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

FORM 10-Q

Quarterly Report Under
the Securities Exchange Act of 1934

For Quarter Ended: **June 30, 2017**

Commission File Number: **000-52898**

SUNSHINE BIOPHARMA INC.

(Exact name of small business issuer as specified in its charter)

Colorado	**20-5566275**
(State of other jurisdiction of incorporation)	(IRS Employer ID No.)

6500 Trans-Canada Highway
4th Floor
Pointe-Claire, Quebec, Canada H9R 0A5
(Address of principal executive offices)

469 Jean-Talon West
3rd Floor
Montreal, Quebec, Canada H3N 1R4
(Former Address)

(514) 426-6161
(Issuer's Telephone Number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the 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 the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

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

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company x
Emerging growth company x	

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☑ No

The number of shares of the registrant's only class of common stock issued and outstanding as of August 11, 2017, was 917,649,541 shares.

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PART I
FINANCIAL INFORMATION

Sunshine Biopharma, Inc.
Consolidated Balance Sheet

	Unaudited June 30, 2017	Audited December 31, 2016
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 128,768	$ 57,453
Prepaid expenses	8,537	1,007
Total Current Assets	137,305	58,460
Equipment (net of $3,391 and $2,272 depreciation respectively)	27,030	5,944
Patents (net of $58,918 amortization and $556,120 impairment)	-	-
TOTAL ASSETS	$ 164,335	$ 64,404
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Notes payable	213,362	69,939
Notes payable - related party	191,129	167,032
Accounts payable	34,711	28,122
Accrued compensation - related party	336,000	-
Interest payable	5,422	9,011
Total current liabilities	780,624	274,104
TOTAL LIABILITIES	780,624	274,104
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY (DEFICIT)		
Preferred stock, Series A $0.10 par value per share; Authorized 850,000 Shares; Issued and outstanding -0- shares.	-	-
Preferred stock, Series B $0.10 par value per share; Authorized 500,000 Shares; Issued and outstanding 500,000 shares.	50,000	50,000
Common Stock, $0.001 par value per share; Authorized 3,000,000,000 Shares; Issued and outstanding 868,594,650 and 769,399,858 at June 30, 2017 and December 31, 2016 respectively	868,595	769,400
Reserved for issuance 349,069,087 at June 30, 2017		
Capital paid in excess of par value	11,720,028	11,548,460
Accumulated comprehensive income	4,189	394
Accumulated (Deficit)	(13,259,101)	(12,577,954)
TOTAL SHAREHOLDERS' EQUITY (DEFICIT)	(616,289)	(209,700)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 164,335	$ 64,404

See Accompanying Notes To These Financial Statements.

Sunshine Biopharma, Inc.
Unaudited Consolidated Statement Of Operations and Comprehensive Loss

	Unaudited 3 Months Ended June 30, 2017	Unaudited 3 Months Ended June 30, 2016	Unaudited 6 Months Ended June 30, 2017	Unaudited 6 Months Ended June 30, 2016
Revenue:	$ -	$ -	$ -	$ -
General & Administrative Expenses				
Accounting	48,415	6,169	64,015	12,969
Amortization & depreciation	506	14,962	1,024	30,206
Consulting	33,930	118,239	59,867	132,423
Legal	27,920	15,690	42,824	43,789
Licenses	-	7,761	-	7,761
Office	9,747	16,993	17,148	20,262
Officer & director renumeration	348,415	255,343	391,380	255,343
Research & development	-	32,793	-	32,793
Stock Transfer Fee	3,285	3,363	4,950	5,449
Total G & A	472,218	471,313	581,208	540,995
(Loss) from operations	(472,218)	(471,313)	(581,208)	(540,995)
Other Income (expense):				
Foreign exchange (loss)	(3,628)	-	(4,267)	
Interest expense	(9,598)	(9,997)	(18,742)	(16,951)
Litigation settlement proceeds	-	-	-	25,000
Loss on debt conversions	-	-	(76,929)	(253,658)
Total Other (Expense)	(13,226)	(9,997)	(99,938)	(245,609)
Net (loss)	$ (485,444)	$ (481,310)	$ (681,146)	$ (786,604)
Basic (Loss) per common share	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Weighted Average Common Shares Outstanding	857,473,771	262,370,859	811,800,080	238,983,449
Net Income (Loss)	$ (485,444)	$ (481,310)	$ (681,146)	$ (786,604)
Other comprehensive income:				
Gain (Loss) from foreign exchange translation	2,680	11,325	3,795	(1,334)
Comprehensive (Loss)	(482,764)	(469,985)	(677,351)	(787,938)
Basic (Loss) per common share	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Weighted Average Common Shares Outstanding	857,473,771	262,370,859	811,800,080	238,983,449

See Accompanying Notes To These Financial Statements.

Sunshine Biopharma, Inc.
Unaudited Consolidated Statement Of Cash Flows

	Unaudited 6 Months Ended June 30, 2017	Unaudited 6 Months Ended June 30, 2016
Cash Flows From Operating Activities:		
Net Income (Loss)	$ (681,146)	$ (786,604)
Depreciation and amortization	1,024	30,206
Foreign exchange loss	4,267	-
Stock issued for licenses, services, and other assets	64,000	352,000
Stock issued for payment interest	3,022	3,120
Loss on debt conversion	76,929	253,658
Stock issued for payment of expenses	14,400	-
(Increase) decrease in prepaid expenses	(7,530)	3,111
Increase (decrease) in Accounts Payable & accrued expenses	342,773	(89,317)
Increase (decrease) in interest payable	(3,589)	13,831
Net Cash Flows (used) in operations	(185,850)	(219,995)
Cash Flows From Investing Activities:		
Purchase of equipment	(22,295)	(2,343)
Net Cash Flows (used) in Investing activities	(22,295)	(2,343)
Cash Flows From Financing Activities:		
Proceed from note payable	188,444	131,150
Note payable used to pay expenses	13,962	-
Note payable used to pay origionation fees & interest	9,347	8,850
Sale of common stock	63,912	104,128
Net Cash Flows provided by financing activities	275,665	244,128
Net Increase (Decrease) In Cash and cash equivalents	67,520	21,790
Foreign currency translation adjustment	3,795	1,334
Cash and cash equivalents at beginning of period	57,453	50,798
Cash and cash equivalents at end of period	$ 128,768	$ 73,922
Supplementary Disclosure Of Cash Flow Information:		
Stock issued for services, licenses and other assets	$ 78,400	$ 100,000
Stock issued for note conversions including interest	$ 128,451	$ 377,814
Cash paid for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -

See Accompanying Notes To These Financial Statements.

Note 1 – Description of Business

Mountain West Business Solutions, Inc. (“MWBS”) was incorporated on August 31, 2006, in the State of Colorado. Sunshine Etopo, Inc. (formerly Sunshine Biopharma, Inc.) was incorporated in the State of Colorado on August 17, 2009. Effective October 15, 2009, MWBS was acquired by Sunshine Etopo, Inc. in a transaction classified as a reverse acquisition. MWBS concurrently changed its name to Sunshine Biopharma, Inc. Sunshine Etopo, Inc. has been inactive and was recently dissolved. In July 2014, the Company formed a wholly owned Canadian subsidiary, Sunshine Biopharma Canada Inc. The financial statements represent the consolidated activity of Sunshine Biopharma, Inc. and Sunshine Biopharma Canada Inc. (hereinafter together referred to as the "Company"). The Company was formed for the purposes of conducting research, development and commercialization of drugs for the treatment of various forms of cancer. The Company may also engage in any other business that is permitted by law, as designated by the Board of Directors of the Company.

The Company’s wholly owned Canadian subsidiary, Sunshine Biopharma Canada Inc. (“Sunshine Canada”), was formed for the purposes of offering generic pharmaceutical products in Canada and elsewhere around the world. Sunshine Canada recently signed licensing agreements to offer four (4) generic prescription drugs for treatment of breast cancer, prostate cancer and BPH (Benign Prostatic Hyperplasia). In addition, Sunshine Canada is currently evaluating several other generic products for in-licensing and is working on securing a Drug Establishment License (“DEL”) and a Drug Identification Number (“DIN”) per product from Health Canada. Once the DEL and the DIN’s are secured, Sunshine Canada will begin its generic pharmaceuticals marketing and sales program in Canada and overseas.

In addition, the Company has been and continues to work on the development of its proprietary anticancer drug, Adva-27a. The next series of steps in the development of Adva-27a include (i) GMP-manufacturing of a 2-kilogram quantity of the drug, (ii) completing requisite IND-enabling studies, and (iii) conducting Phase I clinical trials. In the preclinical studies, Adva-27a was shown to be effective at destroying multidrug resistant cancer cells including Pancreatic Cancer, Breast Cancer, Lung Cancer and Uterine Sarcoma, cells.

During the last three month period the Company has continued to raise money through stock sales and borrowings.

The Company’s activities are subject to significant risks and uncertainties, including failing to secure additional funding to operationalize the Company’s generics business and proprietary drug development program.

Note 2 – Summary of Significant Accounting Policies

This summary of significant accounting policies is presented to assist the reader in understanding the Company's financial statements. The consolidated financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The more significant estimates and assumptions made by management are valuation of equity instruments, depreciation of property and equipment, and deferred tax asset valuation. Actual results could differ from those estimates as the current economic environment has increased the degree of uncertainty inherent in these estimates and assumptions.

CASH AND CASH EQUIVALENTS

For the Balance Sheets and Statement of Cash Flows, all highly liquid investments with maturity of 90 days or less are considered to be cash equivalents. The Company had a cash balance of $128,768 and $57,453 as of June 30, 2017 and December 31, 2016, respectively. At times such cash balances may be in excess of the FDIC limit of $250,000.

EARNINGS PER SHARE

The Company has adopted the FASB ASC Topic 260 regarding earnings / loss per share, which provides for calculation of “basic” and “diluted” earnings / loss per share. Basic earnings / loss per share includes no dilution and is computed by dividing net income / loss available to common shareholders by the weighted average common shares outstanding for the period. Diluted earnings / loss per share reflect the potential dilution of securities that could share in the earnings of an entity similar to fully diluted earnings / loss per share.

Other than the Notes Payable specified under Note 4 and Note 5 below, there were no potentially dilutive instruments outstanding during the interim period ended June 30, 2017 or the year ended December 31, 2016.

INCOME TAXES

The Company follows the asset and liability method of accounting for deferred income taxes. The asset and liability method requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between financial accounting and tax bases of assets and liabilities. The Company accounts for income taxes pursuant to ASC 740. There was no increase in liabilities for unrecognized tax benefits as a result of this implementation. The Company recognizes accrued interest related to unrecognized tax benefits in interest expense and penalties in general and administrative expense.

FUNCTIONAL CURRENCY

The U.S. dollar is the functional currency of the Company which is operating in the United States. The functional currency for the Company's Canadian subsidiary is the Canadian dollar. The Company translates its Canadian subsidiary's financial statements into U.S. dollars as follows:

- Assets and liabilities are translated at the exchange rate in effect as of the financial statement date.
- Income statement accounts are translated using the weighted average exchange rate for the period.

The Company includes translation adjustments from currency exchange and the effect of exchange rate changes on intercompany transactions of a long-term investment nature as a separate component of shareholders' equity. There are currently no transactions of a long-term investment nature, nor any gains or losses from non-U.S. currency transactions.

REVENUE RECOGNITION

Since inception, the Company has been focused on the research, development and commercialization of drugs for the treatment of various forms of cancer. Following its recent entry into the generic pharmaceuticals business, the Company has become a fully integrated pharmaceutical company offering generic and proprietary drugs for the treatment of cancer and other acute and chronic indications. The Company intends to recognize revenues from the sales of generic pharmaceuticals, if or when they occur, at the time the products are sold and collectability is assured. In the event the Company provides consulting services in the future, revenues from such services will be recognized when the services are rendered and invoiced.

GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Since inception, the Company has had recurring operating losses and negative operating cash flows. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The Company's continuation as a going concern is dependent on its ability to obtain additional financing to fund operations, implement its business model, and ultimately, attain profitable operations. The Company will need to secure additional funds through various means, including equity and debt financing or any similar financing. There can be no assurance that the Company will be able to obtain additional equity or debt financing, if and when needed, on terms acceptable to the Company, or at all. Any additional equity or debt financing may involve substantial dilution to the Company's stockholders, restrictive covenants or high interest costs. The Company's long-term liquidity also depends upon its ability to generate revenues and achieve profitability.

The accompanying financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

See the Notes in the 2016 Form 10-K consolidated financial statements for a complete summary of the Company's significant accounting policies.

Note 3 – Unaudited Financial Information

The unaudited financial information included for the three and six month interim period ended June 30, 2017 was taken from the books and records of the Company without audit. However, such information reflects all adjustments, consisting only of normal recurring adjustments, which in the opinion of management are necessary to reflect properly the results of the interim periods presented. The results of operations for the three and six month interim period ended June 30, 2017 are not necessarily indicative of the results expected for the fiscal year ending December 31, 2017.

Note 4 – Notes Payable

A Note Payable having a face value of $21,439 and a maturity date of December 31, 2017 was entered into on December 31, 2016. This Note accrues interest at a rate of 12% per annum and is convertible after December 31, 2016 into $0.001 par value Common Stock at a price 35% below market value. The Company estimates that the fair value of this convertible debt approximates the face value, so no value has been assigned to the beneficial conversion feature.

On February 10, 2017, the Company received net proceeds of $48,000 in exchange for a note payable having a face value of $50,000 and accruing interest at the rate of 8% per annum. The note, due on November 20, 2017, is convertible after 180 days from issuance into $0.001 par value Common Stock at a price 39% below market value. The Company estimates that the fair value of this convertible debt approximates the face value, so no value has been assigned to the beneficial conversion feature.

On April 1, 2017, the Company received $100,000 Canadian ($76,923 US) in exchange for a note payable having a face value of $100,000 Canadian accruing interest at the rate of 9% per annum. The note, due on April 1, 2019, is convertible any time after April 1, 2017 into $0.001 par value Common Stock at a price of $0.015 Canadian (approximately $0.012 US) per share. Payments on this note are comprised of interest only amounts due and payable on the last day of each calendar quarter. The Company estimates that the fair value of this convertible debt approximates the face value, so no value has been assigned to the beneficial conversion feature.

On April 26, 2017, the Company received net proceeds of $63,000 in exchange for a note payable having a face value of $65,000 and accruing interest at the rate of 8% per annum. The note, due on April 26, 2018, is convertible after 180 days from issuance into $0.001 par value Common Stock at a price 35% below market value. The Company estimates that the fair value of this convertible debt approximates the face value, so no value has been assigned to the beneficial conversion feature.

At June 30, 2017 and December 31, 2016, accrued interest on Notes Payable was $5,422 and $9,011, respectively.

Note 5 – Notes Payable Related Party

In December 2016, the Company received monies from its CEO in exchange for a note payable having a principal amount of $90,000 Canadian ($67,032 US) with interest at 12% due March 31, 2017. The note when issued, was convertible any time after the date of issuance into $0.001 par value Common Stock at a price 35% below market value. The Company estimated that the fair value of the convertible debt approximates the face value, so no value has been assigned to the beneficial conversion feature. Any gain or loss will be recognized at conversion. This note is collateralized by all of the assets of the Company. In the event of default, the interest rate will increased to 18% per annum and a penalty of $1,000 Canadian ($752 US) per day will accrue. On March 31, 2017, the note, together with accrued interest of $3,021 Canadian ($2,271 US) and an additional principal amount of $3,000 Canadian ($2,247 US) paid to the Company on March 28, 2017, was renewed for a 90-day period under the same terms and conditions as the original note. The new note now having a face value of $96,021 Canadian ($72,198 US) was due on June 30, 2017. On June 30, 2017, the note, together with accrued interest of $2,873 Canadian ($2,005 US), was renewed for a 90-day period under the same terms and conditions as the original note except that the new note is non-convertible. The new note now having a face value of $98,894 Canadian ($76,072 US) is due on September 30, 2017.

A note payable held by a private individual who became a principal shareholder of the Company having a principal balance of $100,000 at December 31, 2016 and a maturity date of March 31, 2017, accrues interest at 12%. The Note is convertible any time from the date of issuance into $0.001 par value Common Stock at a 35% discount from market price. The Company estimates that the fair value of this convertible debt approximates the face value, so no value has been assigned to the beneficial conversion feature. On March 31, 2017, the note's principal balance of $100,000 plus accrued interest of $11,715 was renewed for a period of 90-day under the same terms and conditions as the original note. The new note now having a face value of $111,715 matures on June 30, 2017. On June 30, 2017, the note's principal balance of $111,715 plus accrued interest of $3,342 was renewed for a period of 90-days under the same terms and conditions as the original note. The new note now having a face value of $115,057 matures on September 30, 2017.

Note 6 – Issuance of Common Stock

During the six months ended June 30, 2017, the Company issued a total of 99,194,792 shares of $0.001 par value Common Stock. Of these, 42,528,125 shares valued at $128,451 were issued upon conversion of outstanding notes payable, reducing the debt by $48,500 and interest payable by $3,022 and generating a loss on conversion of $76,929. The remaining 56,666,667 shares were issued by the Company as follows:

- 6,000,000 shares for $15,000 Canadian ($11,278 US). The $15,000 Canadian was paid directly to a firm which was engaged to conduct a valuation of the Company's assets.
- 34,000,000 shares for cash of $85,000 Canadian ($63,912 US).
- 6,666,667 shares purchase of laboratory equipment valued at $22,000.
- 10,000,000 shares for services valued at $42,000.

In events subsequent to the June 30, 2017 period end, the Company issued 42,000,000 shares of Common Stock to its Directors for services rendered to the Company, 4,337,500 shares for purchase of laboratory equipment and 2,717,391 for consulting services. See Note 13, below.

The Company declared no dividends through June 30, 2017.

Note 7 – Earnings (Loss) Per Share

Earnings (loss) per share is computed using the weighted average number of Common Shares outstanding during the period. The Company has adopted ASC 260 (formerly SFAS128), "Earnings per Share".

Note 8 – Generic Drugs Licenses

In 2016, the Company entered into License Agreements for the following four Generic Drugs:

- Anastrozole (brand name Arimidex® by AstraZenica) for treatment of Breast Cancer
- Letrozole (brand name Femara® by Novartis) for treatment of Breast Cancer
- Bicalutamide (brand name Casodex® by AstraZenica) for treatment of Prostate Cancer
- Finasteride (brand name Propecia® by Merck) for treatment of Benign Prostatic Hyperplasia

The cost of these Licenses has been fully expensed.

Note 9 – Financial Statements

For a complete set of footnotes, reference is made to the Company's Report on Form 10-K for the year ended December 31, 2016, as filed with the Securities and Exchange Commission and the audited financial statements and notes included therein.

Note 10 – Income Taxes

Deferred income taxes arise from the temporary differences between financial statement and income tax recognition of net operating losses and other items. Loss carryovers are limited under the Internal Revenue Code should a significant change in ownership occur.

A deferred tax asset at each date has been offset by a 100% valuation allowance.

Note 11 – Royalties Payable

As part of a subscription agreement entered into in 2016, the Company has an obligation to pay a royalty of 5% of net sales on one of its generic products (Anastrozole) for a period of three (3) years from the date of the first sale of that product. To date, no sales have been made and no royalty has been paid.

Note 12 – Related Party Transactions

In addition to the related party transactions detailed in Note 5 above, during the six month period ended June 30, 2017, the Company paid its Officers and Directors cash compensation totaling $49,465. $8,019 was paid to the Company's COO and $41,446 was paid to the Company's CEO.

During the fiscal year ended December 31, 2016, Advanomics Corporation paid on behalf of the Company $13,725 Canadian in patenting fees. Advanomics was fully reimbursed by the Company in January 2017. Certain members of the Company's management, including Dr. Steve N. Slilaty, the Company's President, CEO and a Director and Camille Sebaaly, the Company's CFO, Secretary and a Director, hold similar positions with Advanomics Corporation.

At June 30, 2017, the Company had accrued $336,000 in compensation to the Company's directors. This balance was subsequently satisfied by the issuance of shares of the Company's Common Stock. See Note 13, below.

Note 13 – Subsequent Events

On July 20, 2017, the Company issued the three members of its Board of Directors 42,000,000 shares of $0.001 Common Stock valued at $336,000 or $0.008 per share for services rendered to the Company in 2017.

On July 20, 2017, the Company issued 4,337,500 shares of its $0.001 par value Common Stock for the purchase of laboratory equipment valued at $34,700.

On July 24, 2017, the Company issued 2,717,391 shares of its $0.001 Common Stock valued at $21,739 or $0.008 per share for $25,000 consulting services rendered to the Company in June 2017. The Company will recognize a gain of $3,261 on the settlement of this obligation, the difference between the value of the stock issued at July 20, 2017 and the amount of the invoice.

On August 3, 2017, the Company received monies in exchange for a convertible note payable having a face value of $80,000.

On August 4, 2017, the Company issued payment in the amount of $67,422 to pay off a note payable having a principal amount of $50,000, accrued interest of $1,863 and prepayment penalty of $15,559. The note had a maturity date of November 20, 2017.

PART I.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our consolidated financial statements and notes thereto included herein. In connection with, and because we desire to take advantage of, the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, we caution readers regarding certain forward looking statements in the following discussion and elsewhere in this report and in any other statement made by, or on our behalf, whether or not in future filings with the Securities and Exchange Commission. Forward looking statements are statements not based on historical information and which relate to future operations, strategies, financial results or other developments. Forward looking statements are necessarily based upon estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control and many of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward looking statements made by, or on our behalf. We disclaim any obligation to update forward looking statements.

Overview and History

We were incorporated in the State of Colorado on August 31, 2006 under the name "Mountain West Business Solutions, Inc." Until October 2009, our business was to provide management consulting with regard to accounting, computer and general business issues for small and home-office based companies. Effective October 15, 2009, we executed an agreement to acquire Sunshine Biopharma, Inc., a Colorado corporation, in exchange for the issuance of 21,962,000 shares of our Common Stock and 850,000 shares of Convertible Preferred Stock, each convertible into twenty (20) shares of our Common Stock. As a result of this transaction we changed our name to "Sunshine Biopharma, Inc. and our officers and directors resigned their positions with us and were replaced by our current management. The majority of the Common Shares and all of the Convertible Preferred Shares we issued for this transaction were issued to Advanomics Corporation, a privately held Canadian company ("Advanomics"). On December 21, 2011, Advanomics exercised its right to convert the 850,000 shares of Series "A" Preferred Stock it held in our Company into 17,000,000 shares of Common Stock.

Following the above detailed transactions, we began to operate as a pharmaceutical company focusing on development of the Adva-27a anticancer compound. We operated under a the exclusive technology license agreement with Advanomics until December 2015, at which time we acquired all of the worldwide right to the technology and became direct owner of all issued and pending patents pertaining to the Adva-27a technology. Following acquisition of the Adva-27a patents, the exclusive license agreement with Advanomics was terminated and Sunshine Etopo, Inc., Sunshine Biopharma Inc.'s subsidiary holding the exclusive license with Advanomics, was dissolved.

In July 2014, we formed a wholly owned Canadian subsidiary, Sunshine Biopharma Canada Inc. ("Sunshine Canada"), for the purposes of offering generic pharmaceutical products in Canada and elsewhere around the globe. Sunshine Canada has recently signed licensing agreements for four (4) generic prescription drugs for the treatment of cancer and BPH (Benign Prostatic Hyperplasia).

With our entry into the generic pharmaceuticals business, we have become a fully integrated pharmaceutical company offering generic and proprietary drugs for the treatment of cancer and other acute and chronic indications.

Effective August 1, 2017 we moved our principal place of business to 6500 Trans-Canada Highway, 4th Floor, Pointe-Claire, Quebec, Canada H9R 0A5. Our new phone number is (514) 426-6161 and our website address is www.sunshinebiopharma.com.

We have not been subject to any bankruptcy, receivership or similar proceeding.

Results Of Operations

Comparison of Results of Operations for the three months ended June 30, 2017 and 2016

For the three months ended June 30, 2017 and 2016, we did not generate any revenues.

General and administrative expenses during the three month period ended June 30, 2017 remained relatively consistent with the prior period in 2016. G&A expenses were $472,218, compared to general and administrative expense of $471,313 incurred during the three month period ended June 30, 2016, an increase of only $905. The various components of our general and administrative expense varied significantly from prior results of operations. Specifically, consulting fees decreased by $84,309 during the three months ended June 30, 2017, compared to the similar period in 2016 as a result of shifting of the services rendered towards the less costly development of our generic pharmaceuticals business. Also, as a result of shifting our current efforts towards the development of our Generic Pharmaceuticals operations, we incurred no research & development expenses during the three months ended June 30, 2017, compared to an expenditure of $32,793 during the similar period in 2016. See "Plan of Operation" below. In addition, we saw a decrease of $14,456 in our amortization & depreciation due to write-downs. The general and administrative expense categories that saw an increase during the three months ended June 30, 2017, compared to the similar period in 2016 included executive compensation, legal fees and accounting fees. Executive compensation increased by $93,072, legal fees by $12,230 and accounting fees by $42,246. The increase in our accounting fees was due to the fact that we paid for all of the bookkeeping services required in 2017 in one lump-sum payment through stock issuance in the second quarter of 2017. Our interest expense of $9,598 during the three months ended June 30, 2017 was relatively unchanged from the $9,997 incurred during the similar period in 2016. Finally, we incurred no losses arising from debt conversion during the three months ended June 30, 2017 and 2016.

As a result, we incurred a net loss of $485,444 ($0.00 per share) for the three month period ended June 30, 2017, compared to a net loss of $481,310 ($0.00 per share) during the three month period ended June 30, 2016.

Comparison of Results of Operations for the six months ended June 30, 2017 and 2016

For the six months ended June 30, 2017 and 2016, we did not generate any revenues.

General and administrative expenses during the six month period ended June 30, 2017 were also consistent to expenses incurred during the similar period in 2016, as we incurred $581,208 in G&A expense, compared to general and administrative expense of $540,995 incurred during the six month period ended June 30, 2016, an increase of $40,213. Some components of our general and administrative expense increased while others decreased during the six month period ended June 30, 2017, compared to the corresponding period of 2016. The expense categories that saw an increase included accounting fees and executive compensation. The increase of $51,046 in accounting fees during the six months ended June 30, 2017, compared to the similar period in 2016 was due to the fact that we paid for all of the bookkeeping services required in 2017 in one lump-sum payment through stock issuance in the second quarter of 2017. The categories that saw a decrease during the six months ended June 30, 2017, compared to the similar period in 2016 were consulting fees and research & development expenses. The decrease of $72,556 in consulting fees and $32,793 in research & development expenses were a result of the shifting of the services rendered to us towards the development of the less costly Generic Pharmaceuticals business. See "Plan of Operation" below. Most of our other expenses remained relatively constant during the six month period ended June 30, 2017 compared to the similar period in 2016. We incurred $18,742 in interest expense during the six months ended June 30, 2017, compared to $16,951 in interest expense during the similar period in 2016. However, we incurred $76,929 in losses arising from debt conversion during the six months ended June 30, 2017, compared to $253,658 in losses from debt conversion during the similar period in 2016, a difference of $176,729 as a result of a smaller amount of convertible notes outstanding. We also received $25,000 from the settlement of litigation in 2016 that we did not receive during the six months ended June 30, 2017.

As a result, we incurred a net loss of $681,146 ($0.00 per share) for the six month period ended June 30, 2017, compared to a net loss of $786,604 ($0.00 per share) during the six month period ended June 30, 2016.

Because we did not generate any revenues during the six months ended June 30, 2017, following is our Plan of Operation.

PLAN OF OPERATION

Since inception, we have been operating as a pharmaceutical company focused on the research, development and commercialization of proprietary drugs for the treatment of various forms of cancer. In July 2014, we formed Sunshine Biopharma Canada Inc., a Canadian wholly owned subsidiary, for the purposes of conducting generic pharmaceuticals business in Canada and elsewhere around the world. During 2016, we intensified our activities in the generic pharmaceuticals area as we continued to pursue our proprietary anticancer drug development efforts. Accordingly, we have become a fully integrated pharmaceutical company offering generic and proprietary drugs for the treatment of cancer and other acute and chronic indications. Below we describe our Generic Pharmaceuticals operations followed by our Proprietary Drug Development Program.

GENERIC PHARMACEUTICALS OPERATIONS

In 2016, our Canadian wholly owned subsidiary, Sunshine Biopharma Canada Inc. ("Sunshine Canada"), signed Cross Referencing Agreements with a major pharmaceutical company for four prescription generic drugs for the treatment of Breast Cancer, Prostate Cancer and Enlarged Prostate. We will market and sell these new pharmaceutical products under our own Sunshine Biopharma label. These four generic products are as follows:

- Anastrozole (brand name Arimidex® by AstraZeneca) for treatment of Breast Cancer;
- Letrozole (brand name Femara® by Novartis) for treatment of Breast Cancer;
- Bicalutamide (brand name Casodex® by AstraZenica) for treatment of Prostate Cancer;
- Finasteride (brand name Propecia® by Merck) for treatment of BPH (Benign Prostatic Hyperplasia)

Worldwide sales of the brand name version of these products as reported in the SEC filing of the respective owner of the registered trademark are as follows:

- Arimidex® $232M in 2016
- Femara® $380M in 2014
- Casodex® $247M in 2016
- Propecia® $183M in 2015

On June 12, 2017, Sunshine Canada submitted an application to Health Canada for the procurement of a Drug Establishment License ("DEL"), a requirement for the Company's drug handling and pharmaceutical operations. Health Canada has assigned the Company DEL Application No. 3-002475 and File No. 17938. Sunshine Canada is currently awaiting Health Canada to set a date for physical inspection of our warehouse and drug management operations which we have set up at the facility of our strategic alliance partner, Atlas Pharma Inc. In addition, Sunshine Canada is currently in the process of preparing the documentation for filing applications for a Drug Identification Number ("DIN") for each of its four (4) generic products, SBI-Anastrozole, SBI-Letrozole, SBI-Bicalutamide and SBI-Finasteride. We cannot estimate the timing for our obtaining the DEL and the DIN's due to variables involved that are out of our control. The Figure below shows our 30-Pill blister pack of Anastrozole.

We currently have twenty three (23) additional Generic Pharmaceuticals under review for in-licensing. While no assurances can be provided, when completed, this will bring our Generic Products portfolio to a total of twenty seven (27). We believe that a larger product portfolio provides us with more opportunities and a greater reach into the marketplace. We hope to further build our generics portfolio of "SBI" label Generic Pharmaceuticals over time.

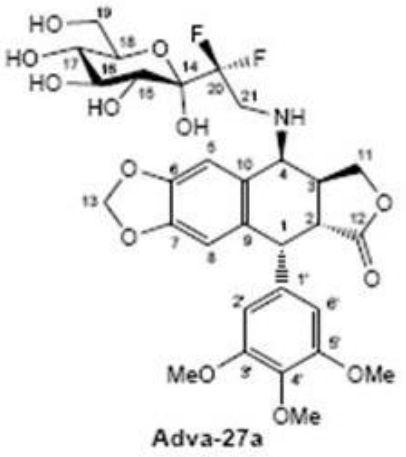
Various publicly available sources indicate that the worldwide sales of generic pharmaceuticals are approximately $200 billion per year. In the United States and Canada, the sales of generic pharmaceuticals are approximately $50 billion and $5 billion, respectively. The generic pharmaceuticals business is fairly competitive and there are several multinational players in the field including Teva (Israel), Novartis - Sandoz (Switzerland), Hospira (USA), Mylan (Netherlands), Sanofi (France), Fresenius Kabi (Germany) and Apotex (Canada). While no assurances can be provided, with our offering of Canadian approved products we believe that we will be able to access at least a small percentage of the generic pharmaceuticals marketplace.

As part of a subscription agreement, we have an obligation to pay a royalty of 5% of net sales on one of our generic products (Anastrozole) for a period of three (3) years from the date of the first sale of that product.

While no assurances can be provided and subject to the availability of adequate financing, of which there is no assurance, we anticipate that profits from the sales of Generic Products will be used to finance our proprietary drug development program, including Adva-27a, our flagship anticancer compound. In addition to near-term revenue generation, building the generics business infrastructure and securing the proper permits will render us appropriately positioned for the marketing and distribution of our proprietary Adva-27a drug candidate, provided that Adva-27a is approved for such marketing and distribution, of which there can be no assurance.

PROPRIETARY DRUG DEVELOPMENT OPERATIONS

Our proprietary drug development activities have been focused on the development of a small molecule called Adva-27a for the treatment of aggressive cancers. A Topoisomerase II inhibitor, Adva-27a has been shown to be effective at destroying Multidrug Resistant cancer cells including Pancreatic Cancer cells, Breast Cancer cells, Small-Cell Lung Cancer cells and Uterine Sarcoma cells (Published in ANTICANCER RESEARCH, Volume 32, Pages 4423-4432, October 2012). Sunshine Biopharma is direct owner of all issued and pending worldwide patents pertaining to Adva-27a including U.S. Patent Number 8,236,935. See "Part I, Item 1 – Business - Intellectual Property."



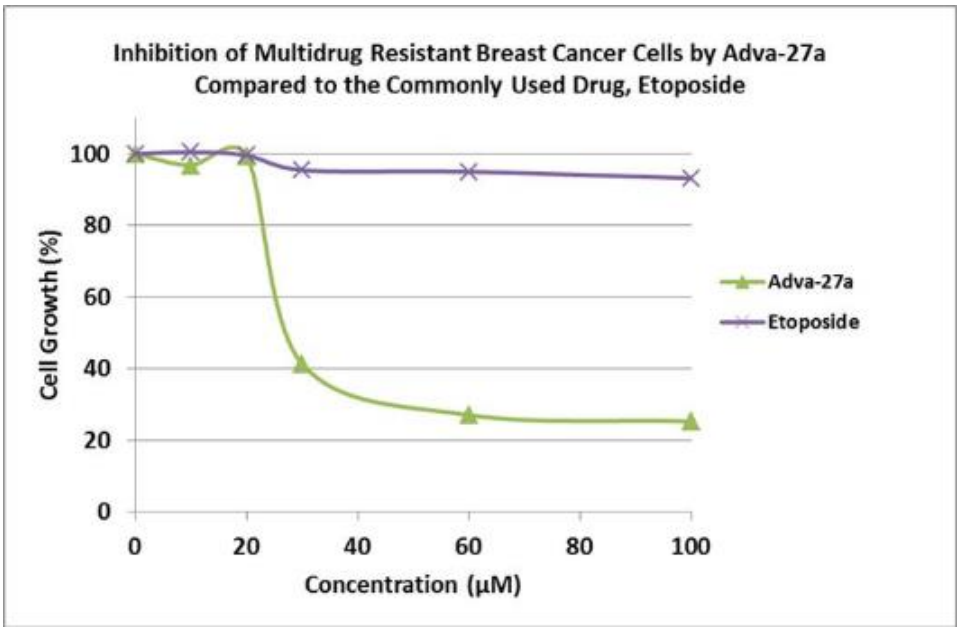
Adva-27a

Summary of Adva-27a Preclinical Studies

Adva-27a is a GEM-difluorinated C-glycoside derivative of Podophyllotoxin. Another derivative of Podophyllotoxin called Etoposide is currently on the market and is used to treat various types of cancer including leukemia, lymphoma, testicular cancer, lung cancer, brain cancer, prostate cancer, bladder cancer, colon cancer, ovarian cancer, liver cancer and several other forms of cancer. Etoposide is one of the most widely used anticancer drugs. Adva-27a and Etoposide are similar in that they both attack the same target in cancer cells, namely the DNA unwinding enzyme, Topoisomerase II. Unlike Etoposide, and other anti-tumor drugs currently in use, Adva-27a is able to destroy Multidrug Resistant Cancer cells. Adva-27a is the only compound known today that is capable of destroying Multidrug Resistant Cancer. In addition, Adva-27a has been shown to have distinct and more desirable biological and pharmacological properties compared to Etoposide. In side-by-side studies using Multidrug Resistant Breast Cancer cells and Etoposide as a reference, Adva-27a showed markedly improved cell killing activity (see Figure below). Our preclinical studies to date have shown that:

- Adva-27a is effective at killing different types of Multidrug Resistant cancer cells, including Pancreatic Cancer Cells (Panc-1), Breast Cancer Cells (MCF-7/MDR), Small-Cell Lung Cancer Cells (H69AR), and Uterine Sarcoma Cells (MES-SA/Dx5).
- Adva-27a is unaffected by P-Glycoprotein, the enzyme responsible for making cancer cells resistant to anti-tumor drugs.
- Adva-27a has excellent clearance time (half-life = 54 minutes) as indicated by human microsomes stability studies and pharmacokinetics data in rats.
- Adva-27a clearance is independent of Cytochrome P450, a mechanism that is less likely to produce toxic intermediates.
- Adva-27a is an excellent inhibitor of Topoisomerase II with an IC50 of only 13.7 micromolar (this number has recently been reduce to 1.44 micromolar as a result of resolving the two isomeric forms of Adva-27a).
- Adva-27a has shown excellent pharmacokinetics profile as indicated by studies done in rats.
- Adva-27a does not inhibit tubulin assembly.

These and other preclinical data have been published in ANTICANCER RESEARCH, a peer-reviewed International Journal of Cancer Research and Treatment. The publication which is entitled "Adva-27a, a Novel Podophyllotoxin Derivative Found to Be Effective Against Multidrug Resistant Human Cancer Cells" [ANTICANCER RESEARCH 32: 4423-4432 (2012)] is available on our website at www.sunshinebiopharma.com.



Clinical Development Path

The early stage preclinical studies for our lead compound, Adva-27a, were successfully completed and the results have been published in ANTICANCER RESEARCH 32: 4423-4432 (2012). We have been delayed in our implementation of our clinical development program due to lack of funding. Our fund raising efforts are continuing and as soon as adequate financing is in place we will continue our clinical development program of Adva-27a by conducting the next sequence of steps comprised of the following:

- GMP Manufacturing of 2 kilogram for use in IND-Enabling Studies and Phase I Clinical Trials
- IND-Enabling Studies
- Regulatory Filing (Fast-Track Status Anticipated)
- Phase I Clinical Trials (Pancreatic Cancer and in parallel Multidrug Resistant Breast Cancer)

GMP Manufacturing

In November 2014, we entered into a Manufacturing Services Agreement with Lonza Ltd. and Lonza Sales Ltd. (hereinafter jointly referred to as "Lonza"), whereby we engaged Lonza to be the manufacturer of our Adva-27a anticancer drug. In June 2015 we received a sample of the pilot manufacturing run for evaluation. Our laboratory analyses showed that, while the sample meets the required biological specifications, the amount of material generated (the "Yield") by the pilot run was found to be significantly lower than planned. During the course of our discussions concerning the problem of the low Yield, Lonza informed us that they required us to pay them $687,818 prior to moving forward with any activity pertaining to the manufacturing agreement we have with them. We have repeatedly indicated to Lonza that a clear path defining exactly how the extremely low Yield issue would be addressed is imperative prior to us making any payments. As of the date of this report, neither party has changed its position. See "Part I, Item 3 – Legal Proceedings."

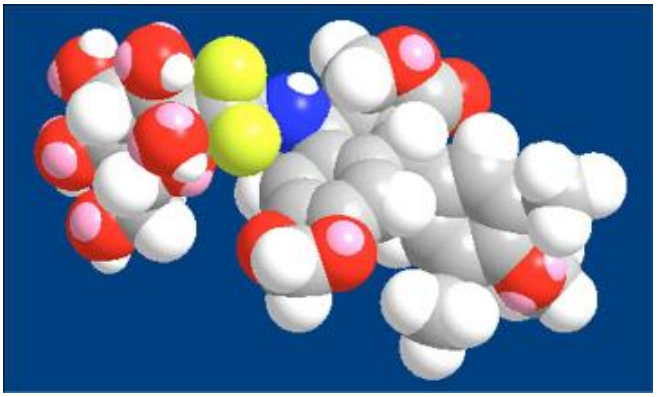
Clinical Trials

Adva-27a's initial indication will be pancreatic cancer for which there are currently little or no treatment options available. We have concluded an agreement with McGill University's Jewish General Hospital in Montreal, Canada to conduct Phase I clinical trials for this indication. All aspects of the planned clinical trials in Canada will employ FDA standards at all levels. Subject to obtaining the necessary financing, we now anticipate that Phase I clinical trials will commence in mid-2018 and we estimate that it will take 18 months to complete, at which time we expect to receive limited marketing approval for "compassionate-use" under the FDA and similar guidelines in Canada. See "Potential Near-Term Opportunities" below.

Potential Near-Term Opportunities

According to the American Cancer Society, nearly 1.5 million new cases of cancer are diagnosed in the U.S. each year. Given the terminal and limited treatment options available for the pancreatic cancer indication we are planning to study, we anticipate being granted limited marketing approval ("compassionate-use") for our Adva-27a following receipt of funding and a successful Phase I clinical trial. There are no assurances that either will occur. Such limited approval will allow us to make the drug available to various hospitals and health care centers for experimental therapy and/or "compassionate-use", thereby generating revenues in the near-term.

In addition, we believe that upon successful completion of Phase I Clinical Trials we may receive one or more offers from large pharmaceutical companies to buyout or license our drug at a significant premium. However, there are no assurances that our Phase I Trials will be successful, or if successful, that any pharmaceutical companies will make an acceptable offer to us. In the event we do not consummate such a transaction, we will require significant capital in order to complete the requisite additional clinical trials towards a potential full marketing approval, of which there can be no assurance.



A Space-Filling Model of Our Anticancer Compound, Adva-27a

Intellectual Property

Effective October 8, 2015, we executed a Patent Purchase Agreement (the "October Purchase Agreement"), with Advanomics, a related party, pursuant to which we acquired all of the right, title and interest in and to U.S. Patent Number 8,236,935 (the "US Patent") for our anticancer compound, Adva-27a. On December 28, 2015, we executed a second Patent Purchase Agreement (the "December Purchase Agreement"), with Advanomics, pursuant to which we acquired all of the right, title and interest in and to all of the remaining worldwide rights covered by issued and pending patents under PCT/FR2007/000697 and PCT/CA2014/000029 (the "Worldwide Patents") for our anticancer compound, Adva-27a.

Effective December 28, 2015, we entered into amendments (the "Amendments") of these Purchase Agreements pursuant to which the total purchase price was reduced from $17,142,499 to $618,810, the book value of this intellectual property on the financial statements of Advanomics. Further, the Amendments provided for automatic conversion of the promissory notes representing the new purchase price into an aggregate of 321,305,415 shares of our Common Stock once we increase our authorized capital such that these shares can be issued. In July 2016 we increased our authorized capital and issued the 321,305,415 Common shares to Advanomics thereby completing all aspects of the patent purchase arrangements and securing direct ownership of all worldwide patents and rights pertaining to Adva-27a.

In addition, in 2016 we signed Cross Referencing Agreements with a major pharmaceutical company for four (4) prescription generic drugs for the treatment of Breast Cancer, Prostate Cancer and Enlarged Prostate. These agreements give us the right to register the four (4) generic products, Anastrozole, Letrozole, Bicalutamide and Finasteride in Canada under our own label and obtain a DIN for each in order to be able to place them on the market.

While no assurances can be provided, we are also planning to expand our product line through acquisitions and/or in-licensing as well as in-house research and development.

Liquidity and Capital Resources

As of June 30, 2017, we had cash or cash equivalents of $128,768.

Net cash used in operating activities was $185,850 during the six month period ended June 30, 2017, compared to $219,995 for the six month period ended June 30, 2016. We anticipate that overhead costs and other expenses will increase in the future as we move forward with our proprietary drug development activities and our offering of generic pharmaceutical products as discussed above.

Cash flows from financing activities were $275,665 for the six month periods ended June 30, 2017, compared to $244,128 during the six months ended June 30, 2016. Cash flows used by investing activities were $22,295 and $2,343 for the six month periods ended June 30, 2017 and 2016, respectively.

During the six months ended June 30, 2017, we issued a total of 99,194,792 shares of $0.001 par value Common Stock. Of these, 42,528,125 shares valued at $128,451 were issued upon conversion of outstanding notes payable, reducing the debt by $48,500 and interest payable by $3,022 and generating a loss on conversion of $76,929. The remaining 56,666,667 shares were issued as follows:

- 6,000,000 shares for $15,000 Canadian ($11,278 US), which funds were paid directly to a firm engaged to conduct a valuation of the Company's assets.
- 34,000,000 shares for cash of $85,000 Canadian ($63,912 US).
- 6,666,667 shares for purchase of laboratory equipment valued at $22,000.
- 10,000,000 shares for bookkeeping services required by the Company during 2017.

In addition, during the six months ended June 30, 2017, we engaged in the following debt transactions:

- On February 10, 2017, we received monies in exchange for a convertible note payable having a face value of $50,000.
- On April 1, 2017, we received monies in exchange for a convertible note payable having a face value of $100,000 Canadian (approximately $75,190 US).
- On April 26, 2017, we received monies in exchange for a convertible note payable having a face value of $65,000.

We are not generating revenue from our operations, and our ability to implement our business plan as set forth herein will depend on the future availability of financing. Such financing will be required to enable us to further develop our generic pharmaceuticals business and proprietary drug development program. We intend to raise funds through private placements of our Common Stock and/or debt financing. We estimate that we will require approximately $6 million ($1 million for the generic pharmaceutical operations and $5 million for the proprietary drug development program) to fully implement our business plan in the future and there are no assurances that we will be able to raise this capital. While we are engaged in discussions with various investment banking firms and venture capitalists to provide us these funds, as of the date of this report we have not reached any agreement with any party that has agreed to provide us with the capital necessary to effectuate our business plan. Our inability to obtain sufficient funds from external sources when needed will have a material adverse effect on our plan of operation, results of operations and financial condition.

Our cost to continue operations as they are now conducted is nominal, but these are expected to increase as we move forward with implementation of our business plan. We do not have sufficient funds to cover the anticipated increase in the relevant expenses. We need to raise additional funds in order to continue our existing operations to finance our plans to expand our operations for the next year. If we are successful in raising additional funds, we expect our operations and business efforts to continue and expand. There are no assurances this will occur.

Independent Valuation

We had previously reported in our Form 10-K for our fiscal year ended December 31, 2016 and Form 10-Q for the three months ended March 31, 2017, that pursuant to terms included in certain Subscription Agreements with us we had undertaken to obtain a valuation report (the "Report") on our issued and outstanding shares by an independent valuation firm. To comply with this obligation, on March 9, 2017, we engaged MNP LLP ("MNP") to provide us with such Report.

On June 22, 2017, MNP issued its Report, which arrived at an estimated en bloc Fair Market Value at March 31, 2017 (the "Valuation Date"), of our issued and outstanding shares, in the range of $977.0 million to $1,133.0 million.

MNP is one of the largest public accountancy firms in Canada (www.mnp.ca). The Montréal Valuation Practice (the "Practice") is engaged in the valuation of businesses, business ownership interests, and securities and intangible assets in connection with business combinations, distributions of listed and unlisted securities, private placements, exchanges of shares, corporate and financial reorganizations, going-private transactions, leveraged buy-outs, fair value measurement of assets and liabilities for purchase price allocation and annual impairment testing for financial reporting pursuant to generally-accepted accounting principles both in Canada and the United States. The Practice has performed more than 3,000 valuations of public and private companies throughout Canada and in the United States during the past thirty years. Members of the Practice have also been playing an active role in the Canadian and U.S. professional societies of which they are accredited members, including serving on governing boards and standards promulgating committees.

MNP is not an insider, associate, or affiliate of our Company or any of our affiliates, associates, or shareholders (collectively, the "Interested Parties"). MNP does not own shares in our Company, nor does it have any agreements, commitments, or undertakings in respect of any future business involving any of the Interested Parties. MNP's professional fees for services rendered in preparing the Report were not contingent, in whole or in part, on the conclusions reached therein and were based strictly on the professional time expended on the engagement at their standard hourly rates.

The results of this valuation have not been used in the preparation of our financial statements.

Subsequent Events

On July 20, 2017, we issued the three members of our Board of Directors 42,000,000 shares of $0.001 Common Stock valued at $336,000 or $0.008 per share for services rendered to us in 2017.

On July 20, 2017, we issued 4,337,500 shares of our $0.001 par value Common Stock for the purchase of laboratory equipment valued at $34,700.

On July 24, 2017, we issued 2,717,391 shares of our $0.001 Common Stock valued at $21,739, or $0.008 per share, for $25,000 of consulting services rendered to us in June 2017. We will recognize a gain of $3,261 on the settlement of this obligation, the difference between the value of the stock issued at July 20, 2017 and the amount of the invoice.

On August 3, 2017, we received monies in exchange for a convertible note payable having a face value of $80,000.

On August 4, 2017, we issued payment in the amount of $67,422 to pay off a note payable having a principal amount of $50,000, accrued interest of $1,863 and prepayment penalty of $15,559. The note had a maturity date of November 20, 2017.

INFLATION

Although our operations are influenced by general economic conditions, we do not believe that inflation had a material effect on our results of operations during the six month period ended June 30, 2017.

CRITICAL ACCOUNTING ESTIMATES

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these consolidated financial statements requires us to make estimates and judgments that affect the amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The following represents a summary of our critical accounting policies, defined as those policies that we believe are the most important to the portrayal of our financial condition and results of operations and that require management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We are a smaller reporting company and are not required to provide the information under this item pursuant to Regulation S-K.

ITEM 4. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures – Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of the end of the period covered by this Report.

These controls are designed to ensure that information required to be disclosed in the reports we file or submit pursuant to the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission, and that such information is accumulated and communicated to our management, including our CEO/CFO to allow timely decisions regarding required disclosure.

Based on this evaluation, our CEO and CFO have concluded that our disclosure controls and procedures were not effective as of June 30, 2017, at reasonable assurance level, for the following reasons:

- Ineffective control environment and lack of qualified full-time CFO who has SEC experience to focus on our financial affairs;

- Lack of qualified and sufficient personnel, and processes to adequately and timely identify making any and all required public disclosures;
- Deficiencies in the period-end reporting process and accounting policies;
- Inadequate internal controls over the application of new accounting principles or the application of existing accounting principles to new transactions;
- Inadequate internal controls relating to the authorization, recognition, capture, and review of transactions, facts, circumstances, and events that could have a material impact on the company's financial reporting process;
- Deficient revenue recognition policies;
- Inadequate internal controls with respect to inventory transactions; and
- Improper and lack of timely accounting for accruals such as prepaid expenses, accounts payable and accrued liabilities.

Our Board of Directors has assigned a priority to the short-term and long-term improvement of our internal control over financial reporting. We are reviewing various potential solutions to remedy the processes that would eliminate the issues that may arise due to the absence of separation of duties within the financial reporting functions. Additionally, the Board of Directors will work with management to continuously review controls and procedures to identified deficiencies and implement remediation within our internal controls over financial reporting and our disclosure controls and procedures.

We believe that our financial statements presented in this quarterly report on Form 10-Q fairly present, in all material respects, our financial position, results of operations, and cash flows for all periods presented herein.

Inherent Limitations – Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdown can occur because of simple error or mistake. In particular, many of our current processes rely upon manual reviews and processes to ensure that neither human error nor system weakness has resulted in erroneous reporting of financial data.

Changes in Internal Control over Financial Reporting – There were no changes in our internal control over financial reporting during our fiscal year ended December 31, 2016, which were identified in conjunction with management's evaluation required by paragraph (d) of Rules 13a-15 and 15d-15 under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In November 2014, we entered into a Manufacturing Services Agreement with Lonza Ltd. and Lonza Sales Ltd. (hereinafter jointly referred to as "Lonza"), whereby we engaged Lonza to be the manufacturer of our Adva-27a anticancer drug. In June 2015 we received a sample of the pilot manufacturing run for evaluation. Our laboratory analyses showed that, while the sample meets the required biological specifications, the amount of material generated (the "Yield") by the pilot run was found to be significantly lower than planned. During the course of our discussions concerning the problem of the low Yield, Lonza informed us that they required us to pay them $687,818 prior to moving forward with any activity pertaining to the manufacturing agreement we have with them. We have repeatedly indicated to Lonza that a clear path defining exactly how the extremely low Yield issue would be addressed is imperative prior to us making any payments. As of the date of this report, neither party has changed its position.

We are not party to any material legal proceedings, nor have any other such actions been threatened against us.

ITEM 1A. RISK FACTORS

We are a smaller reporting company and are not required to provide the information under this item pursuant to Regulation S-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the six months ended June 30, 2017, we issued a total of 99,194,792 shares of our Common Stock. Of these, 42,528,125 shares were issued upon conversion of outstanding notes payable, reducing our debt by $48,500 and interest payable by $3,022 and generating a loss on conversion of $76,929. The remaining 56,666,667 shares were issued as follows:

- 6,000,000 shares issued in March 2017 for $15,000 Canadian ($11,278 US). The $15,000 Canadian was paid directly to a firm which was engaged to conduct a valuation of our assets. See "Part I,, Item 2, Liquidity and Capital Resources – Independent Valuation," above.

- 34,000,000 shares were also issued in March 2017 for $85,000 Canadian ($63,912 US) (approximately $0.0019 per share)

- 6,666,667 shares were issued in April 2017 for purchase of laboratory equipment valued at $22,000.

- 10,000,000 shares were issued in May 2017 in exchange for bookkeeping services rendered in 2017.

In addition, we engaged in the following convertible debt transactions:

- On February 10, 2017, we received net proceeds of $48,000 in exchange for a note payable having a face value of $50,000 and accruing interest at the rate of 8% per annum. The note, due on November 20, 2017, is convertible after 180 days from issuance into shares of our Common Stock at a price 39% below market value.

- On April 1, 2017, we received $100,000 Canadian ($76,923 US) in exchange for a note payable having a face value of $100,000 Canadian accruing interest at the rate of 9% per annum. The note, due on April 1, 2019, is convertible any time after April 1, 2017 into shares of our Common Stock at a conversion price of $0.015 Canadian (approximately $0.012 US) per share. Payments on this note are comprised of interest only amounts due and payable on the last day of each calendar quarter.

- On April 26, 2017, we received net proceeds of $63,000 in exchange for a note payable having a face value of $65,000 and accruing interest at the rate of 8% per annum. The note, due on April 26, 2018, is convertible after 180 days from issuance into shares of our Common Stock at a price 35% below market value.

The funds obtained from these transactions were used for working capital, including the development of our new business described above under "Plan of Operation." We relied upon the exemption from registration provided by Section 4(a)(1) of the Securities Act of 1933, as amended, to issue these shares.

Subsequent Events

On July 20, 2017, we issued the three members of our Board of Directors 42,000,000 shares of $0.001 Common Stock valued at $336,000 or $0.008 per share for services rendered to us in 2017.

On July 20, 2017, we issued 4,337,500 shares of our $0.001 par value Common Stock for the purchase of laboratory equipment valued at $34,700.

On July 24, 2017, we issued 2,717,391 shares of our $0.001 Common Stock valued at $21,739 or $0.008 per share for $25,000 of consulting services rendered to us in June 2017. We will recognize a gain of $3,261 on the settlement of this obligation, the difference between the value of the stock issued at July 20, 2017 and the amount of the invoice.

On August 3, 2017, we received $80,000 and issued a convertible note for a like amount.

On August 4, 2017, we issued payment in the amount of $67,422 to pay off a note payable having a principal amount of $50,000, accrued interest of $1,863 and prepayment penalty of $15,559. The note had a maturity date of November 20, 2017.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. MINE SAFETY DISCLOSURE

Not Applicable

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

Exhibit No.	Description
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

101.INS	XBRL Instance Document*
101.SCH	XBRL Schema Document*
101.CAL	XBRL Calculation Linkbase Document*
101.DEF	XBRL Definition Linkbase Document*
101.LAB	XBRL Label Linkbase Document*
101.PRE	XBRL Presentation Linkbase Document*

* Pursuant to Rule 406T of Regulation S-T, these interactive data files are not deemed filed or part of a registration statement or prospectus for purposes of Section 11 or 12 of the Securities Act or Section 18 of the Securities Exchange Act and otherwise not subject to liability.

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities and Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized on August 11, 2017.

SUNSHINE BIOPHARMA, INC.

By: s/ Dr. Steve N. Slilaty
Dr. Steve N. Slilaty,
Principal Executive Officer

By: s/ Camille Sebaaly
Camille Sebaaly,
Principal Financial Officer and
Principal Accounting Officer

EXHIBIT 31.1

CERTIFICATION PURSUANT TO 18 USC, SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, Steve N. Slilaty, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Sunshine Biopharma, 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 in order 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 controls 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 procedure 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 upon 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 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: August 11, 2017

/s/ Steve N. Slilaty
Steve N. Slilaty, Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO 18 USC, SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, Camille Sebaaly, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Sunshine Biopharma, 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 in order 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 controls 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 procedure 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 upon 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 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: August 11, 2017

/s/ Camille Sebaaly
Camille Sebaaly, Chief Financial Officer

EXHIBIT 32

CERTIFICATION PURSUANT TO 18 USC, SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this quarterly report of Sunshine Biopharma, Inc. (the "Company") on Form 10-Q for the six month period ended June 30, 2017, as filed with the Securities and Exchange Commission on August 11, 2017 (the "Report"), we, the undersigned, in the capacities and on the date indicated below, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of our knowledge:

1. The Report fully complies with the requirements of Rule 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 Company.

Dated: August 11, 2017

/s/ Steve N. Slilaty
Steve N. Slilaty, Chief Executive Officer

Dated: August 11, 2017

/s/ Camille Sebaaly
Camille Sebaaly, Chief Financial Officer