, Vista, CA 92081

(3) Juniper & Ivy Corporation owns 500,000 shares of our Series C Preferred Stock. Each share of our Series C Preferred Stock in convertible into one (1) share of our common stock. The holder of our Series C Preferred Stock has voting control of the Company.

(4) Does not include 500,000 shares of Series C Preferred Stock held by Juniper & Ivy Corporation of which Mr. Huemoeller II is the sole shareholder.

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

Board of Directors Independence

The Company considers 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 has served as our independent public accounting firm since 2014. RBSM LLP billed us $178,500 and $137,171 in audit fees during the years ended December 31, 2023 and 2022, respectively.

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, 2023 and 2022.

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, 2023 and 2022.

Pre-Approval Policies and Procedures

With respect to the audit of our financial statements as of December 31, 2023 and 2022, 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	Exhibit #	Incorporated by Reference (Form Type)	Filing Date	Filed with This Report
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	
Description of Securities	4.1			X
Letter of Intent ("Terms Sheet") dated September 3, 2018, by and between Impression Healthcare Limited and AXIM Biotechnologies, Inc.	10.1	10-K (A/1)	10/30/2019	
Exclusivity Agreement dated September 3, 2018, by and between Impression Healthcare Limited and AXIM Biotechnologies, Inc.	10.2	10-K (A/1)	10/30/2019	
Amendment #1 to Exclusivity Agreement dated December 11, 2018, by and between Impression Healthcare Limited and AXIM Biotechnologies, Inc.	10.3	10-K (A/1)	10/30/2019	
Supply Agreement dated May 31, 2019, by and between Impression Healthcare Limited and AXIM Biotechnologies, Inc.	10.4	10-K (A/1)	10/30/2019	
May 1, 2019, License Agreement with CanChew Biotechnologies, LLC.	10.5	10-K (A/1)	05/20/2020	
Equity Purchase Agreement dated May 14, 2021, by and between AXIM Biotechnologies, Inc and Cross & Company	10.6	8-K	05/14/2021	
Binding Term Sheet Agreement dated August 3, 2021, by and between AXIM Biotechnologies, Inc. and Advanced Tear Diagnostics, LLC.	10.7	10-K	04/15/2022	
Asset Purchase Agreement dated August 26, 2021, by and between AXIM Biotechnologies, Inc. and Advanced Tear Diagnostics, LLC.	10.8	10-K	04/15/2022	
Form of 1.5% Short Term Promissory Notes, dated February 10, 2022.	10.9	8-K	02/16/2022	
Form of 3% Short Term Promissory Notes, dated February 10, 2022.	10.10	8-K	02/16/2022	
6% Convertible Redeemable Note dated September 29, 2021, made by and between AXIM Biotechnologies, Inc. and GS Capital Partners, LLC, as amended.	10.11	8-K	02/16/2022	
Termination Agreement dated March 3, 2022, by and between AXIM Biotechnologies, Inc. and Empowered Diagnostics, LLC	10.12	10-K	04/15/2022	

Code of Business Conduct and Ethics.	14.1	10-Q	11/20/2017	
Subsidiaries	21.1			X
Consent of Independent Registered Public Accounting Firm	23.1			X
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
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

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 16, 2024
/s/ Robert Malasek Robert Malasek	Chief Financial Officer (Principal Financial Officer)	April 16, 2024
/s/ Timothy R. Scott, PhD Timothy R. Scott, PhD	Director	April 16, 2024
/s/ Robert Cunningham Robert Cunningham	Director	April 16, 2024
/s/ Peter O'Rourke Peter O' Rourke	Director	April 16, 2024
/s/ Blake N. Schroeder Blake N. Schroeder	Director	April 16, 2024

AXIM BIOTECHNOLOGIES, INC.
Index to Financial Statements

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Axim Biotechnologies, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Axim Biotechnologies, Inc. (the "Company"), as of December 31, 2023 and 2022, and the related consolidated statements of operations, stockholders' deficit and cash flows for each of the two years in the period ended December 31, 2023 and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

The Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 4 to the accompanying consolidated financial statements, the Company has suffered recurring losses from operations, generated negative cash flows from operating activities, has an accumulated deficit that raise substantial doubt about Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans in regarding these matters are also described in Note 4. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The company is not required to have, nor were we engaged to perform, an audit of the Company's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, 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.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the carve-out financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the carve-out financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the carve-out financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Recoverability of intangible assets (Note 5)

Description of the Matter

As described in Note 5 to the consolidated financial statements, the Company has patents having a carrying value of $199,657 and 510(K) Licenses having a value of $3,395,324. There are definite life intangible assets. The Company assesses potential impairments whenever events or circumstances indicate that the asset may be impaired. For finite-lived intangible assets the impairment is based on recoverability.

Recoverability of an asset group is measured by a comparison of the carrying amount of an asset group to its forecasted cash flows expected to be generated by the asset group. If the carrying amount of the asset group exceeds its estimated forecasted cash flows, an impairment charge is recognized as the amount by which the carrying amount of the asset group exceeds the fair value of the asset group. The Company did not recognize an impairment loss in the financial statements for the year ended December 31, 2023.

We identified the evaluation of intangible asset impairment as a critical audit matter because the determination of the forecasted individual asset group's cash flows requires a high degree of auditor judgment and increased extent of effort. The significant assumptions used to estimate the recoverability of the intangible assets included certain assumptions that form the basis of the forecasted results, including revenue growth rates and expected net operating income margins. These significant assumptions are forward looking and could be affected by future economic and market conditions.

How We Addressed the Matter in Our Audit

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included the following:

i. Inquiry of management regarding the development of the assumptions used in the asset group cash flows of the intangible assets.

ii. Testing management's process included evaluating the appropriateness of the group cash flow models, and testing the reasonableness of significant assumptions, including the income projections.

iii. Involvement of our professionals with specialized skill and knowledge were used to assist in evaluating the reasonableness of significant assumptions.

iv. Evaluated the experience, qualifications and objectivity of the Company's specialist, a third-party valuation firm.

v. Obtained an understanding of the nature of the work the Company's specialist performed, including the objectives and scope of the specialist's work; and the methods or assumptions used. Identified and evaluated assumptions developed by the specialist considering assumptions generally used in the specialist's field; supporting evidence provided by the specialist.

/s/ RBSM, LLP

We have served as the Company's auditor since 2014
PCAOB ID 587
New York, New York
April 16, 2024

AXIM BIOTECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2023	December 31, 2022
ASSETS		
Current assets:		
Cash	$ 156,457	$ 47,282
Prepaid expenses	-	42,858
Other current assets		13,839
Total current assets	156,457	103,979
Property and equipment, net of accumulated depreciation	134,067	93,840
Other Assets:		
Notes receivable- related party	-	-
Intangible Asset 510k License and Patents-Eye Care Division, net	3,594,981	3,989,427
Security deposit	9,014	5,000
Operating lease right-of-use asset	227,029	19,789
Total other assets	3,831,024	4,014,216
TOTAL ASSETS	$ 4,121,548	$ 4,212,035
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued liabilities	$ 2,781,068	$ 1,316,248
Lease liability obligations (see Note 16) current portion	94,829	19,789
Due to first insurance funding	-	26,781
due to related parties	21,500	-
Advances from shareholders	295,170	47,720
Deferred revenue	303,127	333,125
Derivative liability conversion feature	2,482,723	1,648,831
Total current liabilities	5,978,417	3,392,494
Long-term liabilities:		
Convertible note payable (including accrued interest of $76,163 and $274,442 respectively) net of unamortized debt discount of $1,209,806 and $1,583,435, respectively (see note 11)	1,408,766	1,383,416
Convertible note payable - related parties (including accrued interest of $160,091 and $261,537, respectively) (Net of unamortized debt discount of $631,123 and $-0-, respectively See note 11)	4,253,968	4,261,537
Lease liability obligations (see Note 16)	137,044	-
Total long-term liabilities	5,799,778	5,644,953
TOTAL LIABILITIES	11,778,195	9,037,447
STOCKHOLDERS' DEFICIT		
Preferred stock, $0.0001 par value, 5,000,000 shares authorized;		
Series B Convertible Preferred Stock, $0.0001 par value 500,000 shares designated, 500,000 and 500,000 shares issued, 0 and 0 outstanding, respectively	-	-
Series C Convertible Preferred Stock, $0.0001 par value 500,000 shares designated, 500,000 and 500,000 shares issued and outstanding, respectively	50	50
Common stock, $0.0001 par value, 1,000,000,000 shares authorized 245,929,403 and 192,441,917 shares issued and outstanding, respectively	24,593	19,245
Stock subscription receivable	(24,475)	(46,000)
Additional paid in capital	64,528,043	59,191,469
Common stock to be issued	0	135,000
Accumulated deficit	(72,184,858)	(64,125,176)
TOTAL STOCKHOLDERS' DEFICIT	(7,656,647)	(4,825,412)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 4,121,548	$ 4,212,035

See accompanying notes to these consolidated financial statements

AXIM BIOTECHNOLOGIES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Revenues	$ 39,518	$ 8,875
Operating Expenses:		
Research and development expenses	125,496	153,697
Selling, general and administrative	2,237,842	4,081,824
Depreciation and amortization	427,019	426,126
Total operating expenses	2,790,357	4,661,647
Loss from operations	(2,750,839)	(4,652,772)
Other (income) expenses:		
Interest income	-	(257)
Loss on issuance of shares for Equipment	80,080	
Loss on settlement of litigation	955,000	-
Derivative liability insufficient shares	3,238,429	-
Gain on change in value of derivative liability	(6,619)	(765,556)
Loss on extinguishment/conversion of debt	(162,811)	479,573
Amortization of note discount	176,428	178,962
Interest expense	1,028,336	1,697,455
Total other expenses	5,308,843	1,590,177
Loss before provision of income tax	(8,059,682)	(6,242,949)
Provision for income tax	-	-
Loss from operations	(8,059,682)	(6,242,949)
NET LOSS	$ (8,059,682)	$ (6,242,949)
Earnings per share		
Basic	$ (0.04)	$ (0.04)
Diluted	$ (0.04)	$ (0.04)
Weighted average common shares outstanding - basic and diluted	227,691,452	165,468,263

See accompanying notes to these consolidated financial statements

AXIM BIOTECHNOLOGIES, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT

	Common Stock		Preferred Stock		Series A Convertible Preferred Stock		Series B Convertible Preferred Stock		Series C Convertible Preferred Stock		Common Stock to be Issued	Additional Paid In Capital	Stock Subscription Receivable	Accumulated Deficit	Total
	Shares #	Amount $	Shares #	Amount $	Shares #	Amount $	Shares #	Amount $	Shares #	Amount $	$	$		$	$
Balance at December 31, 2021	**138,099,981**	**13,811**	**-**	**-**	**$**	**-**	**-**	**-**	**500,000**	**50**	**4,530,000**	**51,000,166**		**(57,882,227)**	**(2,338,200)**
common stock issued under s-1	20,977,638	2,098										1,331,168	(46,000)		1,287,266
common stock issued against common stock to be issued for purchase of atd	7,000,000	700									(4,270,000)	4,269,300			-
Common stock issued against common stock to be issued	166,667	17									(25,000)	24,983			-
common stock issued stock purchase agreements	14,837,874	1,484										453,516			455,000
common stock issued for services	802,115	80									(100,000)	179,420			79,500
cashless exercise stock options	282,759	28										(28)			
stock issued on settlement of debt	173,390	17										32,927			32,944
Stock based compensation - stock options												1,107,492			1,107,492
stock issued on settlement of debt	891,610	89										64,107			64,196
stock issued settlement of claim	3,544,247	354										225,817			226,171
Loss on extinguishment of debt												154,292			154,292
Stock issued on settlement of debt	5,665,636	567										348,309			348,876
Net Loss														(6,242,949)	(6,242,949)
Balance December 31, 2022	**192,441,917**	**19,245**							**500,000**	**50**	**135,000**	**59,191,469**	**(46,000)**	**(64,125,176)**	**(4,825,412)**
Common stock issued against common stock to be issued	1,000,000	100									(135,000)	134,900			-
Shares issued extinguishment of debt Beneficial conversion payment of interest	22,207,486	2,220										686,212			688,432
Debt modifications / conversions												459,522			459,522
Common stock issued under s-1	23,000,000	2,300										467,631	21,525		491,456
Stock based compensation-															

stock options												197,728		197,728
Satisfaction of Short Share liability												3,238,429		3,238,429
Common Stock issued stock purchase agreement	7,280,000	728										152,152		152,880
Net Loss													(8,059,682)	(8,059,682)
Balance December 31, 2023	**245,929,403**	**24,593**							**500,000**	**50**	**0**	**64,528,043**	**(24,475)**	**(72,184,858)**	**(7,656,647)**

See accompanying notes to these consolidated financial statements

AXIM BIOTECHNOLOGIES, INC.
Consolidated Statements of Cash Flows

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	(8,059,682)	(6,242,949)
Depreciation	32,573	31,680
Derivative Liability insufficient Shares	3,238,429	
Stock based compensation	197,727	1,107,494
Amortization of prepaid expenses	42,858	210,094
Amortization of debt discount	176,428	178,962
Amortization of deferred rent	(1,211)	-
Common Stock issued for services/equipment	80,080	79,500
Amortization (Impairment) of intangible assets	394,446	394,446
Loss (gain) on extinguishment of debt	(162,811)	266,111
Loss on conversion of convertible debt		11,068
Common stock issued in settlement of an obligation		226,172
Severance cost note receivable waived		102,387
Non cash interest expense	790,000	1,316,846
Change in fair value of derivative	(6,619)	(765,556)
Amortization Of Debt Issuance Cost		
Loss on settlement of litigation	955,000	-
Changes in operating assets & liabilities:		
Increase in due to related parties	21,500	-
Increase (decrease) in other assets	9,825	1,701
Increase in shareholder advances	521,925	47,720
Increase in due to first insurance funding		80,614
(Increase) decrease in prepaid expenses		(103,230)
Increase (decrease) in accounts payable and accrued expenses	769,030	659,400
Increase in deferred revenue	(29,998)	333,125
(Increase) decrease in inventory		20,089
Net cash provided by (used in) operating activities	(1,030,500)	(2,044,326)
CASH FLOW FROM INVESTING ACTIVITIES:		
Increase in property and equipment	-	(8,710)
Net cash provided by (used in) investing activities	-	(8,710)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from convertible note	675,000	1,325,000
Common stock issued under registration statement on Form S-1	491,456	1,287,261
Repayment of convertible notes		(1,243,200)
Repayment of promissory note	-	(90,000)
Common stock issued under share purchase agreement	-	455,000
Repayment of first insurance funding	(26,781)	(86,706)
Net cash provided by (used in) financing activities	1,139,675	1,647,355
Net increase (decrease) in cash and cash equivalents	109,175	(405,681)
Cash and cash equivalents at beginning of year	47,282	452,963
Cash and cash equivalents at end of year	**$ 156,457**	**47,282**
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
CASH PAID DURING THE PERIOD FOR:		
Interest	$ -	177,500
Income taxes - net of tax refund	$ -	$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Common stock issued against common stock to be issued	$ 135,000	$ 125,000
Initial derivative liability at issuance of notes	$ 1,465,000	$ 2,641,846
Common stock issued against CS subscription	$ 23,475	$ 46,000
Common stock issued for severance		$ 64,197
Common Stock issued against settlement of debt	$ 250,000	$ 237,057
Promissory note refinanced against convertible note		$ 367,931
Common Stock issued against Common stock to be issued for Acquisition		$ 4,270,000
Right of use assets and liabilities	$ 270,087	
Convertible note converted to common stock	$ 669,044	
Accrued interest converted to Common Stock	$ 30,859	$ 32,944
Common stock issued on asset purchase	$ 152,880	
Reversal of derivative liability on short shares	$ 3,238,430	
Initial debt discount at issuance of notes	$ 459,522	

See accompanying notes to these consolidated financial statements

AXIM BIOTECHNOLOGIES, INC.

AXIM BIOTECHNOLOGIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1: ORGANIZATION

The Company was originally incorporated in Nevada on November 18, 2010, as Axim International Inc. On July 24, 2014, the Company changed its name to AXIM Biotechnologies, Inc. to better reflect its business operations. The Company's principal executive office is located at 6191 Cornerstone Court E suite 114 San Diego Ca 92121. On August 7, 2014, the Company formed a wholly owned Nevada subsidiary named Axim Holdings, Inc. This subsidiary will be used to help facilitate the anticipated activities planned by the Company. On May 11, 2015 the Company acquired a 100% interest in CanChew License Company a Nevada incorporated licensing Company, through the exchange of 5,826,706 shares of its common stock. In October 2017 the company formed a wholly owned subsidiary in the Netherlands for purposes of holding pharmaceutical licenses as required by the Netherlands regulations and laws. On October 16, 2018, the Company formed a wholly owned disregarded entity Marina Street, LLC as part of improvement of internal control over cash management and bank activities.

On March 17, 2020, the Company acquired Sapphire Biotech, Inc., ("Sapphire') which is research and Development Company that has a mission to improve global cancer care through the development of proprietary therapeutics for inhibiting cancer growth and metastasis. Sapphire is also developing a line of novel diagnostics for early cancer detection, response to treatment, and recurrence monitoring. Additionally, with the onset of the COVID-19 pandemic, the Company decided to begin creating COVID-19 rapid diagnostic tools, including multiple first-in-class COVID-19 neutralizing antibody tests and other innovations.

Sapphire's operations are located in the Greater San Diego Area.

Russia-Ukraine and Israeli-Hamas wars impact and related risks

The ongoing wars in Russia-Ukraine and Israeli-Hamas conflict could impact global supply chains. This could impact business operations by effecting the company's ability to procure necessary supplies and equipment. This could possibly interrupt the continuing sale of tests which would eliminate the company's only source of revenue.

In addition to operational adjustments, the consequences of the Russia-Ukraine and Israeli- Hamas conflicts have led to uncertainties related to The Company's business growth and ability to forecast the demand for its diagnostic testing and resulting revenues.

The full extent to which the Russia-Ukraine and Israeli- Hamas conflicts and the various responses to it might impact The Company's business, operations and financial results will depend on numerous evolving factors that are not subject to accurate prediction and that are beyond The Company's control.

In addition the impact of inflation on the companies ability to purchase supplies and manufacture products in a cost effective manner is currently unknown.

In December 2019, a novel strain of coronavirus ("COVID-19") was reported in Wuhan, China. The COVID-19 pandemic, as it was declared by the World Health Organization, has continued to spread and has already caused severe global disruptions. The extent of COVID-19's effect on our operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape.

We expect COVID-19, along with the resulting government-imposed restrictions on businesses, to negatively impact our operations due to decreased consumer demand as well as potential production and warehouse limitations which results in an event or condition, before consideration of management's plans, that could impact our ability to meet future obligations.

NOTE 2: ACQUISITION OF INTELLECTUAL PROPERTY OF ADVANCED TEAR DIAGNOSTIC, LLC.

AXIM entered into two substantially contemporaneous transactions to acquire patents and 510(K) Licenses from Advance Tear Diagnostics, LLC (the "Seller") (collectively, the "Asset Acquisition") for a total amount of $4,520,000.

The first transaction occurred on July 29, 2021, in which AXIM purchased five patents (the "Patents") from the Seller for $250,000 (which includes assuming and paying $30,000 of the Seller's liabilities). The bulk of the purchase price ($210,000) was in a note that requires seven equal monthly payments of $30,000, which payment started on September 3, 2021.

The second transaction occurred on August 26, 2021, in which AXIM purchased certain eye disease diagnostic technology, which consisted of a 510(K) license for Lactoferrin, a biomarker for dry eye disease and a 510(K) license for IgE, a biomarker for allergic ocular reaction (collectively, the "510(K) Licenses"). The purchase price for the 510(K) Licenses was $4,270,000, which price was paid by issuing to the Seller 7 million shares of AXIM restricted common stock.

Together, the Patents and the 510(K) Licenses constitute the acquired technology asset (the "Technology Asset"), which for accounting purposes, are considered one unit of account. We are amortizing the Technology Asset ratably over the 9.1 years average remaining life of the Patents. The net value of these intangibles as of December 31, 2023 is $3,594,981.

In accordance with FASB's requirements for accounting for business combinations (FASB Accounting Standards Codification, Topic 805, *Business Combinations* ("Topic 805")), since all of the value of this acquisition resides in one asset, the Technology Asset, we have accounted for this transaction as the acquisition of an asset. The seller had not been able to commercialize or complete development of the Technology Asset prior to the asset acquisition and AXIM has established an Ophthalmology Division to commercialize and market the diagnostic technology. In an asset acquisition, the total purchase price of the transaction, including transaction expenses, is allocated to the assets acquired based on the fair value of the assets acquired. In our acquisition of the Technology Asset, the total amount of the purchase price was allocated to the Technology Asset.

NOTE 3: BASIS OF PRESENTATION:

The consolidated financial statements of AXIM Biotechnologies, Inc. (formerly Axim International, Inc.) as of December 31, 2023, and 2022 have been prepared in accordance with United States generally accepted accounting principles ("US GAAP").

Principles of Consolidation

The consolidated financial statements include the accounts of Axim Biotechnologies, Inc. and its wholly owned subsidiaries Axim Holdings, Inc., Marina Street LLC, Axim Biotechnologies (the Netherland Company) and Sapphire Biotech, Inc. The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant inter-company balances and transactions have been eliminated upon consolidation.

NOTE 4: GOING CONCERN

The Company's consolidated financial statements have been presented assuming that the Company will continue as a going concern. As shown in the consolidated financial statements, the Company has negative working capital of $5,821,960 and has an accumulated deficit of $72,184,858, has cash used in operating activities of operations $1,030,500. During the year ended December 31, 2023 and 2022, the Company raised additional capital of $72,800 and $455,000 through Stock Purchase Agreements. This capital provides funds for research, development, and ongoing operations. The Company intends to raise substantial 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. That will raise a doubt about the ability of the Company to continue as a going concern. The consolidated 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.

NOTE 5: 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 disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenue and expenses during reporting periods. Actual results could differ from these estimates. Significant estimates are assumptions about collection of accounts receivable, useful life of intangible assets, impairment analysis, derivative liability and assumptions used in Black-Scholes-Merton, or BSM, valuation methods, such as expected volatility, risk-free interest rate and expected dividend rate, for leases weighted number of life and discount rate.

Operating lease

We lease property under various operating leases which are disclosed on our Balance sheet in accordance with ASC 842.

Risks and uncertainties

The Company operates in a dynamic and highly competitive industry and is subject to risks and uncertainties common to early-stage companies in the biotechnology industry, including, but not limited to, development by competitors of new technological innovations, protection of proprietary technology, dependence on key personnel, contract manufacturer and contract research organizations, compliance with government regulations and the need to obtain additional financing to fund operations. Product candidates currently under development will require significant additional research and development efforts, including extensive preclinical studies and clinical trials and regulatory approval, prior to commercialization. These efforts require significant amounts of additional capital, adequate personnel infrastructure and extensive compliance and reporting. The Company believes that changes in any of the following areas could have a material adverse effect on the Company's future financial position, results of operations, or cash flows; ability to obtain future financing; advances and trends in new technologies and industry standards; results of clinical trials; regulatory approval and market acceptance of the Company's products; development of sales channels; certain strategic relationships; litigation or claims against the Company based on intellectual property, patent, product, regulatory, or other factors; and the Company's ability to attract and retain employees necessary to support its growth.

Products developed by the Company require approvals from the U.S. Food and Drug Administration ("FDA") or other international regulatory agencies prior to commercial sales. There can be no assurance that the Company's research and development will be successfully completed, that adequate protection for the Company's intellectual property will be obtained or maintained, that the products will receive the necessary approvals, or that any approved products will be commercially viable. If the Company was denied approval, approval was delayed or the Company was unable to maintain approval, it could have a materially adverse impact on the Company. Even if the Company's product development efforts are successful, it is uncertain when, if ever, the Company will generate revenue from product sales. The Company operates in an environment of rapid change in technology and substantial competition from other pharmaceutical and biotechnology companies. In addition, the Company is dependent upon the services of its employees, consultants and other third parties.

Beginning in late 2019, the outbreak of a novel strain of virus named SARS-CoV-2 (severe acute respiratory syndrome coronavirus 2), or coronavirus, which causes coronavirus disease 2019, or COVID-19, has evolved into a global pandemic. The extent of the impact of the coronavirus outbreak on the Company's business will depend on certain developments, including the duration and spread of the outbreak and the extent and severity of the impact on the Company's clinical trial activities, research activities and suppliers, all of which are uncertain and cannot be predicted. At this point, the extent to which the coronavirus outbreak may materially impact the Company's financial condition, liquidity or results of operations is uncertain. The Company has expended and will continue to expend substantial funds to complete the research, development and clinical testing of product candidates. The Company also will be required to expend additional funds to establish commercial-scale manufacturing arrangements and to provide for the marketing and distribution of products that receive regulatory approval. The Company may require additional funds to commercialize its products. The Company is unable to entirely fund these efforts with its current financial resources. If adequate funds are unavailable on a timely basis from operations or additional sources of financing, the Company may have to delay, reduce the scope of or eliminate one or more of its research or development programs which would materially and adversely affect its business, financial condition and operations.

There have been no material changes in the accounting policies from those disclosed in the financial statements and the related notes included in the Form 10-K.

NOTE 5: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash equivalents

The Company considers all highly liquid investments with original maturities of three months or less at the time of purchase to be cash equivalents. As of December 31, 2023 and 2022, the Company had no cash equivalents. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Company had no uninsured balances at December 31, 2023 and 2022. The Company has never experienced any losses related to these balances.

Accounts Receivable

It is the Company's policy to review accounts receivable at least on a monthly basis for conductibility and follow up with customers accordingly. Covid19 has slowed collection as our customers are in a mandated pause. We do not have geographic concentration of customers.

Concentrations

At December 31, 2023, there was no accounts receivable. For the year ended December 31, 2023, one customer accounted for 100% of total revenue. For the year ended December 31, 2022 one customer accounted for 100% customer accounted. Revenue was all generated from normal operations for the twelve months ending December 31, 2023 and 2022.

Property and equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is computed using straight-line method over the estimated useful life. New assets and expenditures that extend the useful life of property or equipment are capitalized and depreciated. Expenditures for ordinary repairs and maintenance are charged to operations as incurred. The Company's property and equipment relating to operations consisted of the following at December 31, 2023 and 2022, respectively.

	December 31, 2023	December 31, 2022
Equipment of operations	$ 256,792	$ 183,992
Less: accumulated depreciation	122,725	90,152
	$ 134,067	$ 93,840

Depreciation expense was $32,573 and $31,680 for the years ended December 31, 2023 and 2022, respectively.

The company purchased fixed assets with a book value of $72,800 by issuing 17,280,000 share of stock with a market value of $152,880 recognizing a current loss of $80,080.

Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired in each business combination. We conduct an impairment analysis for goodwill annually in the fourth quarter or more frequently if indicators of impairment exist or if a decision is made to sell or exit a business. Significant judgments are involved in determining if an indicator of impairment has occurred. Such indicators may include deterioration in general economic conditions, negative developments in equity and credit markets, adverse changes in the markets in which an entity operates, increases in input costs that have a negative effect on earnings and cash flows, or a trend of negative or declining cash flows over multiple periods, among others. The fair value that could be realized in an actual transaction may differ from that used to evaluate the impairment of goodwill. There is no goodwill balance as of December 31, 2023 or December 31, 2022.

Impairment of Indefinite-Lived Intangible Assets

For indefinite-lived intangible assets such as in-process research and development (IPRD), we conduct an impairment analysis annually in the fourth quarter or more frequently if indicators of impairment exist. We first perform a qualitative assessment to determine if it is more likely than not that the carrying amount of each of the in-process research and development assets exceeds its fair value. The qualitative assessment requires the consideration of factors such as recent market transactions, macroeconomic conditions, and changes in projected future cash flows. If we determine it is more likely than not that the fair value is less than its carrying amount of the in-process research and development assets, a quantitative assessment is performed. The quantitative assessment compares the fair value of the in-process research and development assets to its carrying amount. If the carrying amount exceeds its fair value, an impairment loss is recognized for the excess. There is no Indefinite-Lived Intangible Assets balance as of December 31, 2023.

Long-Lived Assets

The Company regularly reviews the carrying value and estimated lives of all of its long-lived assets, including property and equipment and definite-lived intangible assets, to determine whether indicators of impairment exist that warrant adjustments to carrying values or estimated useful lives. The determinants used for this evaluation include management's estimate of the asset's ability to generate positive income from operations and positive cash flow in future periods as well as the strategic significance of the assets to the Company's business objectives. If the Company determines that events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable, the Company evaluates the realizability of its long-lived assets (asset group) based on a comparison of projected undiscounted cash flows from use and eventual disposition with the carrying value of the related asset. Any write-downs (which are measured based on the difference between the fair value and the carrying value of the asset) are treated as permanent reductions in the carrying amount of the assets (asset group).

As at December 31, 2023, none of the Company's long-lived assets were deemed impaired.

The Company's intangible assets relating to operations consisted of the following at December 31, 2023 and 2022, respectively:

	December 31, 2023	December 31, 2022
Patents	$ 250,000	$ 250,000
Licenses	4,270,000	4,270,000
	4,520,000	4,520,000
Less: accumulated amortization	925,019	530,573
	$ 3,594,981	$ 3,989,427

Estimated aggregate amortization expense for each of the five succeeding years ending December 31 is as follows:

	2024	2025	2026	2027	2028	2029 and onwards
Amortization expense	$ 391,230	$ 391,230	$ 391,230	$ 391,230	$ 391,230	$ 1,638,831

Amortization expense recorded for the years ended December 31, 2023 and 2022 was $394,446 and $394,446; respectively.

Revenue Recognition

The Company follows the guidance contained in Topic 606 (FASB ASC 606). The core principle of Topic 606 (FASB ASC 606) is that an entity should recognize revenue to depict the transfer of goods of services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The revenue recognition guidance contained in Topic 606, to follow the five-step revenue recognition model along with other guidance impacted by this standard: (1) identify the contract with the customer; (2) identify the performance obligations in the contract; (3) determine the transportation price; (4) allocate the transportation price; (5) recognize revenue when or as the entity satisfies a performance obligation. All revenue was from operations that were divested.

Revenues are recognized when title for goods is transferred; non-refundable fees and proceeds from irrevocable agreements recognized when inflows or other enhancements of assets of the Company are received.

Revenues from operations recognized for twelve months ended December 31, 2023 and 2022 amounted to $39,518 and $8,875, respectively.

Collaboration Revenue

Revenue recognition for collaboration agreements will require significant judgment. The Company's assessments and estimates are based on contractual terms, historical experience and general industry practice. Revisions in these values or estimations have the effect of increasing or decreasing collaboration revenue in the period of revision.

On August 21, 2020, the Company entered into a Distribution, License and Supply Agreement ("License Agreement") with Empowered Diagnostics, LLC ("Empowered Diagnostics""). The License Agreement provides Empowered Diagnostics with a right to commercialize the Company's products worldwide with the exception of Mexico.

Under the License Agreement, the Company is responsible for applying for and obtaining necessary regulatory approvals in the US and EU, as well as marketing, sales and distribution of the products. Empowered Diagnostics will pay a transfer price for all licensed products, and upon achievement of certain regulatory and sales milestones, the Company may receive payments from Empowered Diagnostics equal to 8% of the monthly gross revenue. Agreement continues until terminated by mutual consent or uncorrected breach.

This agreement with Empowered Diagnostics was terminated in February, 2022. The Company did not recognize any revenue from this agreement.

Grant Income

In 2021 the Company has received government grants to drive its research and development efforts. Through these government grants, the government has provided funding for the Company to perform research and development activities which will assist in developing its products. The Company believes the government entities funding these grants are interested in the Company advancing its underlying technologies through research activities and not providing incentives for hiring employees or building facilities that would suggest that the grant monies are not for specific research activities. These grants were not renewed and are no longer in effect.

In determining how to classify the monies received under government grants, the Company acknowledges that there is no specific guidance under US GAAP and that the FASB and AICPA have often drawn upon the guidance in IAS 20 for classification. In considering the alternatives provided by IAS 20 for the presentation of these grants in the Company's financial statements, the Company believes that recognizing the government grant proceeds as a component of other revenue is a better reflection of the economics of the arrangements as the Company earns the funding through the performance of research and development which is not one of the Company's primary business activities or central to its operations. The Company believes that presenting research and development funding from government grants, as other revenue provides consistency in our financial reporting. The Company also believes that this presentation clearly presents to users of its financial statements in one line the Company's sources of funding from these grants. The Company notes that there are no contingencies associated with the receipt of or ability to retain the funds under the grant, other than undertaking and performing the related research and development activities.

The Company recognizes funds received from contractual research and development services and from government grants as other revenue. These contracts and grants are not considered an ongoing major and central operation of the Company's business. Our Income from Grants from Government for the years ended December 31, 2023 and 2022, was $-0- and $-0- respectively.

Cost of Sales

Cost of sales includes the purchase cost of products sold and all costs associated with getting the products to the customers including buying and transportation costs. Cost of sales all related to discontinued operations.

Shipping Costs

Shipping and handling costs billed to customers are recorded in sales. Shipping costs incurred by the company are recorded in general and administrative expenses. Shipping costs all related to discontinued operations.

Fair Value Measurements

The Company applies the guidance that is codified under ASC 820-10 related to assets and liabilities recognized or disclosed in the financial statements at fair value on a recurring basis. ASC 820-10 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

The Company's financial instruments are cash and cash equivalents, accounts receivable, accounts payable, notes payable, and long-term debt. The recorded values of cash and cash equivalents and accounts payable approximate their fair values based on their short-term nature. The recorded values of notes payable and long-term debt approximate their fair values, as interest approximates market rates.

ASC 820-10 clarifies that fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants based on the highest and best use of the asset or liability. As such, fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or liability. ASC 820-10 requires valuation techniques to measure fair value that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

Fair Value Hierarchy	Inputs to Fair Value Methodology
Level 1	Quoted prices in active markets for identical assets or liabilities
Level 2	Quoted prices for similar assets or liabilities; quoted markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the financial instrument; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from, or corroborated by, observable market information
Level 3	Pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption is unobservable or when the estimation of fair value requires significant management judgment

All items required to be recorded or measured on a recurring basis are based upon Level 3 inputs.

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is disclosed and is determined based on the lowest level input that is significant to the fair value measurement.

The Company recognizes its derivative liabilities as Level 3 and values its derivatives using the methods discussed below. While the Company believes that its valuation methods are appropriate and consistent with other market participants, it recognizes that the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. The primary assumptions that would significantly affect the fair values using the methods discussed are that of volatility and market price of the underlying common stock of the Company.

The Company's acquired goodwill with a carrying amount of $2,458,233 were written down to zero, resulting in an impairment charge of $2,458,233, which was included in earnings for the period ending September 30, 2020.

In-process Research and Development with a carrying amount of $5,848,219 was written down to its implied fair value of zero, resulting in an impairment charge of $5,848,219, which was included in earnings for the period ending December 31, 2021.

Items recorded or measured at fair value on a recurring basis in the accompanying consolidated financial statements consisted of the following items as of December 31, 2023.

	Total	Level 1	Level 2	Level 3
Derivative liabilities	$ 2,482,723	$ -	$ -	$ 2,482,723

December 31, 2022:

	Total	Level 1	Level 2	Level 3
Derivative liabilities	$ 1,648,831	$ -	$ -	$ 1,648,831

Convertible Instruments

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

Professional standards generally provide three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instruments are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. Professional standards also provide an exception to this rule when the host instrument is deemed to be conventional as defined under professional standards as "The Meaning of "Conventional Convertible Debt Instrument."

The Company accounts for convertible instruments (when it has determined that the embedded conversion options should not be bifurcated from their host instruments) in accordance with professional standards when "Accounting for Convertible Securities with Beneficial Conversion Features," as those professional standards pertain to "Certain Convertible Instruments." Accordingly, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their earliest date of redemption. The Company also records when necessary deemed dividends for the intrinsic value of conversion options embedded in preferred shares based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note.

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

Income Taxes

The Company follows Section 740-10, Income tax ("ASC 740-10") Fair Value Measurements and Disclosures of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax Bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Operations in the period that includes the enactment date.

The Company recognizes deferred tax assets to the extent that the Company believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including reversals of any existing taxable temporary differences, projected future taxable income, tax planning strategies, and the results of recent operations. If the Company determines that it would be able to realize a deferred tax asset in the future in excess of any recorded amount, the Company would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25"). Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

No amounts were accrued for the payment of interest and penalties as of December 31, 2023 and 2022. The Company is not aware of any uncertain tax positions that could result in significant additional payments, accruals, or other material deviation for the years ended December 31, 2023 and 2022.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the "Cares Act") was enacted. The CARES Act included loans and grants to certain businesses, and temporary amendments to the Internal Revenue Code which changed net loss carryforward and back provisions and the business interest expenses limitation. Under the CARES Act provisions, the most relevant income tax considerations to the Company relate to the amounts received under the Paycheck Protection Program loan program and the possible forgiveness of those loans by the SBA.

On December 21, 2020, the U.S. president has signed into law the "Consolidated Appropriations Act, 2021" which includes further COVID-19 economic relief and extension of certain expiring tax provisions. The relief package includes a tax provision clarifying that businesses with forgiven PPP loans can deduct regular business expenses that are paid for with the loan proceeds for federal tax purposes. Additional pandemic relief tax measures include an expansion of the employee retention credit, enhanced charitable contribution deductions, and a temporary full deduction for business expenses for food and beverages provided by a restaurant.

Concentrations of Credit Risk

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk, consist primarily of cash and cash equivalents. The Company had $-0- and $-0- allowance for doubtful accounts at December 31, 2023 and 2022, respectively and had $-0- accounts receivable at December 31, 2023 and December 31, 2022.

Net Loss per Common Share

Net loss per common share is computed pursuant to section 260-10-45 Earnings Per Share ("ASC 260-10") of the FASB Accounting Standards Codification. Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding and the member potentially outstanding during each period. In periods when a net loss is experienced, only basic net loss per share is calculated because to do otherwise would be anti-dilutive. Basic and diluted net loss per share of common stock, par value $0.0001 per share ("Common Stock") is presented in conformity with ASC 260-10 "Earnings Per Share."

Diluted net loss per share is the same as basic net loss per share for 2023 as the inclusion of 24,118,329 in stock options, 3,544,247 in warrants , and 222,364,674 in convertible notes would be anti-dilutive.

There were common share equivalents 250,027,250 at December 31, 2023 and 47,298,693 at December 31, 2022. For the year ended December 31, 2023 and 2022 these potential shares were excluded from the shares used to calculate diluted earnings per share as their inclusion would reduce net loss per share.

Stock Based Compensation

All stock-based payments to employees and to nonemployee directors for their services as directors, including any grants of restricted stock and stock options, are measured at fair value on the grant date and recognized in the statements of operations as compensation or other expense over the relevant service period. Stock-based payments to nonemployees are recognized as an expense over the period of performance. Such payments are measured at fair value at the earlier of the date a performance commitment is reached, or the date performance is completed. In addition, for awards that vest immediately and are non-forfeitable the measurement date is the date the award is issued. The Company accounts for stock options issued to non-employees based on the estimated fair value of the awards using the Black-Scholes option pricing model in accordance with ASC 505-50, *Equity-Based Payment to Non-employees*. Stock-based compensation expense related to stock options granted to non-employees is recognized as the stock options vest. The Company believes that the fair value of the stock options is more reliably measurable than the fair value of the services received. Stock options granted to non-employees are recorded at their fair value on the measurement date and are subject to periodic adjustments as such options vest and at the end of each reporting period, and the resulting change in value, if any, is recognized in the Company's statements of operations and comprehensive loss during the period the related services are rendered.

Research and Development

The Company accounts for research and development costs in accordance with the Accounting Standards Codification subtopic 730-10, Research and Development ("ASC 730-10"). Under ASC 730-10, all research and development costs must be charged to expense as incurred. Accordingly, internal research and development costs are expensed as incurred. Third-party research and development costs are expensed when the contracted work has been performed or as milestone results have been achieved. Company-sponsored research and development costs related to both present and future products are expensed in the period incurred. For the twelve months ended December 31, 2023 and 2022 The Company incurred research and development expenses of $125,496 and $153,697 from operations, respectively. The Company has entered into various agreements with CROs. The Company's research and development accruals are estimated based on the level of services performed, progress of the studies, including the phase or completion of events, and contracted costs. The estimated costs of research and development provided, but not yet invoiced, are included in accrued liabilities on the balance sheet. If the actual timing of the performance of services or the level of effort varies from the original estimates, the Company will adjust the accrual accordingly. Payments made to CROs under these arrangements in advance of the performance of the related services are recorded as prepaid expenses and other current assets until the services are rendered.

In November 2021, the FASB issued a new accounting standard around the recognition and measurement of contract assets and contract liabilities from revenue contracts with customers acquired in a business combination. The new standard clarifies that contract assets and contract liabilities acquired in a business combination from an acquiree should initially be recognized by applying revenue recognition principles and not at fair value. The standard is effective for interim and annual periods beginning on January 1, 2023, and early adoption is permitted. The impact of this standard will depend on the facts and circumstances of future transactions.

In August 2020, the FASB issued ASC Update No. 2020-06, Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity. The amendments in Update No. 2020-06 simplify the complexity associated with applying U.S. GAAP for certain financial instruments with characteristics of liabilities and equity. More specifically, the amendments focus on the guidance for convertible instruments and derivative scope exception for contracts in an entity's own equity. The provisions of these standards have not had and are not expected to have a material impact on our consolidated financial statements.

Recently Adopted Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The main objective of the standard is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. To achieve this objective, the amendments in this standard replace the incurred loss impairment methodology in current GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The update is effective for the Company beginning January 1, 2023 with early adoption permitted. The Company adopted the standard on January 1, 2023. The adoption of this standard did not have a material effect on the Company's audited consolidated financial statements and related disclosures.

Recently Issued Accounting Pronouncements Not Yet Adopted

In October 2023, the FASB issued ASU 2023-06—Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative. The main objective of the amendment is to modify the disclosure or presentation requirements of various Topics in the Codification. Certain amendments represent clarifications to or technical corrections of the current requirements. to eliminate disclosure requirements that were redundant, duplicative, overlapping, outdated, or superseded. The effective date for each amendment will be when the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. The Company is still evaluating the impact of the adoption of this standard.

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

NOTE 6: PREPAID EXPENSES

Prepaid expenses consist of the following as of December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Prepaid insurance	$ 0	$ 42,078
Prepaid services/other	0	780
	$ 0	$ 42,858

For the year ended December 31, 2023 and 2022 the Company recognized amortization of prepaid expense and insurance of $42,858- and $210,094 respectively.

NOTE 7: PROMISSORY NOTE

On December 31, 2019, Sapphire Biotech, Inc. had entered into a Debt Exchange Agreement whereas the Company assumed three (3) loans totaling $128,375 of Debt owned by Sapphire Diagnostics, LLC which had an interest rate of 6% per annum. In the same Debt Exchange Agreement, the Company assumed four (4) additional loans made to Sapphire in 2019, which had an interest rate of 6% per annum. All seven (7) loans totaling $310,000, plus the aggregate interest accrued thereon of $14,218 making the face value of the new note $324,218. As of December 31, 2023 and 2022 respectively, the principal and accrued interest balances were $-0- and $363,178 respectively. The note was refinanced January 27, 2022. With an effective date of April 01, 2022 the Note is convertible into Axim common shares at a strike price of $0.1075 per share. The interest rate is 3% compounded monthly. The note is due January 27, 2032. This note now shows as a long term convertible note payable (see Note 11).

On July 29, 2021, the Company recorded a $210,000 note payable in conjunction with the acquisition of patents from Advanced Tear Diagnostics LLC. The note balance as of December 31, 2021 is $90,000 with accrued interest of $1,515. The note was paid off February 2022 and has a zero balance as of December 31, 2023.

NOTE 8: OTHER COMMITMENTS

On July 29, 2021, the Company recorded a $210,000 note payable in conjunction with the acquisition of patents from Advanced Tear Diagnostics LLC. The note balance as of December 31, 2023 and 2022 is $-0- and $-0- with accrued interest of $-0- and $-0-, respectively.

NOTE 9: RELATED PARTY TRANSACTIONS

Related Party

The company has an employment agreement with Catalina Valencia at a rate of $15,000 per month commencing March 17, 2020. The agreement can be terminated with 30 days' notice by either party.

The company has a consulting agreement with Glycodots LLC whereby it will provide the services of Dr. Sergei A. Svarovsky at a rate of $ 15,000 per month commencing March 17, 2020. The agreement can be terminated with 30 days' notice by either party.

Purchase of Promissory Note and Forbearance Agreement

Effective May 4, 2020, the Company acquired from TL-66, a California limited liability company ("Seller"), a promissory note issued to Seller by Dr. Anastassov ("Maker") dated December 1, 2017, with a face value of $350,000 and a remaining balance due of approximately $100,000 (the "Note"). The purchase price for the Note was $100,000 payable by the Company issuing Seller One Million (1,000,000) restricted shares of the Company's Common Stock. Effective May 6, 2020, the Company and Maker entered into a Forbearance Agreement whereby the Company agreed to forbear from making any collection efforts on the Note for a period of 24 months so long as Maker has not breached the Separation Agreement. Following 24 months, if there has been no breach of the Separation Agreement by Maker, repayment of the Note, including all principal and unpaid interest, will be waived in full. As of May, 4, 2020 the carrying value of the note receivable was $ 102,567, the value of the common stock to be issued was $135,000, resulting in a loss of $32,433 accounted as loss on debt extinguishment related to discontinued operations. The balance of the Note Receivable as of December 31, 2023 and 2022 is $-0- and $102,567 excluding interest accrued thereon of $-0- and $1,701, respectively. The note was forgiven in May, 2022.

NOTE 10: DUE TO FIRST INSURANCE FUNDING

On June 25, 2022, the Company renewed its D&O insurance policy with total premiums, taxes and fees for $87,762. A cash down payment of $8,776 was paid on July 6, 2022. Under the terms of the insurance financing, payments of $8,957, which include interest at the rate of 4.92% per annum, are due each month for nine months commencing on July 25, 2022. The policy was cancelled in early 2023 for non payment of premium.

On June 25, 2021, the Company renewed its D&O insurance policy with total premiums, taxes and fees for $98,888. A cash down payment of $24,273 was paid on July 7, 2021. Under the terms of the insurance financing, payments of $1,797, which include interest at the rate of 4.420% per annum, are due each month for nine months commencing on July 25, 2021.

The total outstanding due to First Insurance Funding as of December 31, 2023 and 2022 is $-0- and $26,781, respectively.

NOTE 11: CONVERTIBLE NOTES PAYABLE

The following table summarizes convertible note payable of related parties as of December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Convertible note payable, due on November 1, 2026, interest at 3.5% p.a.	$ 4,000,000	$ 4,000,000
Convertible note Payable MMI due on December 26, 2033 interest at 5.25% p.a. (7)	100,000	
Convertible Note Payable John Huemoeller due on January 23, 2033 interest at 4.0% p.a. (6)	250,000	
Convertible note payable, due on February 10, 2032, interest at 3.0% p. a. (5)	375,000	
Accrued Interest	160,091	261,537
Total	$ 4,885,091	$ 4,261,537
Less: unamortized debt discount/finance premium costs	631,123	
Convertible notes payable related parties, net	4,253,968	4,261,537

The interest on this note is payable bi-annually every May 1 and November 1.

In 2020 the Company was authorized to apply the accounts receivable of $75,074 due from Kannaway towards its accrued interest.

On May 1, 2020, the Company agreed to modify its existing convertible note with a principal balance of $4 million, 3.5% interest rate convertible note with the current holder of that note. There were two changes to the existing agreement – (a) the conversion price was reduced from the $1.50 conversion price in the original Note to $0.25 cents in the modified Note and (b) the term of the note was extended from the original maturity date of November 1, 2021, to November 1, 2026. The Company's stock closed trading on the day of the modification at $0.13 per share. The amendment of this convertible Note was also evaluated under ASC Topic 470-50-40,"Debt Modifications and Extinguishments." Based on the guidance, the instruments were determined to be substantially different due to the change in the conversion price being substantial, and debt extinguishment accounting was applied. The fair value of the modified convertible note was not different than the carrying value of the original note as such no extinguishment loss was recorded, The Note prior to the amendment of approximately $4 million, and the fair value of the Note and embedded derivatives after the amendment of approximately $4 million. There were no unamortized debt issuance costs and the debt discount associated with the original 2018 Note.

On January 23, 2023, Creditor agreed to waive and forfeit all interest accrued on the MMI Note through December 31, 2022, in the aggregate amount of $261,537, and to waive all prior defaults on the MMI Note through the Effective Date. Interest shall accrue on the MMI Note at the original rate of 3.5% per annum through September 30, 2023, and be payable on that date. Thereafter interest will be payable on a monthly basis beginning on August 1, 2023. In addition, the Conversion Price for the MMI Note is hereby reduced from $0.25 to $0.075 the reduction in conversion price was also effective January 23, 2023. This Agreement serves to modify and amend the MMI Note as set forth herein, in all other respects the terms of the MMI Note remain in full force and effect. The Company determined that the debt modification including conversion feature added resulted in a debt extinguishment due to the change in the fair values exceeding 10% of the debt carrying value. As a result of the debt modification the company recorded a gain on Extinguishment of debt in the amount of $261,537.

For the years ended December 31, 2023 and 2022, interest expense was $140,000 and $261,537, respectively.

As of December 31, 2023 and 2022, the balance of secured convertible note was $4,140,000 and $4,261,537 which included $140,000 and $261537 accrued interest, respectively.

The following table summarizes convertible note payable as of December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Convertible note payable, due on October 1, 2029, interest at 3.5% p.a. (1)	$ 484,478	$ 484,478
Convertible Note Payable, due on January 27,2032 interest at 3% p.a. (4)	367,931	367,931
Convertible note payable, due on October 1, 2029, interest at 3.5% p.a. (2)	500,000	500,000
Convertible note payable, due on February 10, 2032, interest at 3.0% p. a. (5)	425,000	1,150,000
Convertible note payable, due on December 31, 2034, interest at 3% p.a. (3)	190,000	190,000
Convertible note payable, due on May 23, 2033, interest at 3.75% p.a. see 8 below	250,000	-
Convertible note payable, due on May 23, 2033, interest at 3.75% p.a. see 8 below	325,000	-
Accrued interest (The accrued interest and principal are both included in the captions titled “convertible note payable” in the balance sheet)	76,163	274,442
Total	2,618,572	2,966,851
Less: unamortized debt discount/finance premium costs	(1,209,806)	(1,583,435)
Convertible note payable, net	$ 1,408,766	$ 1,383,416

(1) On September 16, 2016, we entered into a convertible note purchase agreement (the “Convertible Note Purchase Agreement” or “Agreement”) with a third-party investor. Under the terms of the Convertible Note Purchase Agreement the investor may acquire up to $5,000,000 of convertible notes from the Company. With various closings, under terms acceptable to the Company and the investor as of the time of each closing. Pursuant to the Agreement, on September 16, 2016 the investor provided the Company with $850,000 secured convertible note financing pursuant to four (4) Secured Convertible Promissory Notes (the “Notes”). Each of the Notes matures on October 1, 2029, and pay 3.5% compounded interest paid bi-annually. The Note are secured by the assets of the Company, may not be pre-paid without the consent of the holder, and are convertible at the option of the holder into shares of the Company common stock at a conversion price equal to $0.2201 per share.

As of December 31, 2023 and December 31, 2022 respectively, the balance of secured convertible notes was $501,811 and $590,945, which included $17,333 and $106,467 accrued interest, respectively. See below for debt modification treatment.

(2) On October 20, 2016, a third-party investor provided the Company with $1,000,000 secured convertible note financing pursuant to three (3) Secured Convertible Promissory Notes (the “Notes”). Each of the Notes mature on October 1, 2029 and pay 3.5% compounded interest paid bi-annually. The Notes are secured by the assets of the Company, may not be pre-paid without the consent of the holder, and are convertible at the option of the holder into shares of the Company’s common stock at a fixed conversion price equal of $0.2201 per share. The investor paid cash of $500,000 for one of the Notes and issued to the Company two (2) secured promissory notes of $250,000 each for two (2) Convertible Notes of $250,000 each. The two secured promissory notes issued by the investor (totaling $500,000) as payment for two (2) secured Notes totaling $500,000 mature on February 1, 2017 ($250,000) and March 1, 2017 ($250,000), bear interest at the rate of 1% per annum, are full recourse and additionally secured by 10,486,303 shares of Medical Marijuana, Inc. (Pink Sheets symbol: MJNA) and were valued at $858,828 based upon the closing price of MJNA on October 20, 2016. A debt discount was recorded related to beneficial conversion feature inn connection with this convertible note of $499,318, related to the beneficial conversion feature of the note to be amortized over the life of the note or until the note is converted or repaid. As of December 31, 2023 and December 31, 2022 respectively, this note has not been converted and the balance of secured convertible notes was $517,888 and $610,104, which included $17,888 and $110,104 accrued interest, respectively. See below for debt extinguishment treatment.

(1) & (2) On January 23, 2023, Creditor agreed to waive and forfeit all interest accrued on the Secured Notes through December 31, 2022, in the aggregate amount of $216,572. All prior defaults on the Secured Notes are hereby waived through the Effective Date, and the next interest payments due on each of the Secured Notes is extended from April 1, 2023, to July 1, 2023. In addition, the Conversion Price for each of the Secured Notes is hereby reduced from $0.2201 to $0.04. The Agreement served to modify and amend each of the Secured Notes as set forth above, in all other respects the terms of the Secured Notes remained in full force and effect. The Company determined that the debt modification including conversion feature added resulted in a debt extinguishment due to the change in the fair values exceeding 10% of the debt carrying value.

The Renegotiation of the above TL-66 notes was deemed to be a debt extinguishment resulting in Amortization of the remaining debt discount of $381,760 and recognition of the Beneficial conversion feature upon modification of $209,522. And a gain on conversion of $35,537 calculated by comparing fair value of new note to old note including accrued interest.

(3) On December 31, 2019, Sapphire Biotech, Inc. entered into a Convertible Note Purchase Agreement whereas the Company issued a convertible note with a face value of $190,000 with a compounding interest rate of 3% per annum, the interest shall be payable annually beginning on December 31, 2020 until the maturity date of December 31, 2034, at which time all principal and interest accrued thereon shall be due and payable. The Convertible Note is secured by substantially all the Company's tangible and intangible assets. In addition, the Convertible Note includes various non-financial covenants including the Company may not enter into any agreement, arrangement or understanding of any kind that would result in a transaction, or series of transactions, that would result in the sale of 50% or more of the Company's capital stock without the prior approval of the holder.

Upon issuance, the Convertible Note was convertible into shares of the Company's common stock at $1.90 per share. At December 31, 2019, the Company determined that the Convertible Note contained a beneficial conversion feature for which a full discount was recorded on the Convertible Note. The fair market value of the Company's common stock was based upon the estimated per share acquisition price per the pending acquisition of the Company. The discount of $190,000 will be amortized using the effective interest method and will be fully amortized by December 31, 2034.

On March 17, 2020, the Company entered into a Share Exchange Agreement ("Agreement") with Sapphire Biotech, Inc., a Delaware corporation ("Sapphire") and all of the Sapphire stockholders (collectively, the "Sapphire Stockholders"). Following the closing of the transaction, Sapphire will become a wholly owned subsidiary of AXIM. Under the terms of the Agreement, the Company intends to assume the convertible notes in the principal amounts of $190,000. After the acquisition, the Convertible Note was able to convert 6,000,000 shares of Axim's common stock. Upon assumption of the note, the Company recorded a beneficial conversion feature of $190,000. As of December 31, 2023 and December 31, 2022, the balance of secured convertible note was $195,701 and $207,116, which included $5,701 and $17,116 accrued interest, respectively.

On January 27, 2023, Creditor agreed to waive and forfeit all interest accrued on the Sapphire Note through December 31, 2022, in the aggregate amount of $17,115 and to waive all prior defaults on the Sapphire Note through the Effective Date. This was not deemed to be a debt extinguishment since the waiver of accrued interest was not deemed to produce a change in cash flow greater than 10%. The company recorded a gain on modification of $17,117 resulting from forgiveness of accrued interest.

(4) On January 27, 2022, Sapphire Bitotech entered into a debt exchange agreement (effective April 1 2022) whereas the company exchanged a convertible note with a balance of 367,931 including accrued interest for a new note charging interest at a rate of 3% per annum first interest payment due January 27, 2023 compounded monthly. The maturity date is January 27, 2032. Upon issuance was convertible into shares of the Company's common stock at a conversion price of $0.10 per share. As of December 31, 2023 and December 31, 2022, the balance of secured convertible note was $378,066 and $378,193, which included $10,135 and $10,262 accrued interest, respectively. This was not deemed to be a debt extinguishment.

On January 23, 2023, Creditor agreed to waive and forfeit all interest accrued on the TL-66 Note through January 27, 2023, in the aggregate amount of $11,190, and to waive all prior defaults on the TL-66 Note through the Effective Date. This was not deemed to be a debt extinguishment since the waiver of accrued interest was not deemed to produce a change in cash flow greater than 10%. The company recorded a gain on modification of $11,190 resulting from forgiveness of accrued interest.

Convertible Note payable – related party (officer)

(5) Convertible Notes

Effective February 10, 2022, the Company issued seven convertible notes to a series of investors having an aggregate face value of $1,325,000 in exchange for $1,325,000 in cash (the "Convertible Notes"). One of the Convertible Notes, face value $25,000, was purchased by Blake N. Schroeder who is a director of the Company.

Each of the Convertible Notes is (i) unsecured; (ii) bears interest at a rate of 3% per annum; (iii) matures on February 10, 2032; and (iv) is convertible, in whole or in part, at any time by the holder, into restricted shares of the Company's common stock at a conversion price equal to the lesser of $0.08125 or 70% of the average of the two lowest closing prices of the Company's common stock in the ten trading days preceding any particular conversion, provided, the holder is prohibited from converting the convertible note, or portion thereof, if such conversion would result in beneficial ownership by the holder and its affiliates of more than 4.999% of Company's issued and outstanding common stock as of the date of the conversion. A debt discount was recorded related to beneficial conversion feature in connection with this convertible note of $1,325,000, which to be amortized over the life of the note or until the note is converted or repaid. During the year ended December 31, 2022, $175,000 of the note and accrued interest of $2,840 was retired and converted to 5,665,636 common shares valued at $349,535 and as a result recognized a loss on extinguishment of $111,807, including cancellation of balance debt discount of $167,571 and a gain due to cancellation of derivative liabilities as of date of settlement of $227,459 During the year ended December 31, 2023, $350,000 of the note and accrued interest of $30,858 was retired and converted to 22,207,486 common shares valued at $688,432 and as a result of the debt modification the company recognized a loss on extinguishment of $626,414, including cancellation of balance debt discount of $318,840 and a loss on issuance of the shares of $307,574 and a gain due to cancellation of derivative liabilities as of date of settlement of $624,490. As of December 31, 2023 and December 31, 2022, respectively, the principal and accrued interest balances were $822,735 and $1,180,492 respectively, which include accrued interest of $22,735 and $304,922,840, respectively.

During the year's ended December 31, 2023 and 2022 respectively, the Company amortized the debt discount on all the notes of $176,428, $178,692, respectively. As of December 31, 2023 and December 31, 2022, unamortized debt discount was $1,840,929 and $1,583,435, respectively.

(6) As of December 31, 2022, the Company owed to the Executive, for employment in his capacity as CEO of AXIM, $512,500 of unpaid salary which is overdue and payable immediately. Executive and AXIM desired to enter into this Agreement in order resolve the Amount Due in a way that preserves the Company's working capital and incentivizes and retains Executive. Executive agreed to Issuance of Convertible Note as Partial Satisfaction of the Amount Due. $250,000 of the Amount Due will be paid by issuing to Executive a convertible note, face value $250,000 (the "Convertible Note") Executive agreed that he shall waive/forfeit $50,000 of the Amount Due, leaving a remaining balance after such waiver of $212,500 ($512,500 minus $250,000 for the Convertible Note = $262,500 minus $50,000 waiver = $212,500), which shall not be payable at any time prior to July 1, 2023, and that Executive shall have no right prior to July 1, 2023 to seek payment of the remaining balance of the Amount Due. Executive further agrees that if in the reasonable discretion of the Board of Directors full payment of the remaining balance of the Amount Due on July 1, 2023 ($212,500) is too burdensome for the Company's working capital position at that time, then Executive will either grant an additional 3-month extension for the payment of the remaining Amount Due or engage in good faith discussions with the Board in order to enter into a payment plan for the remaining Amount Due, or a combination of both.

Payment of Principal and Interest. From the date of this Convertible Note (the "Note" or "Convertible Note"), interest shall be payable annually on the basis of a three hundred sixty (360) day year and compounded on a yearly basis at a rate equal to Four Percent (4%) per annum (the "Interest Rate"). beginning on January 23, 2024 until the maturity date of January 23, 2033, at which time all principal and interest accrued thereon shall be due and payable. Upon issuance, the Convertible Note was convertible into shares of the Company's common stock at $0.01 per share. At January 23, 2023, the modification date, the Company determined that the Convertible Note contained a beneficial conversion feature for which a full discount was recorded on the Convertible Note. The fair market value of the Company's common stock was based upon the estimated per share acquisition price per the pending acquisition of the Company. The discount of $250,000 will be amortized using the effective interest method and will be fully amortized by January 23, 2033. This is a new note accounted for by recording the note at face value and a debt discount of $250,000 which will be amortized over the life of the note.

As of December 31, 2023 and December 31, 2022 the balance due on the note was $259,361 and $-0- including accrued interest of $9,361 and $-0- respectively.

Convertible note related party MMI

(7) The Company entered into a Convertible Note Purchase Agreement ("CNPA") with its affiliated shareholder, Medical Marijuana, Inc. pursuant to the CNPA, the Company has issued an initial note dated December 26, 2023, in the principal amount of $100,000. Due December 26, 2033. Interest payable at 5.25% beginning December 26, 2024. The note is convertible at the lesser of .01 or 70% of the average two lowest closing prices of the company's stock in the ten trading days prior to any particular conversion.

The Board of Directors also approved the CNPA and the sale and the further issuance of notes in the aggregate principal amount of $750,000 to Medical Marijuana, Inc. As of December 31, 2023 and December 31, 2022 the balance due on the note was $100,073 and $-0- including accrued interest of $73 and $-0- respectively.

(8) Effective May 23, 2023, the Company issued 5 convertible notes to a series of investors having an aggregate face value of $575,000 in exchange for $575,000 in cash.

Each of the Convertible Notes is (i) unsecured; (ii) bears interest at a rate of 3.75% per annum; (iii) matures on May 23, 2033; and (iv) is convertible, in whole or in part, at any time by the holder, into restricted shares of the Company's common stock at a conversion price equal to the lesser of $0.01 or 70% of the average of the two lowest closing prices of the Company's common stock in the ten trading days preceding any particular conversion, provided, the holder is prohibited from converting the convertible note, or portion thereof, if such conversion would result in beneficial ownership by the holder and its affiliates of more than 4.999% of Company's issued and outstanding common stock as of the date of the conversion. A debt discount was recorded related to beneficial conversion feature in connection with this convertible note of $575,000, which to be amortized over the life of the note or until the note is converted or repaid.

As of December 31, 2023 and December 31, 2022 the balance due on the note was $588,026 and $-0- including accrued interest of $13,026 and $-0- respectively.

Debt Obligations - 2022

Effective February 10, 2022, The Company issued the following debt obligations in exchange for cash. A portion of the funds received by the Company were used to pay off the GS Capital Partners, LLC note, as discussed below.

Short Term Promissory Notes

Effective February 10, 2022, the Company issued two short term notes, each having a face amount of $250,000, in exchange for a total of $500,000 in cash (the "Short Term Promissory Notes"). The Short Term Promissory Notes bear interest at the rate of 1.5% per annum and were due and payable on or before March 10, 2022, unless demand for payment is made prior to such date. Both the notes were paid in full in February 2022.

NOTE 12: DERIVATIVE LIABILITIES

Upon the issuance of certain convertible note payable having a variable conversion rate, the Company determined that the features associated with the embedded conversion option embedded in the debt, should be accounted for at fair value, as a derivative liability.

On February 10, 2022 i.e. on the date of issuance of derivative instrument, the Company estimated the fair value of the embedded derivatives of $2,641,846 using the Black-Scholes Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 163.09%, (3) risk-free interest rate of 3.92%, and (4) expected life of 10 years. The value of notes $1,325,000 was debited to beneficial conversion feature and the balance $1,316,846 was recorded as non-cash interest expenses under interest expenses in statement of operation.

During 2023 the company issued derivative instruments and on the dates of issuance the Company estimated the fair value of the embedded derivatives of $1,465,000 using the Black-Scholes Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 150.19%, (3) risk-free interest rate of 3.92, and (4) expected life of 10 years. The value of notes $675,000 was debited to beneficial conversion feature and the balance $790.000 was recorded as non-cash interest expenses under interest expenses in statement of operation.

On December 31, 2022, the Company estimated the fair value of the embedded derivatives of $1,648,831 using the Black-Scholes Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 162.72%, (3) risk-free interest rate of 2.32%, and (4) expected life of 9.86 years. The change of $ was recorded as gain on change in fair value of derivative liabilities for the year ended December 31, 2022.

On December 31, 2023, the Company estimated the fair value of the embedded derivatives of $2,482,723 using the Black-Scholes Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 150.19%, (3) risk-free interest rate of 3.88%, and (4) expected life of 9.86 years. The change of $ 6.618 was recorded as gain on change in fair value of derivative liabilities for the year ended December 31, 2023.

NOTE 12: DERIVATIVE LIABILITIES (CONTINUED)

The following table provides a summary of changes in fair value of the Company's Level 3 financial liabilities for the year ended December 31, 2022 and 2023:

Balance, December 31, 2021	$	0
Issuance of convertible note payable		2,641,846
Issuance of shares in exchange for convertible note payable		(227,459)
Mark to market		(765,556)
Balance, December 31, 2022	$	1,648,831

Balance, December 31, 2022	$	1,648,831
Issuance of convertible note payable		1,465,000
Issuance of shares in exchange for convertible note payable		624,490)
Mark to market		(6618)
Balance, December 31, 2023	$	2,482,723

NOTE 13: STOCK INCENTIVE PLAN

On May 29, 2015 the Company adopted its 2015 Stock Incentive Plan. Under the Plan the Company may issue up to 10,000,000 S-8 shares to officers, employees, directors or consultants for services rendered to the Company or its affiliates or to incentivize such parties to continue to render services. S-8 shares are registered immediately upon the filing of the Plan and are unrestricted shares that are free-trading upon issuance. On May 20, 2021 the board consent increased the issue up to 20,000,000 shares. Subsequently that amount was raised to 40,000,000 shares As of December 31, 2023 and 2022, there were 25,881,671 and 9,806,000 shares available for issuance under the Plan.

On August 22, 2022, 13,500,000 options were issued with a strike price of $0.052; 5,750,000 vesting immediately and the balance vesting between six months and a year from issuance.

On December 9, 2022, 900,000 options were issued with a strike price of $0.10; all of them vesting immediately.

On May 9, 2023 2,000,000 in options were issued with a strike price of 0.21 per share vesting over 6 months.

On September 1, 2023 1,000,000 in options were issued with a strike price of 0.023 per share vesting over 3 months.

NOTE 13: STOCK INCENTIVE PLAN (CONTINUED)

For the years ended December 31, 2023 and 2022 the Company recorded compensation expense of $197,727 and $1,107,494 respectively.

NOTE 14: STOCKHOLDERS' DEFICIT

Preferred Stock

The Company has authorized 5,000,000 shares of preferred stock, with a par value of $0.0001 per share. Of the 5,000,000 authorized preferred shares, 4,000,000 are undesignated "blank check" preferred stock. The Company may issue such preferred shares and designate the rights, privileges and preferences of such shares at the time of designation and issuance. As of December 31, 2023, and 2022 there are -0- and -0- shares of undesignated preferred shares issued and outstanding, respectively.

There are zero shares issued and outstanding of Series A and Series B Preferred stock as of December 31, 2023.

Series C Convertible Preferred Stock

On August 17, 2016 the Company designated up to 500,000 shares of a new Series C Convertible Preferred Stock (Series C Preferred Stock). The holders of the Series C Preferred are entitled to elect four members to the Company's board of directors and are entitled to cast 100 votes per share on all other matters presented to the shareholders for a vote. Each share of Series C Convertible Preferred is convertible into one share of the Company's common stock. The Series C Convertible Preferred designation contains a number of protective and restrictive covenants that restrict the Company from taking a number of actions without the prior approval of the holders of the Series C Preferred or the unanimous vote of all four Series C Directors. If at any time there are four Series C Directors, one such director must be independent as that term is defined in the Series C designation. Any challenge to the independence of a Series C Director is a right conferred only upon the holders of the Series B Convertible Preferred Stock and may only be made by the holders of the Series B Convertible Preferred Stock.

On August 18, 2016 the Company issued all 500,000 shares of its newly designated Series C Preferred Stock to MJNA Investment Holdings, LLC in exchange for cash of $65,000. As the holders of the Series C Preferred Stock, MJNA Investment Holdings, LLC has designated Dr. Timothy R. Scott, John W. Huemoeller II, Robert Cunningham and Blake Schroeder as their four Series C Directors.

On February 20, 2019, MJNA Investment Holdings LLC ("Seller") sold its 500,000 shares of AXIM Biotechnologies, Inc.'s, a Nevada corporation (the "Company") Series C Preferred Stock to Juniper & Ivy Corporation, a Nevada corporation ("Purchaser") for a purchase price of $500,000 (the "Purchase Price") pursuant to a Preferred Stock.

Purchase Agreement (the "Purchase Agreement"). Payment of the Purchase Price was made as follows (i) a $65,000 payment made by check payable to Seller, which Purchaser borrowed from an unrelated third-party and which has no recourse against the Series C Preferred Stock or assets of Purchaser (the "Loan"), and (ii) the issuance by Purchaser to Seller of a promissory note, face value, $435,000, which has no recourse against the Series C Preferred Stock or assets of Purchaser (the "Note"). The Company's Chief Executive Officer John W. Huemoeller II is the President of Purchaser. Mr. Huemoeller provided a personal guaranty for the Loan and the Note.

The holders of the Series C Preferred Stock are entitled to elect four members to the Company's Board of Directors and are entitled to cast 100 votes per share on all other matters presented to the shareholders for a vote. As a result of this transaction, a change in control has occurred.

Common Stock

The Company has authorized 1,000,000,000 shares of common stock, with a par value of $0.0001 per share. As of December 31, 2023, and 2022, the Company had 245,929,403 and 192,441,917 shares of common stock issued and outstanding, respectively.

2023 Transactions:

The Company converted debt of $380,858 including accrued interest of $30,858 in exchange for 22,207,486 shares.

these shares were issued at $0.031 resulting in extinguishment of debt Beneficial conversion payment of interest ($688,432) and Debt modifications / conversions feature worth ($459,522).

Common stock issued under s-1 23,000,000 shares in exchange for cash $514,931.

Common Stock issued stock purchase agreement 7,280,000 in exchange for equipment valued at $72,800 and recorded a loss on issuance of $80,080.

2022 Transactions:

During January 2022, the Company issued 519,247 shares for cash of gross proceeds of $75,000 pursuant to various stock purchase agreements. The cash was received in the fourth quarter 2021 and first quarter 2022. The Company also issued warrants to purchase an aggregate of 519,247 shares of common stock at an average exercise price of $0.315 per share. The warrants are exercisable within a 3-year period from issuance.

In January 2022, the Company issued 7,000,000 shares of its common stock pursuant to its asset acquisition of Advanced Tear Diagnostics which was under common stock to be issued.

In January 2022, the Company issued 302,115 of its shares of common stock, valued at $100,000, in exchange for services which have been recorded as a prepaid expense.

On January 11, 2022, the company issued 282,759 shares of common stock upon the exercise of 500,000 options at an exercise price of $0.126 a share. This exercise was performed on a cashless basis.

In March 2022, the Company issued 624,290 of its shares of common stock pursuant to a stock purchase agreement for cash gross proceeds of $55,000.

In March 2022, the Company issued 173,390 shares of its common stock, valued at $32,944, in settlement of interest due to prepayment of a note and the Company recognized a loss on conversion of $11,081 under loss on extinguishment of debt in statement of operation.

In March 2022, the company issued 500,000 of its shares of common stock, valued at $79,500 in exchange for services related to the arrangement of meetings and conferences.

The Company also issued 10,750,000 shares of its common stock January thru June of 2022 for cash of $973,495 pursuant to an equity purchase agreement, dated on May 14, 2021, which shares were registered pursuant to that S-1 Registration Statement filed by the Company with the SEC on May 14, 2021, and declared effective by the SEC on June 22, 2021.

The Company issued 891,610 of its shares to settle the amounts owed to George Anastassov and Lekhram Changoer. The debt totaled $ 60,000 and the company recognized a loss on settlement of $4,196.

The Company issued 3,544,247 of its shares in settlement of claims made by individuals pursuant to various stock Purchase agreements. The company recognized a current period loss of $226,171 as a result of this settlement.

During the year ended December 31, 2022 the company issued 20,977,638 shares pursuant to its S-1 for cash of $1,333,266.

On July 14, 2022, the Company entered into the Equity Purchase Agreement with Cross & Company, pursuant to which we have the right to "put," or sell, up to $30,000,000 worth of shares of our common stock to Cross. As provided in the Equity Purchase Agreement, we may require Cross to purchase shares of our common stock from time to time by delivering a put notice to Cross specifying the total number of shares to be purchased (such number of shares multiplied by the purchase price described below, the "Investment Amount"); provided there must be a minimum of ten trading days between delivery of each put notice. We may determine the Investment Amount, provided that such amount may not be more than 300% of the average daily trading volume in dollar amount for our common stock during the five trading days preceding the date on which we deliver the applicable put notice, unless waived by Cross in its sole discretion. Additionally, such amount may not be lower than $10,000 or higher than $250,000. Cross will have no obligation to purchase shares under the Equity Line to the extent that such purchase would cause Cross to own more than 4.99% of our issued and outstanding shares of common stock.

The Company also issued 8,000,000 shares of its common stock January thru December of 2022 for cash of $234,844 and a subscription receivable of $46,000 under an equity purchase agreement, dated on July 14, 2022, which shares were registered pursuant to that S-1 Registration Statement filed by the Company with the SEC on July 25, 2022, and declared effective by the SEC on August 4, 2022. The subscription amount of $46,000 was received subsequent to December 31 2022. This was shown as subscription receivable on the equity statement. The company received advance of $47,720 that will be offset against future puts.

Also during year ended December 31, 2022 the company issued 14,837,874 shares pursuant to various stock purchase agreements for cash of $455,000.

The Company converted debt of $177,840 including accrued interest of $2,840 in exchange for 5,665,636 shares of its stock valued at $349,535 and as a result recognized a loss on extinguishment of $111,807, including cancellation of balance debt discount of $167,571 and a gain due to cancellation of derivative liabilities as of date of settlement of $227,459.

On May 14, 2021, The Company entered into the Equity Purchase Agreement with Cross, pursuant to which we have the right to "put," or sell, up to $10,000,000 worth of shares of our common stock to Cross. As provided in the Equity Purchase Agreement, we may require Cross to purchase shares of our common stock from time to time by delivering a put notice to Cross specifying the total number of shares to be purchased (such number of shares multiplied by the purchase price described below, the "Investment Amount"); provided there must be a minimum of ten trading days between delivery of each put notice. We may determine the Investment Amount, provided that such amount may not be more than 500% of the average daily trading volume in dollar amount for our common stock during the five trading days preceding the date on which we deliver the applicable put notice, unless waived by Cross in its sole discretion. Additionally, such amount may not be lower than $10,000 or higher than $1,000,000. Cross will have no obligation to purchase shares under the Equity Line to the extent that such purchase would cause Cross to own more than 4.99% of our issued and outstanding shares of common stock.

NOTE 15: STOCK OPTIONS AND WARRANTS

Options to purchase common stock are granted at the discretion of the Board of Directors, a committee thereof or, subject to defined limitations, an executive officer of the Company to whom such authority has been delegated. Options granted to date generally have a contractual life of ten years.

The stock option activity for years ended December 31, 2023 and 2022 is as follows:

	Options Outstanding	Weighted Average Exercise Price
Outstanding at December 31, 2021	10,960,715	$ 0.37
Granted	14,400,000	0.045
Exercised	(500,000)	0.002
Expired or canceled	(3,000,000)	0.057
Outstanding at December 31, 2022	21,860,715	$ 0.049
Granted	3,000,000	0.02
Exercised		
Expired or Cancelled	(742,386)	
Outstanding December 31, 2023	24,118,329	$ 0.13

The following table summarizes the changes in options outstanding, option exercisability and the related prices for the shares of the Company's common stock issued to employees and consultants under a stock option plan at December 31, 2023 and 2022: During 2022 3,000,000 in options issued to John Huemoeller were canceled to allow for issuances to other employees.

As of December 31, 2023

Options Outstanding				Options Exercisable	
Weighted Average Exercise Price ($)	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price ($)	Number Exercisable	Weighted Average Exercise Price ($)
$ 0.15	24,118,329	8.0	$ 0.013	22,313,683	$ 0.013

As of December 31, 2022

Options Outstanding				Options Exercisable	
Weighted Average Exercise Price ($)	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price ($)	Number Exercisable	Weighted Average Exercise Price ($)
$ 0.15	21,860,715	9.0	$ 0.049	18,341,741	$ 0.049

NOTE 15: STOCK OPTIONS AND WARRANTS (CONTINUED)

The Company determined the value of share-based compensation for options vested using the Black-Scholes fair value option-pricing model with the following weighted average assumptions:

	December 31, 2023	December 31, 2022
Expected life (years)	10	10
Risk-free interest rate (%)	3.53	3.96
Expected volatility (%)	224	229
Dividend yield (%)	-	-
Weighted average fair value of shares at grant date	$ -	$ 1.74

For the years ended December 31, 2023 and 2022 stock-based compensation expense related to vested options was $197,727 and $1,107,494 respectively.

Warrants

The following table summarizes warrant activity during the year ended December 31, 2023 and 2022:

	Number of Warrants	Weighted Average Exercise Price
Outstanding at December 31, 2020	-	$ -
Granted	3,025,000	0.71
Forfeited/Cancelled	-	-
Exercised	-	-
Outstanding at December 31, 2021	3,025,000	$ 0.71
Granted	519,247	0.31
Exercised		
Outstanding at December 31, 2022 and 2023	3,544,247	$ 0.65

All outstanding warrants are exercisable at December 31, 2023 and there was no unrecognized stock-based compensation expense related to warrants.

NOTE 17: COMMITMENT AND CONTINGENCIES

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. Beginning in October 2019, the board decided to increase CEO base salary to $35,000 per month.

On April 24, 2017 the company entered into an employment agreement with Robert Malasek, its Chief Financial Officer and Secretary. The agreement does not have a set term and may be terminated at any time by the Company or Mr. Malasek with proper notice. The shares were issued in the 1st quarter 2018. Beginning in October 2019, the board ratified to increase CFO base salary to $3,000 per month. During 2022 the board subsequently increased Mr Malasek's compensation to 7,500 per month.

Industry Sponsored Research Agreement— Sapphire entered into the Industry Sponsored Research Agreement ("SRA") effective February 7, 2020 to test and confirm the inhibitory activity of SBI-183 (exclusively licensed on January 13, 2020) and SBI-183 analogs, including those synthesized by the Company. The testing will include cell-based in vitro assays, NMR binding studies and testing to determine if SBI-183 enhances the activity of cytotoxic drugs in vitro. Animal studies will also be conducted under the SRA. Specifically, SBI-183 analogs will be evaluated in a mouse model of triple negative breast cancer using human tumor xenografts. The work will be performed over a period of one year with the total cost of the SRA totaling $150,468 paid prior to acquisition. For the year December 31, 2021, the Company recorded research and development expenses of $284,869. This agreement is now being renegotiated.

On August 25, 2020, we signed an exclusive licensing, manufacturing and distribution agreement with Empowered Diagnostics LLC to execute the high-volume production of our rapid point-of-care diagnostic test. AXIM and Empowered have completed the technology transfer and Empowered Diagnostics has built out their production facility to be able to manufacture millions of our neutralizing antibody tests for COVID-19 per month. In exchange for this license Empowered will pay Axim a royalty on net sales on all licensed products sold by Empowered covered by this license which global with the exception of Mexico.

This agreement was cancelled in February, 2022.

On September 15, 2022, the company entered into a license and distribution agreement for its Lactoferrin dry eye test, Ige allergy test for allergic conjunctivitis and quantitative MMp-9 test to identify ocular surface inflammation. The licensee is Versea Ophthalmics, LLC, A Delaware Limited Liability Company.

The agreement will provide Verséa with the exclusive commercial right to AXIM's proprietary portfolio of point-of-care (POC) lab testing readers and three key biomarker diagnostic tests designed specifically to assist eye-care physicians in detecting and quantifying biomarkers associated with aqueous deficient Dry Eye Disease and non-specific allergic conjunctivitis. The three AXIM's key biomarker tests – the Ocular Immunoglobulin E (IgE) test, the Lactoferrin test, and the future MMP-9 test – require the collection of 0.5 microliters in tears and provide quantitative results in under 10 minutes, an industry-leading return time.

Verséa plans to launch IgE and Lactoferrin tests at the upcoming 2022 American Academy of Ophthalmology (AAO) and American Academy of Optometry (AAOPT) conferences. The MMP-9 test is anticipated to follow in the next 18-24 months.

NOTE 17: COMMITMENT AND CONTINGENCIES (CONTINUED)

In recent months, AXIM has been preparing for the scaling of production of its tests in anticipation of an agreement such as the one reached with Verséa and is now prepared to support new orders associated with the agreement and subsequent launch.

Due to the Agreement, the positions of: (i) National Sales Director; and (ii) Chief Medical Officer held by Jeff Busby and Dr. Joseph Tauber, respectively, were no longer necessary for Company operations and, therefore, eliminated.

The Company received an initial license fee of $150,000 and has the right to cancel the agreement if minimum sales targets are not reached. This amount was recorded as deferred revenue and amortized over 5 years beginning September 15, 2022. During the year ended December 31, 2023 and 2022, the Company amortized $ and $8,875. The carrying balance as of December 31, 2023 and 2022 was $ and $141,125, respectively.

The Company also received $192,000 towards sale of its IgE and Lactoferrin tests. The tests were not shipped as of December 31, 2022 so the amount was disclosed as deferred revenue as of December 31, 2023.

Operating Lease
Lease Agreement—On March 29, 2023, Sapphire entered into a 3-year lease agreement ("Lease") renewal to stay in the same space. with monthly base rent in the 1st year $8,014, 2nd year $8,335 and 3rd year $8668 and a final payment of $9,014 at implicit interest rate of 6%. Upon commencement of the Lease, the lease will expire on May 31, 2026.

Lease Agreement—On March 3, 2020, Sapphire entered into a 3-year lease agreement ("Lease") to relocate to a larger space within the same business park. The new space totals 1,908 square feet with monthly base rent in the 1st year $4,713, 2nd year $4,854 and 3rd year $5,000 at implicit interest rate of 6%. Upon commencement of the Lease on April 25, 2020, the previous lease will expire.

Operating Leases - Right of Use Assets and Purchase Commitments Right of Use Assets

We have operating leases for office space that expire through 2026. Below is a summary of our right of use assets and liabilities as of December 31, 2023.

Right-of-use assets	$ 227,029
Lease liability obligations, current	$ 94,829
Lease liability obligations, noncurrent	137,044
Total lease liability obligations	$ 231,873
Weighted-average remaining lease term	2.42 years
Weighted-average discount rate	6%

The following table summarizes the lease expense for the years ended December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Operating lease expense	$ 99,050*	$ 75,732
Short-term lease expense	43,936	38,790
Total lease expense	$ 142,986	$ 114,522

*We recorded $99,050 of operating lease expense this includes $18,108 of maintenance charges.

Approximate future minimum lease payments for our lease liability over the remaining lease periods as of December 31, 2023, are as follows:

2024	$ 98,736
2025	102,684
2026	43,686
Total minimum payments	245,106
Less: amount representing interest	(18,079)
Total	$ 227,027

Litigation

Litigation: The company has been named as a defendant in the following legal action: Innovative Medical Supplies, LLC v. Advanced Tear Diagnostics, LLC, Case No. 37-2021-00032000-CU-FR-CTL filed in the Superior Court of the State of California, County of San Diego.

Allegations: The Company has been named as a defendant in this litigation. The Second Amended Complaint ("SAC") alleges causes of action of Fraud; Conspiracy to Defraud; Unjust Enrichment/Constructive Trust, Intentional Interference with Contract; and Interference with Economic Relations against the Company. The SAC prays for relief of Compensatory damages and other Special, general and consequential damages of not less than $280,586 as well as Punitive and exemplary damages and attorney fees and cost of suit. AXIM Demurred and brought a Motion to Strick as to the SAC. That motion is pending before the Court.

Status: The litigation has settled.

Settlement: The Company has entered into a Settlement Agreement with the Plaintiff's manager to fully resolve the matter in its entirety. However, there is a dispute as to who has control over the Plaintiff limited liability company. The Court has scheduled an Evidentiary hearing with the intent to resolve the control issue and the enforceability of the Settlement Agreement.

Effective February 7, 2024, the Company entered into a confidential Global Settlement Agreement Pursuant to the Settlement, the Company agreed to pay the following compensation to IMS: a total cash payment of $100,000 payable in various payments over a 24 month period; a $0.35 cassette sales participation payment on all single dry eye lateral flow test cassettes sold by the Company up to a total of $475,000, with such payments having no limit as to the time it takes to reach $475,000; and the issuance of 20,000,000 restricted shares of Company common stock. The restricted shares of common stock are non-transferable, restricted from sale for 12 months, and thereafter, the right to sell the shares is subject to "drip-out" sales volume limitation not to exceed 1% of the Company's issued and outstanding shares of common stock every 90 days, which such drip-out right is not cumulative.

These financial statements reflect a loss resulting from the settlement agreement in the amount of $955,000.

NOTE 18: INCOME TAXES

The Company utilizes ASC 740 "Income Taxes," which requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statement or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between financial statements and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

The U.S. tax reform bill that Congress voted to approve December 20, 2017, also known as the "Tax Cuts and Jobs Act," made sweeping modification to the Internal Revenue Code, including a much lower corporate tax rate, changes to credits and deductions, and a move to a territorial system for corporations that have overseas earnings. The Act replaced the prior law graduated corporate tax rate, which taxed income over $10 million at 35%, with a flat rate of 21%. The Coronavirus Aid, Relief and Economy Security (CARES) Act ("the CARES Act, H.R. 748") was signed into law on 27 March 2020. The CARES Act temporarily eliminates the 80% taxable income limitation (as enacted under the Tax Cuts and Jobs Act of 2017) for NOL deductions for 2018-2020 tax years and reinstated NOL carrybacks for the 2018-2020 tax years. Moreover, the CARES Act also temporarily increases the business interest deduction limitations from 30% to 50% of adjusted taxable income for the 2019 and 2020 taxable year. Lastly, the Tax Act technical correction classifies qualified improvement property as 15-year recovery period, allowing the bonus depreciation deduction to be claimed for such property retroactively as if it was included in the Tax Act at the time of enactment. The Company does not anticipate a material impact on its financial statements as of December 31, 2022 due to the recent enactment.

For the period ended December 31, 2023, The Company had available, for Federal income tax purposes, net operating losses of $9,024,000 which expire at various dates through December 31, 2030 and $26,462,918 which have no expiration date. The net operating loss carryovers may be subject to limitations under Internal Revenue Code section 382, due to significant changes in the Company's ownership. If a change of ownership has occurred the net operating loss carryovers would be limited or might be eliminated.

The provision for income taxes differ from the amount of income tax determined by applying the applicable U.S. statutory rate to losses before income tax expense for the period ended December, 2022 and 2021 as follows:

	2023	2022
Statutory federal income tax rate	21.0%	21.0%
Statutory state and local income tax rate, net of federal benefit	7.3%	11.9%
Permanent Differences	(15.96)%	(20.95)
Change in valuation allowance	(8.77)%	(11.95)%
Other true ups	(3.57)%	
Effective tax rate	0.00%	0.00%

Deferred income taxes result from temporary differences in the recognition of income and expenses for financial reporting purposes and for tax purposes. The tax effect of these temporary differences representing deferred tax asset result principally from the following:

	2023	2022
Deferred tax assets Federal*:		
Net operating loss carry forward	$ 10,042,078	$ 10,749,088
Less: valuation allowance	(10,042,078)	(10,749,088)
Net deferred tax asset	$ -	$ -

*The company moved its base operations to California in 2019
California Net operating Losses Total 16,912,055
NYS Net Operating Loss Total 13,706,536

The valuation allowance for deferred tax assets as of December 31, 2023 and 2022 was $10,042,087, and $10,749,088, respectively. In assessing the recovery of the deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income in the periods in which those temporary differences become deductible. Management considers the scheduled reversals of future deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The Company will continue to monitor the potential utilization of this asset. Should factors and evidence change to aid in this assessment, a potential adjustment to the valuation allowance in future periods may occur. Management believes it is more likely than not that the Differed tax asset will not be realized, so a 100% Valuation Reserve has been established at December 31, 2023. Company is aware that as of there may be section 382 limitations on loss carryforward due to, to the acquisition of Sapphire biotechnology but has not analyzed them at this time.

NOTE 19: SUBSEQUENT EVENTS

On February 7 2024 AXIM Biotechnologies, Inc. (the “Company”) whom was previously named as a defendant in the legal action entitled: Innovative Medical Supplies, LLC ("IMS") v. Advanced Tear Diagnostics, LLC, Case No. 37-2021-00032000-CU-FR-CTL filed in the Superior Court of the State of California, County of San Diego (the “IMS Action”). The First Amended Complaint in the IMS Action alleged causes of action against the Company for Fraud; Conspiracy to Defraud; Unjust Enrichment/Constructive Trust; Intentional Interference with Contract; and Interference with Economic Relations. Effective February 7, 2024, the Company entered into a confidential Global Settlement Agreement and Mutual Release (the “Settlement Agreement”) to resolve the IMS Action as well as a second related action involving many of the same parties. While the Company denied any wrongdoing, the Settlement was entered into in order to avoid the disruption, inconvenience, uncertainty, and costs associated with both litigations and any claims that the parties may have had or may have claimed to have, against each other. The Settlement Agreement fully resolves both actions, all cross-claims, and all potential claims against the Company and all parties from the beginning of time until the execution of the Settlement agreement.

Pursuant to the Settlement, the Company agreed to pay the following compensation to IMS: a total cash payment of $100,000 payable in various payments over a 24 month period; a $0.35 cassette sales participation payment on all single dry eye lateral flow test cassettes sold by the Company up to a total of $475,000, with such payments having no limit as to the time it takes to reach $475,000; and the issuance of 20,000,000 restricted shares of Company common stock. The restricted shares of common stock are non-transferable, restricted from sale for 12 months, and thereafter, the right to sell the shares is subject to "drip-out" sales volume limitation not to exceed 1% of the Company’s issued and outstanding shares of common stock every 90 days, which such drip-out right is not cumulative. On March 15, 2024, AXIM Biotechnologies, Inc. (the “Company”) issued Convertible Notes, having an aggregate face value of $814,555 (the "Notes"), to (i) its independent directors for past due director fees, (ii) certain officers and contractors of the Company for past due salaries and fees for services rendered, and (iii) employees of its wholly-owned subsidiary, Sapphire Biotech, Inc. ("Sapphire"), for past due salaries. The Notes pay annual interest at the rate of 4.25% annually which shall accrue until the maturity date of March 1, 2034 (“Maturity Date”), at which time all principal and interest accrued thereon shall be due and payable. Two of the Notes, aggregate face value $135,625, require a 25% payment of principal on each annual anniversary of the Notes ("Version 1 Notes"). The four Notes issued to the independent directors, aggregate face value of $140,000, are convertible into common stock of the Company at a conversion price of $0.01 ("Version 2 Notes"). The remaining Notes, aggregate face value $674,555, are convertible into common stock of the Company at a conversion price of $0.02 ("Version 3 Notes"). All of the Notes are restricted from converting into the Company's common stock until the earlier of the two-year anniversary of the Notes or at any time after the six-month anniversary of the Notes if the Company's common stock closes at or above $.20 for 30 consecutive days. In addition, the Notes. may not be sold, transferred, pledged or hypothecated by the holder at any time. In total, the $814,555 aggregate face value of the Notes are convertible into 47,727,750 shares of the Company's common stock.

2. Restricted Common Stock

On March 15, 2024, the Company entered into a Stock Purchase Agreement (the "SPA") with an employee of Sapphire for the purchase of 1,100,000 restricted shares of Company common stock for a purchase price of $0.01 per share totaling $11,000. The employee paid the purchase price by accepting the shares as satisfaction of past due salary totaling $11,000.

10,500,000 shares issued against s-1 offering cash received in the amount of $90,667.

Received cash of $23,475 against subscription receivable.

EXHIBIT 4.1

DESCRIPTION OF SECURITIES

The following is a summary of the material terms and provisions of the securities of AXIM Biotechnologies, Inc. ("us," "our," "we" or the "Company") that are registered under Section 12 of the Securities Exchange Act of 1934, as amended, and certain provisions of our articles of incorporation (as amended, the "Articles of Incorporation"), and amended and restated bylaws, as amended (the "Bylaws"), that are currently in effect. This summary does not purport to be complete and is qualified in its entirety by the provisions of our Articles of Incorporation and Bylaws, each previously filed with the Securities and Exchange Commission ("SEC") and incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.1 is a part, as well as to the applicable provisions of the and applicable provisions of the Nevada Revised Statutes (the "NRS").

General

The authorized capital stock of the Company is 305,000,000 shares consisting of 1,000,000,000 shares of common stock, par value $0.0001 per share, and 5,000,000 shares of preferred stock, par value $0.0001 per share.

Common Stock

Trading

Our common stock is traded on the OTC:QB under the symbol "AXIM."

Voting Rights

Each stockholder is entitled to one vote for each share of common stock held on all matters submitted to a vote of stockholders. Holders of our capital stock representing a majority of the voting power of our capital stock issued and outstanding and entitled to vote, represented in person or by proxy, are necessary to constitute a quorum at any meeting of our stockholders.

Except in the case of election of directors, when a quorum is present or represented at any meeting of stockholders, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any question brought before such meeting, unless otherwise required by applicable law. Directors are elected by a plurality of the votes cast at any meeting of stockholders at which directors are being elected.

Dividends

Subject to preferences that may be applicable to any then outstanding preferred stock, holders of common stock are entitled to dividends if declared by our Board of Directors ("Board") out of funds legally available for payment of dividends. The rights, preferences and privileges of holders of common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Liquidation Rights

Upon the liquidation, dissolution or winding up of the Company, the remaining assets legally available for distribution to stockholders, after payment of claims or creditors and payment of liquidation preferences, if any, on outstanding shares or any class of securities having preference over the common stock, are distributable ratably among the holders of common stock and any participating class of securities having preference over the common stock at that time. Each outstanding share of common stock is fully paid and non-assessable. The rights, preferences and privileges of holders of common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Other Rights

Our common stock is not subject to conversion or redemption rights, and there are no redemption or sinking funds provisions applicable to the common stock. The rights, preferences and privileges of the holders of our common stock will be subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that we may designate and issue in the future.

Preferred Stock

Under the terms of our Articles of Incorporation, our Board has the authority, without further action by our stockholders, to issue up to 5,000,000 shares of preferred stock, par value of $0.0001 per share, in one or more series, without stockholder approval. Our Board is authorized to establish from time to time the number of shares to be included in each series of preferred stock, and to fix the rights, preferences and privileges of the shares of each series of preferred stock and any of its qualifications, limitations or restrictions. Our Board can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series of preferred stock then outstanding, without any further vote or action by the stockholders.

We have designated 1,000,000 shares of Series A Preferred Stock, of which zero shares are issued and outstanding; 500,000 shares of Series B Preferred Stock, of which zero shares are issued and outstanding; and 500,000 shares of Series C Preferred Stock, of which 500,000 shares are issued and outstanding.

Undesignated Preferred Stock

Pursuant to our Articles of Incorporation, each share of our undesignated Preferred Stock has one hundred votes per share of undesignated Preferred Stock held.

Series A Preferred Stock

We have designated 1,000,000 shares of preferred stock as Series A Preferred Stock.

The Series A Preferred shares have the following rights and preferences:

- Each share of Series A Preferred Stock shall have voting rights as is determined by multiplying (a) the number of shares of Series A Preferred held by the holder, (b) the number of issued and outstanding shares of the Company's Series A Preferred Stock and common stock on a fully-diluted basis, as of the record date of the vote, and (c) .0000015. Holders of shares of Series A Preferred Stock vote as a single class along with the holders of all the Company's voting stock entitled to vote on such matters.
- Each Series A Preferred share is convertible into five shares of the Company's common stock.
- A liquidation preference over all other holder of the Company's common or preferred stock.
- So long as any of the Series A Preferred shares are outstanding, the Company cannot take the following actions without the consent of the holders of 100% of the Series A Preferred shares: amend, alter, waive or repeal, whether by merger consolidation, combination, reclassification or otherwise, the Articles of Incorporation or Bylaws; or create, authorize or issue any class, series or shares of any class of capital stock. The rights and preferences of the Series A Preferred stock cannot be amended without the majority vote of the holders of the Series A Preferred shares.

Series B Preferred Stock

We have designated 500,000 shares of preferred stock as Series B Preferred Stock.

The Series B Preferred shares have the following rights and preferences:

- In any distributions, liquidation, dissolution, winding up, the right to receive assets of the Company pari passu and ratable with the holders of the Series C Preferred Stock, and senior to holders of Company common stock.
- Each Series B Preferred share is convertible into one share of the Company's common stock.
- The right to elect three directors to the Company's Board (each, a "Series B Director"). Any Series B Director seat shall be considered vacant whether such vacancy exists by reason of a Series B director having never been elected to any such authorized seat(s), death, resignation, disqualification, removal or otherwise.
- Each Series B Preferred share shall have 100 votes per share, and will vote as a single class along with the holders of all the Company's voting stock entitled to vote on such matters.
- The Series B Preferred Stock is non-transferable, subject to limited exceptions.
- So long as any of the Series B Preferred shares are outstanding, the Company cannot take the following actions without the consent of the majority vote of the Series B Preferred shares: amend, alter, waive or repeal, whether by merger consolidation, combination, reclassification or otherwise, the Articles of Incorporation or Bylaws; or create, authorize or issue any class, series or shares of any class of capital stock. The rights and preferences of the Series B Preferred stock cannot be amended without the majority vote of the holders of the Series B Preferred shares.

Series C Preferred Stock

We have designated 500,000 shares of preferred stock as Series C Preferred Stock.

The Series C Preferred shares have the following rights and preferences:

- In any distributions, liquidation, dissolution, winding up, the right to receive assets of the Company pari passu and ratable with the holders of the Series C Preferred Stock, and senior to holders of Company common stock.
- Each Series C Preferred share is convertible into one share of the Company's common stock.
- The right to elect four directors to the Company's Board (each, a "Series C Director"). Any Series C Director seat shall be considered vacant whether such vacancy exists by reason of a Series C director having never been elected to any such authorized seat(s), death, resignation, disqualification, removal or otherwise. In the event that holders of shares of the Series C Preferred elect four Series C Directors, then at least one of the Series C Directors shall be deemed "Independent" (as defined in the Certificate of Designation for the Series C Preferred Stock).
- Each Series C Preferred share shall have 100 votes per share, and will vote as a single class along with the holders of all the Company's voting stock entitled to vote on such matters.
- The Series C Preferred Stock is non-transferable, subject to limited exceptions.
- So long as any of the Series C Preferred shares are outstanding, the Company cannot take the following actions without the consent of the majority vote of the Series C Preferred shares: amend, alter, waive or repeal, whether by merger consolidation, combination, reclassification or otherwise, the Articles of Incorporation or Bylaws; or create, authorize or issue any class, series or shares of any class of capital stock. The rights and preferences of the Series C Preferred stock cannot be amended without the majority vote of the holders of the Series C Preferred shares.

Warrants

There are currently warrants outstanding to acquire an aggregate of 3,544,247 shares of the Company's common stock at a weighted average exercise price of $0.65 per share.

Options

There are currently options outstanding to acquire an aggregate of 24,118,329 shares of the Company's common stock at a weighted average exercise price of $0.013 per share.

Anti-Takeover Effects of Nevada Law and Our Amended Certificate of Incorporation and Amended and Restated Bylaws

Some provisions of Nevada law, our Articles of Incorporation and our Bylaws contain provisions that could make the following transactions more difficult: an acquisition of us by means of a tender offer; an acquisition of us by means of a proxy contest or otherwise; or the removal of our incumbent officers and directors. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that stockholders may otherwise consider to be in their best interests or in our best interests, including transactions which provide for payment of a premium over the market price for our shares.

These provisions, summarized below, are intended to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our Board. We believe that the benefits of the increased protection of our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because negotiation of these proposals could result in an improvement of their terms.

Removal of Directors and Board Vacancies

Subject to any limitations imposed by applicable law, our Board is fixed at seven directors which is comprised of three Series B directors and four Series C directors. Any Series B or Series C director seats shall be considered vacant whether such vacancy exists by reason of a Series B or Series C director having never been elected to any such authorized seat(s), death, resignation, disqualification, removal or otherwise. Any vacancy in the Series B director seats may only be filled by a majority of the holders of Series B Preferred Stock and any vacancy in the Series C director seats may only be filled by a majority of the holders of Series C Preferred Stock. There is no requirement to fill any vacant Series B or Series C director seat provided, however, that the Board must be comprised of one (1) director, whether such director is a Series B or Series C director.

Stockholders Not Entitled to Cumulative Voting

The holders of common stock are not entitled to cumulative voting rights, unless the Company is subject to Section 2115(b) of the California General Corporation Law ("CGCL"). In the event the Company is or becomes subject to Section 2115(b) of the CGCL, every stockholder entitled to vote at an election for directors may cumulate such stockholder's votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which such stockholder's shares are otherwise entitled, or distribute the stockholder's votes on the same principle among as many candidates as such stockholder thinks fit. No stockholder, however, shall be entitled to so cumulate such stockholder's votes unless (a) the names of such candidate or candidates have been placed in nomination prior to the voting and (b) the stockholder has given notice at the meeting, prior to the voting, of such stockholder's intention to cumulate such stockholder's votes. If any stockholder has given proper notice to cumulate votes, all stockholders may cumulate their votes for any candidates who have been properly placed in nomination. Under cumulative voting, the candidates receiving the highest number of votes, up to the number of directors to be elected, are elected.

While the foregoing provisions of our Certificate of Incorporation and applicable law may have an anti-takeover effect, these provisions are intended to enhance the likelihood of continuity and stability in the composition of our Board in the policies formulated by our Board, and to discourage certain types of transactions that may involve an actual or threatened change of control. In that regard, these provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal. The provisions also are intended to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and, as a consequence, they also may inhibit fluctuations in the market price of our common stock that could result from actual or rumored takeover attempts. Such provisions also may have the effect of preventing changes in our management.

Blank Check Preferred Stock

Our Board has the right to issue preferred stock in one or more series and to determine the designations, rights, preferences of such preferred stock without stockholder approval.

Stockholder Meetings

Our Bylaws provide that a special meeting of stockholders may be called only by a majority of our Board, our president, or by one or more stockholders holding shares in the aggregate entitled to cast not less than a majority of the votes at any such meeting, as well as provided by further provided in our Bylaws.

Nevada Control Share Law

As a Nevada corporation, we are subject to certain provisions of the NRS that have anti-takeover effects and may inhibit a non-negotiated merger or other business combination. These provisions are intended to encourage any person interested in acquiring us to negotiate with, and to obtain the approval of, our Board in connection with such a transaction. However, certain of these provisions may discourage a future acquisition of us, including an acquisition in which the stockholders might otherwise receive a premium for their shares. As a result, stockholders who might desire to participate in such a transaction may not have the opportunity to do so. The NRS provides that specified persons who, with or through their affiliates or associates, own, or affiliates and associates of the subject corporation at any time within two years own or did own, 10% or more of the outstanding voting stock of a corporation cannot engage in specified business combinations with the corporation for a period of two years after the date on which the person became an interested stockholder, unless the combination meets all of the requirements of the articles of incorporation of the company, and: (i) the combination or transaction by which such person first became an interested stockholder was approved by the Board before they first became an interested stockholder; or (ii) such combination is approved by: (x) the Board; and (y) at an annual or special meeting of the stockholders (not by written consent), the affirmative vote of stockholders representing at least 60% of the outstanding voting power not beneficially owned by such interested stockholder. The law defines the term "business combination" to encompass a wide variety of transactions with or caused by an interested stockholder, including mergers, asset sales and other transactions in which the interested stockholder receives or could receive a benefit on other than a pro rata basis with other stockholders.

The provisions of Nevada law and our Articles of Incorporation could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in the composition of our Board and management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

EXHIBIT 21.1

Subsidiaries of AXIM Biotechnologies, Inc.

1. Sapphire Biotech, Inc.

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to incorporation by reference of our report dated April 16, 2024, with respect to the consolidated balance sheets of AXIM Biotechnologies, Inc. as of December 31, 2023 and 2022 and the related consolidated statement of operations, statement of shareholders' deficit and cash flows for each of the years in the two-year period ended December 31, 2023, which includes an explanatory paragraph regarding the substantial doubt about the Company's ability to continue as a going concern, included in this Annual Report on Form 10-K of Axim Biotechnologies, Inc. (the "Company"). We hereby consent to the incorporation by reference of said report in the Registration Statements of Axim Biotechnologies, Inc. on Form S-1 (File No. 333-272390); Form S-8 (File No. 333-265580) and Form S-8 (File No. 333-204574).

/s/ RBSM LLP
RBSM LLP

New York, New York
April 16, 2024

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECURITIES EXCHANGE ACT RULES 13a-14(a) AND 15(d)-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John W. Huemoeller II, certify that:

1. I have reviewed this Annual Report on Form 10-K for AXIM Biotechnologies, 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 presented in this report;

4. The registrant's other certifying officer(s) and I are 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 13a-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. The registrant's other certifying officer(s) and 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 involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 16, 2024

By: */s/ John W. Huemoeller II*
John W. Huemoeller II
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECURITIES EXCHANGE ACT RULES 13a-14(a) AND 15(d)-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert Malasek, Chief Financial Officer of Axim Biotechnologies, Inc. (the "Company") certify that:

1. I have reviewed this Annual Report on Form 10-K of the Company;

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 presented in this report;

4. The registrant's other certifying officer(s) and I are 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 13a-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. The registrant's other certifying officer(s) and 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 involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: April 16, 2024

By: */s/ Robert Malasek*
Robert Malasek
Chief Financial Officer
(Principal Financial Officer)

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 the Annual Report of Axim Biotechnologies, Inc., a Nevada corporation, (the "Registrant") on Form 10-K for the year ended December 31, 2023 (the "Report"), I, John W. Huemoeller II, Chief Executive Officer of the Registrant, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report, as filed with the Securities and Exchange Commission, 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 the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Dated: April 16, 2024

By: */s/ John W. Huemoeller II*
John W. Huemoeller II
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Axim Biotechnologies, Inc., a Nevada corporation, (the "Registrant") on Form 10-K for the period ended December 31, 2023 (the "Report"), I, Robert Malasek, Chief Financial Officer of the Registrant, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report, as filed with the Securities and Exchange Commission, 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 the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Dated: April 16, 2024

By: /s/ *Robert Malasek*
Robert Malasek
Chief Financial Officer
(Principal Financial Officer)

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