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, 2019**

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)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock	SBFM	OTC Pink Sheets

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 ☒
	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 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 14, 2019, was 133,285,058 shares.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Sunshine Biopharma, Inc.
Unaudited Consolidated Balance Sheets

	June 30, 2019	December 31, 2018
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 37,277	$ 110,534
Accounts receivable	1,023	-
Inventory	18,193	-
Prepaid expenses	6,783	1,341
Deposits	7,590	-
Assets of discontinued operations	-	989,572
Total Current Assets	70,866	1,101,447
Equipment (net of $30,091 and $23,005 depreciation)	38,523	45,124
Patents (net of $58,918 amortization and $556,120 impairment)	-	-
TOTAL ASSETS	$ 109,389	$ 1,146,571
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Notes payable	688,977	419,663
Notes payable - related party	89,808	243,094
Related party advances	27,869	20,871
Accounts payable & accrued expenses	84,377	115,826
Interest payable	34,660	9,291
Liability of discontinued operations	-	103,732
Total Current Liabilities	925,691	912,477
Long-Term Liabilities	-	289,847
TOTAL LIABILITIES	925,691	1,202,324
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 at June 30, 2019 and December 31, 2018	-	-
Preferred Stock, Series B $0.10 par value per share; Authorized 500,000 shares;		
Issued and outstanding 500,000 shares at June 30, 2019 and December 31, 2018	50,000	50,000
Common Stock, $0.001 per share; Authorized 3,000,000,000 Shares;		
Issued and outstanding 104,287,421 and 85,652,400 at June 30, 2019 and December 31, 2018, respectively	104,287	85,652
Capital paid in excess of par value	15,719,212	15,586,678
Accumulated Comprehensive Income (Loss)	(2,024)	(3,738)
Accumulated (Deficit)	(16,687,777)	(15,774,345)
TOTAL SHAREHOLDERS' EQUITY (DEFICIT)	(816,302)	(55,753)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 109,389	$ 1,146,571

See Accompanying Notes To These Financial Statements.

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

	3 Months Ended June 30, 2019	3 Months Ended June 30, 2018	6 Months Ended June 30, 2019	6 Months Ended June 30, 2018
Revenues	$ 3,033	$ -	$ 3,239	$ -
Cost of revenues	1,460	-	1,572	-
Gross profit	1,573	-	1,667	-
General & Administrative Expenses:				
Accounting	24,140	56,100	41,140	84,100
Consulting	10,940	27,800	22,016	27,800
Legal	6,313	31,600	38,969	59,085
Office	18,202	12,643	34,910	25,634
Officer & director remuneration	3,751	446,644	43,952	524,431
Rent	1,009	2,035	2,257	3,572
Depreciation	3,415	3,689	6,829	7,132
Total General & Administrative Expenses	67,770	580,511	190,073	731,754
Income (Loss) from operations	(66,197)	(580,511)	(188,406)	(731,754)
Other Income (Expense):				
Foreign exchange gain (loss)	(3,440)	10,016	(13,056)	24,884
Interest expense	(18,342)	(23,981)	(64,639)	(95,364)
Loss on debt conversions	(42,786)	(55,245)	(65,094)	(93,585)
Total Other Income (Expense)	(64,568)	(69,210)	(142,789)	(164,065)
Income (Loss) before income taxes	(130,765)	(649,721)	(331,195)	(895,819)
Income tax provision	-	-	-	-
Income (Loss) from continuing operations	(130,765)	(649,721)	(331,195)	(895,819)
Net Income (Loss) from discontinued operations	(580,125)	5,413	(582,237)	(14,125)
Net Income (Loss)	(710,890)	(644,308)	(913,432)	(909,944)
Unrealized gain (loss) from foreign exchange translation	2,499	(4,056)	1,714	(5,786)
Comprehensive Income (Loss)	$ (708,391)	$ (648,364)	$ (911,718)	$ (915,730)
Basic and diluted loss from continuing operations per common share	$ 0.00	$ 0.01	$ 0.00	$ 0.02
Basic and diluted loss from discontinued operations per common share	$ 0.01	$ 0.00	$ 0.01	$ 0.00
Basic and diluted loss per common share	$ 0.01	$ 0.01	$ 0.01	$ 0.02
Weighted Average Common Shares Outstanding (Basic and Diluted)	99,472,983	50,018,580	92,820,802	48,557,571

See Accompanying Notes To These Financial Statements.

Sunshine Biopharma, Inc.

Unaudited Consolidated Statement Of Cash Flows

	6 Months Ended June 30, 2019	6 Months Ended June 30, 2018
Cash Flows From Operating Activities:		
Net (Loss)	$ (913,432)	$ (909,944)
Depreciation and amortization	6,829	7,132
Foreign exchange gain (loss)	13,056	(24,884)
Stock issued for licenses, services & other assets	-	505,100
Stock issued for interest	3,841	7,886
Loss on debt conversion	65,094	93,585
Interest forgiven	(720)	(247)
Loss on disposition of subsidiary	582,237	
(Increase) decrease in accounts receivable	(1,023)	-
(Increase) in inventory	(18,193)	
(Increase) decrease in prepaid expenses	(5,442)	9,393
(Increase) decrease in deposits	(7,590)	72,534
Increase (decrease) in Accounts Payable & accrued expenses	(31,449)	(11,557)
Increase (decrease) in interest payable	25,369	25,119
Net Cash Flows (Used) in Operations	(281,423)	(225,883)
Cash Flows From Investing Activities:		
Cash paid for acquisition of subsidiary	-	(80,289)
Advanced to discontinued operations	(12,491)	-
Purchase of equipment	(485)	(22,370)
Net Cash Flows (Used) in Investing Activities	(12,976)	(102,659)
Cash Flows From Financing Activities:		
Proceed from notes payables	249,500	381,885
Payment of notes payable	(53,000)	(146,184)
Advances from related parties	6,998	12,240
Note payable used to pay origination fees & interest	15,930	15,250
Net Cash Flows Provided by Financing Activities	219,428	263,191
Net Increase (Decrease) In Cash and Cash Equivalents	(74,971)	(65,351)
Foreign currency translation adjustment	1,714	(5,786)
Cash and Cash Equivalents at beginning of period	110,534	107,532
Cash and Cash Equivalents at end of period	$ 37,277	$ 36,395
Supplementary Disclosure Of Cash Flow Information:		
Stock issued for services, licenses and other assets	$ -	$ 484,100
Stock issued for note conversions including interest	$ 151,169	$ 95,052
Stock issued for acquisition of subsidiary	$ -	$ 246,000
Note payable cancelled upon disposal of subsidiary	$ 315,785	$ -
Cash paid for interest	$ 11,034	$ 9,428
Cash paid for income taxes	$ -	$ -

See Accompanying Notes To These Financial Statements.

Note 1 – Nature of Business and Basis of Presentation

Sunshine Biopharma, Inc. (the "Company") was originally incorporated under the name Mountain West Business Solutions, Inc. on August 31, 2006 in the State of Colorado. Until October 2009, the Company was operating as a business consultancy firm. Effective October 15, 2009, the Company acquired Sunshine Biopharma, Inc. in a transaction classified as a reverse acquisition. Sunshine Biopharma, Inc. was holding an exclusive license to a new anticancer drug bearing the laboratory name, Adva-27a. Upon completion of the reverse acquisition transaction, the Company changed its name to Sunshine Biopharma, Inc. and began operating as a pharmaceutical company focusing on the development of the licensed Adva-27a anticancer drug.

In July 2014, the Company 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 world. Sunshine Canada has signed licensing agreements for four (4) generic prescription drugs for treatment of breast cancer, prostate cancer and BPH (Benign Prostatic Hyperplasia).

On January 1, 2018 the Company acquired all of the issued and outstanding shares of Atlas Pharma Inc. ("Atlas"), a Canadian privately held analytical chemistry company. The purchase price for the shares was Eight Hundred Forty Eight Thousand Dollars $848,000 Canadian ($676,748 US). The purchase price included a cash payment of $100,500 Canadian ($80,289 US), plus the issuance of 1,000,000 shares of the Company's Common Stock valued at $238,000 or $0.238 per share, and a promissory note in the principal amount of $450,000 Canadian ($358,407 US), with interest payable at the rate of 3% per annum.

Effective April 1, 2019, the Company re-assigned all of its stock in Atlas back to the original owner in exchange for the Atlas related debt. The loss on the disposition was $580,125.

In March 2018, the Company formed NOX Pharmaceuticals, Inc., a wholly owned Colorado corporation and assigned all of the Company's interest in the Adva27a anticancer drug to that company. NOX Pharmaceuticals Inc.'s mission is to research, develop and commercialize proprietary drugs including Adva-27a.

On December 17, 2018, the Company launched its first over-the-counter product, Essential 9™, a dietary supplement comprised of the nine essential amino acids that the human body cannot synthesize. Essential 9™ has been authorized for marketing by Health Canada under NPN 80089663.

Effective February 1, 2019, the Company completed a 20 to 1 reverse split of its $0.001 par value Common Stock, reducing the issued and outstanding shares of Common Stock from 1,713,046,242 to 85,652,400 (the "Reverse Stock Split").

The Company's financial statements reflect the Reverse Stock Split on a retroactive basis and represent the consolidated activity of Sunshine Biopharma, Inc. and its subsidiaries (Sunshine Biopharma Canada Inc. and NOX Pharmaceuticals Inc.) herein collectively referred to as the "Company". During the last six month period the Company has continued to raise money through the issuance of convertible debt.

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.

Basis of Presentation of Unaudited Financial Information

The unaudited financial statements of the Company for the three and six month periods ended June 30, 2019 and 2018 have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Regulation S-K. Accordingly, they do not include all the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. However, such information reflects all adjustments (consisting solely of normal recurring adjustments), which are, in the opinion of management, necessary for the fair presentation of the financial position and the results of operations. Results shown for interim periods are not necessarily indicative of the results to be obtained for a full fiscal year. The balance sheet information as of June 30, 2019 was derived from the audited financial statements included in the Company's financial statements as of and for the year ended December 31, 2018 included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on April 12, 2019. These financial statements should be read in conjunction with that report.

Recently Issued Accounting Pronouncements

Recently issued amendments by the FASB are effective for fiscal years beginning after December 15, 2018, and should be applied prospectively on or after the adoption date. Early adoption is permitted, including adoption in an interim period. The Company does not expect these amendments to have a material impact on its financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases, effective for annual reporting periods beginning on or after December 15, 2018, and interim periods within those annual periods. Earlier application is permitted as of the beginning of an interim or annual period. This update requires organizations to recognize lease assets and lease liabilities on the balance sheet with lease terms of more than 12 months and also disclose certain qualitative and quantitative information about leasing arrangements. The Company adopted this pronouncement on January 1, 2019.

Discontinued Operations

Effective April 1, 2019 the Company disposed of its Atlas Pharma Inc. subsidiary. As a consequence of the sale, the operating results and the assets and liabilities of the discontinued operations, which formerly comprised the lab testing operations, are presented separately in the Company's financial statements. Summarized financial information for the discontinued business is shown below. Prior period balances have been reclassified to present the operations of the lab testing business as a discontinued operation.

Discontinued Operations Income Statement:

	Unaudited 3 Months Ended June 30, 2019	Unaudited 3 Months Ended June 30, 2018	Unaudited 6 Months Ended June 30, 2019	Unaudited 6 Months Ended June 30, 2018
Revenues	$ -	$ 107,250	$ 119,522	$ 198,418
Cost of revenues	-	88,544	81,920	184,991
Gross profit	-	18,706	37,602	13,427
General & Administrative Expenses	-	9,146	36,196	19,321
Gain (Loss) from operations	-	9,560	1,406	(5,894)
Other income (expense) - Interest	-	(4,147)	(3,518)	(8,231)
Net Income (Loss) from operations	$ -	$ 5,413	$ (2,112)	$ (14,125)
Loss on Disposal	$ (580,125)	$ -	$ (580,125)	$ -
Total Net Income (Loss) from Discontinued Operations	$ (580,125	$ 5,413	$ (582,237)	$ (14,125)

The individual assets and liabilities of the discontinued lab testing business are in the captions "Assets of Discontinued Operation" and "Liabilities of Discontinued Operation" in the Consolidated Balance Sheet. The carrying amounts of the major classes of assets and liabilities included part of the discontinued business are presented in the following table:

Discontinued Operations Balance Sheet:

	Unaudited June 30, 2019	Unaudited December 31, 2018
ASSETS		
Current Assets:		
Cash and cash equivalents	$ -	$ 4,682
Accounts receivable	-	94,955
Total Current Assets	-	99,637
Equipment (net of $ 0 and $34,959 depreciation	-	224,238
Goodwill	-	665,697
TOTAL ASSETS	-	$ 989,572
LIABILITIES		
Current Liabilities:		
Notes payable	-	4,657
Notes payable - related party	-	18,230
Related party advances	-	10,248
Accounts payable & accrued expenses	-	70,597
Total Current Liabilities	-	103,732
TOTAL LIABILITIES	$ -	$ 103,732

Discontinued Operations Cash Flows:

Cash flows used in discontinued operations for the six months ended June 30, 2019 and 2018 were $8,510 and $17,342, respectively. There were no cash flows used in or provided by investing activities during those periods.

Note 2 – Going Concern and Liquidity

As of June 30, 2019, and December 31, 2018, the Company had $37,277 and $110,534 in cash on hand respectively, and limited revenue-producing business and other sources of income. Additionally, as of June 30, 2019, the Company had outstanding liabilities totaling $925,691 and $70,866 in current assets.

In the Company's financial statements for the fiscal years ended December 31, 2018, and 2017, the Reports of the Independent Registered Public Accounting Firm include an explanatory paragraph that describes substantial doubt about the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. Based on the Company's current financial projections, management believes it does not have sufficient existing cash resources to fund its current limited operations.

It is the Company's current intention to raise debt and/or equity financing to fund ongoing operating expenses. There is no assurance that these events will be satisfactorily completed or at terms acceptable to the Company. Any issuance of equity securities, if accomplished, could cause substantial dilution to existing stockholders. Any failure by the Company to successfully implement these plans would have a material adverse effect on its business, including the possible inability to continue operations.

Note 3 – Notes Payable

On June 27, 2018, the Company received net proceeds of $51,000 in exchange for a note payable having a face value of $53,000 and accruing interest at the rate of 8% per annum. The note was due on April 15, 2019. During January 2019, the Company paid off this note by issuing payment in the amount of $69,930 for $53,000 in principal, $5,332 in accrued interest and $11,598 in additional interest.

On August 17, 2018 the Company received net proceeds of $51,000 in exchange for a note payable having a face value of $53,000 and accruing interest at the rate of 8% per annum. The note was due on May 30, 2019, was convertible after 180 days from issuance into $0.001 par value Common Stock at a price 35% below market value. Through June 2019 the holder of this note elected to convert a total of $53,000 in principal and $ 1,700 in accrued interest into 11,323,131 shares of $0.001 par value Common Stock valued at $99,101 leaving balance of $420 in accrued interest and incurring a loss on conversion of $44,401. The remaining balance of $420 was paid off in July 2019.

On October 23, 2018 the Company received net proceeds of $85,500 in exchange for a note payable having a face value of $90,000 and accruing interest at the rate of 8% per annum. The note, due on October 23, 2019, is convertible after 180 days from issuance into $0.001 par value Common Stock at a price 35% below market value. Through June 2019 the holder of this note elected to convert a total of $30,000 in principal and $1,376 in accrued interest into 7,311,890 shares of $0.001 par value Common Stock valued at $52,068 leaving a principal balance of $60,000 and incurring a loss on conversion of $20,692.

On December 24, 2018 the Company received net proceeds of $80,000 in exchange for a note payable having a face value of $87,000 and accruing interest at the rate of 8% per annum. The note, due on December 24, 2019, 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.

On January 8, 2019, the Company received net proceeds of $50,500 in exchange for a note payable having a face value of $54,000 and accruing interest at the rate of 8% per annum. The note, due on January 8, 2020, 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.

On January 10, 2019, the Company received net proceeds of $38,000 in exchange for a note payable having a face value of $40,660 and accruing interest at the rate of 8% per annum. The note, due on October 10, 2019, 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.

On February 5, 2019, the Company received net proceeds of $35,000 in exchange for a note payable having a face value of $37,450 and accruing interest at the rate of 8% per annum. The note, due on October 10, 2019, 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.

On February 11, 2019, the Company received net proceeds of $50,000 in exchange for a note payable having a face value of $52,000 and accruing interest at the rate of 8% per annum. The note, due on November 30, 2019 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.

On March 18, 2019, the Company received net proceeds of $38,000 in exchange for a note payable having a face value of $40,660 and accruing interest at the rate of 8% per annum. The note, due on December 18, 2019 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.

On March 18, 2019, the Company received net proceeds of $38,000 in exchange for a note payable having a face value of $40,660 and accruing interest at the rate of 8% per annum. The note, due on December 18, 2019 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, 2019 and December 31, 2018, total accrued interest on Notes Payable was $34,660 and $9,291, respectively.

Note 4 – Notes Payable - Related Party

On January 1, 2018 as part of the acquisition of Atlas Pharma Inc., the Company issued a note payable in the amount of $450,000 Canadian ($358,407 US) and accruing interest at the rate of 3% per annum. The note was due on December 31, 2023. Payments on this note were $10,000 Canadian (approximately $8,000 US) per quarter. The note was secured by the Atlas Pharma Inc. shares held by the Company. Effective April 1, 2019 the Company re-assigned all of the Atlas shares back to the seller and as a result this note was cancelled.

In addition to the above, at June 30, 2019 the Company had a note payable held by the CEO of the Company having a principal amount of $89,808 and accrued interest of $5,242. The note is unsecured, non-convertible and accrues interest at 12%. It matures on December 31, 2019.

Note 5 – Shareholders' Equity

During the six months ended June 30, 2019 the Company issued a total of 18,635,021 shares of $0.001 par value Common Stock for the conversion of outstanding notes payable, reducing the debt by $83,000 and interest payable by $3,841 and generating a loss on conversion of $65,093.

The Company declared no dividends through June 30, 2019.

The following table shows the changes in shareholders' equity:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Total beginning Shareholders' Equity (Deficit)	$ (211,772)	$ (500,685)	$ (55,753)	$ (573,363)
Beginning and ending Series B Preferred Stock	50,000	50,000	50,000	50,000
Beginning Common Stock	89,349	47,401	85,652	45,937
Common Stock issued	14,938	7,804	18,635	9,268
Ending Common Stock	104,287	55,205	104,287	55,205
Beginning additonal paid in capital (APIC)	15,630,289	13,287,974	15,586,678	12,948,386
APIC increase from Common Stock issued	88,923	867,091	132,534	1,206,679
Ending additional paid in capital	15,719,212	14,155,065	15,719,212	14,155,065
Beginning other comprehensive income (loss)	(4,523)	(2,234)	(3,738)	504
Other comprehensive income (loss)	2,499	(6,032)	1,714	(8,770)
Ending other comprehensive income (loss)	(2,024)	(8,266)	(2,024)	(8,266)
Beginning retained deficit	(15,976,887)	(13,883,826)	(15,774,345)	(13,618,190)
Net (loss)	(710,890)	(644,308)	(913,432)	(909,944)
Ending retained deficit	(16,687,777)	(14,528,134)	(16,687,777)	(14,528,134)
Total ending Shareholders' Equity (Deficit)	$ (816,302)	$ (276,130)	$ (816,302)	$ (276,130)

Note 6 – 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, "Earnings per Share".

Note 7 – 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 8 – Royalties Payable

As part of a subscription agreement entered into in 2016, the Company had 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. In May 2018, the Company issued 50,000 shares of its Common Stock valued at $5,900 in exchange for cancellation of this royalty obligation.

Note 9 – Related Party Transactions

In addition to the related party transactions detailed in Note 4 above, the Company paid its Officers and Directors cash and stock compensation totaling $3,751 and $446,644 for the three months ended June 30, 2019 and 2018 and $43,952 and $524,431 for the six month periods ended June 30, 2019 and 2018, respectively.

Note 10 – Revenue Recognition

As of January 1, 2018, the Company adopted ASU No. 201409, "Revenue from Contracts with Customers" (ASC 606). Under the new guidance, an entity will recognize revenue to depict the transfer of promised goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. A five-step model has been introduced for an entity to apply when recognizing revenue. The new guidance also includes enhanced disclosure requirements. The guidance was effective January 1, 2018 and was applied on a modified prospective basis. The adoption did not have an impact on the Company's financial statements.

Local governmental regulations require that companies recognize revenues upon completion of the work by issuing an invoice and remitting the applicable sales taxes (GST and QST) to the appropriate government agency. The Company's revenue recognition policy is in compliance with these local regulations.

Note 11 – Accounts Receivable

Accounts receivable consist of trade accounts arising in the normal course of business and are classified as current assets and carried at original invoice amounts less an estimate for doubtful receivables based on a review of outstanding balances on a monthly basis. The estimate of allowance for doubtful accounts is based on the Company's bad debt experience, market conditions, and aging of accounts receivable, among other factors. If the financial condition of the Company's customers deteriorates resulting in the customer's inability to pay the Company's receivables as they come due, additional allowances for doubtful accounts will be required.

Note 12 – Subsequent Events

On July 2, 2019 the Company received net proceeds of $38,000 in exchange for a convertible note payable having a face value of $40,000 and accruing interest at the rate of 8% per annum.

On July 23, 2019 the holder of a note payable dated October 23, 2018 elected to convert a total of $15,000 in principal and $894 in accrued interest into an aggregate of 8,150,897 shares of Common Stock leaving a principal balance of $45,000.

On July 25 and August 12, 2019 the holder of a note payable dated January 10, 2019 elected to convert a total of $18,068 in principal into an aggregate of 10,246,740 shares of Common Stock leaving a principal balance of $22,592 and accrued and unpaid interest of $1,693.

On July 26, 2019 the Company received net proceeds of $47,500 in exchange for a convertible note payable having a face value of $50,000 and accruing interest at the rate of 8% per annum.

On July 31, 2019 the Company issued 4,600,000 shares of Common Stock to a non-related party for consulting services rendered to the Company through June 2019.

On August 13, 2019 the holder of a note payable dated February 11, 2019 elected to convert $9,600 in principal into 6,000,000 shares of Common Stock leaving a principal balance of $42,400.

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.

In October 2009, we acquired Sunshine Biopharma, Inc., a Colorado corporation holding an exclusive license (the "License") to a new anticancer drug bearing the laboratory name, Adva-27a. 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 Sunshine Biopharma, Inc.'s management at the time, including our current CEO, Dr. Steve N. Slilaty, and our current CFO, Camille Sebaaly each of whom remain part of our current management. Our principal business became that of a pharmaceutical company focusing on the development of our licensed Adva-27a anticancer compound. In December 2015 we acquired all issued and pending patents pertaining to our Adva-27a technology and terminated the License.

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 world. Sunshine Canada has signed licensing agreements for four (4) generic prescription drugs for the treatment of breast cancer, prostate cancer and BPH (Benign Prostatic Hyperplasia). We have applied for and are currently awaiting the issuance by Health Canada of a Drug Establishment License and a Drug Identification Number for each of our four (4) generic products in order to begin marketing of the same.

In January 2018, we acquired Atlas Pharma Inc. ("Atlas"), a Canadian privately held analytical chemistry company offering sample testing services to the pharmaceutical and other industrial sectors. Effective April 1, 2019, we assigned all of our interest in the Atlas securities back to the seller in exchange for the Atlas related debt.

In March 2018, we formed NOX Pharmaceuticals, Inc., a Colorado corporation, and assigned all of our interest in our Adva-27a anticancer compound to that company. NOX Pharmaceuticals, Inc.'s mission is to research, develop and commercialize proprietary drugs including Adva-27a.

In December 2018, we completed the development of a new dietary supplement which we trademarked Essential 9™. This dietary supplement is an over-the-counter tablet comprised of the nine essential amino acids which the human body cannot synthesize. Essential 9™ has been authorized for marketing by Health Canada under NPN 80089663.

Effective February 1, 2019, we completed a 20 to 1 reverse split of our $0.001 par value Common Stock reducing the issued and outstanding shares of Common Stock from 1,713,046,242 to 85,652,400 (the "Reverse Stock Split"). All references in this report to our issued and outstanding Common Stock as well as the price per share of Common Stock are presented on a post Reverse Stock Split basis.

On March 12, 2019 Essential 9™ became available for sale on Amazon.ca and later on Amazon.com in the United States and elsewhere around the world. On March 23, 2019 we recorded our first revenues of Essential 9™ sales.

On April 30, 2019, we were issued United States Patent Number: 10,272,065, a new patent extending proprietary coverage of our Adva-27a anticancer drug until 2033.

Our principal place of business is located at 6500 Trans-Canada Highway, 4th Floor, Pointe-Claire, Quebec, Canada H9R 0A5. Our phone number is (514) 426-6161and our website address is www.sunshinebiopharma.com.

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

Plan of Operation

Despite the fact that we currently are generating revenue, we have elected to include a Plan of Operation to discuss our ongoing business activities.

Proprietary Drug Development Operations

Since inception, our proprietary drug development activities have been focused on the development of a small molecule called Adva-27a for the treatment of aggressive forms of cancer. 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 Numbers 8,236,935 and 10,272,065.

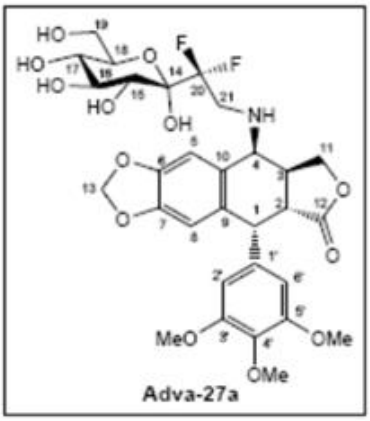

Figure 1

Adva-27a is a GEM-difluorinated C-glycoside derivative of Podophyllotoxin (see Figure 1). 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 greater cell killing activity (see Figure 2).

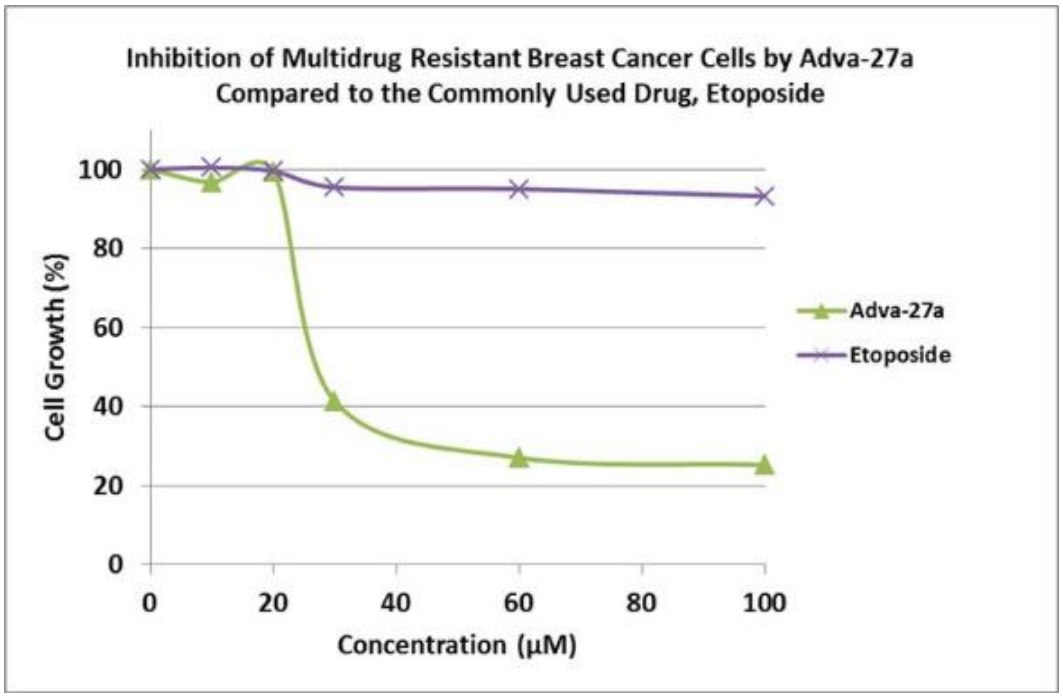

Figure 2

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.

We have been delayed in 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 following next sequence of steps:

- 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 Indication)

Adva-27a's initial indication will be Pancreatic Cancer for which there are currently little or no treatment options available. We are planning to conduct our clinical trials at McGill University's Jewish General Hospital in Montreal, Canada. All aspects of the clinical trials in Canada will employ FDA standards at all levels.

According to the American Cancer Society, nearly 1.5 million new cases of cancer are diagnosed in the U.S. each year. While particularly effective against Multidrug Resistant Cancer, we believe Adva-27a can potentially treat all cancer types as it is general chemotherapy drug. 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. 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 manufacture and market our new drug. The following, Figure 3, is a space-filling molecular model of our Adva-27a.

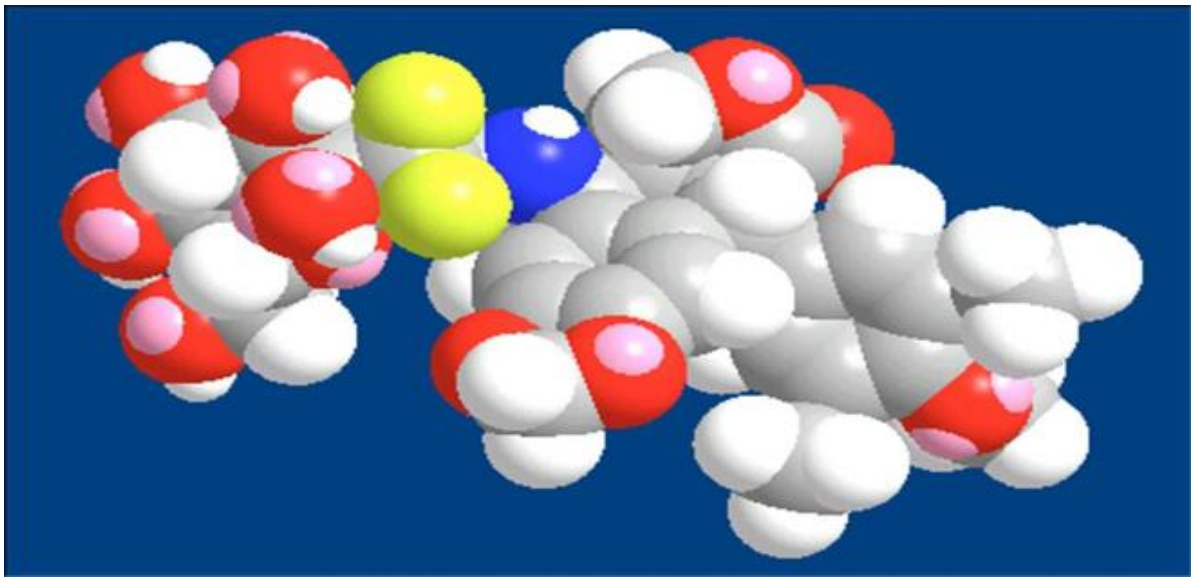

Figure 3

Generic Pharmaceuticals Operations

In 2016, our Canadian wholly owned subsidiary, Sunshine Biopharma Canada Inc. ("Sunshine Canada"), signed Licensing Agreements with a major pharmaceutical company for four prescription generic drugs for the treatment of Breast Cancer, Prostate Cancer and Enlarged Prostate. We have since been working towards commencement of marketing of these 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 AstraZeneca) for treatment of Prostate Cancer;
- Finasteride (brand name Propecia® by Merck) for treatment of BPH (Benign Prostatic Hyperplasia)

Sunshine Canada is currently in the process of securing a Drug Identification Number ("DIN") for each of these products from Health Canada. Upon receipt of the DEL and DIN's, we will be able to accept orders for our own label SBI-Anastrozole, SBI-Letrozole, SBI-Bicalutamide and SBI-Finasteride. We cannot estimate the timing in our obtaining either the DIN's or the DEL due to variables involved that are out of our control. Figure 4 below shows our 30-Pill blister pack of Anastrozole.

Figure 4

We currently have a number of additional Generic Pharmaceuticals under review for in-licensing. No assurances can be provided that we will acquire the rights to all or any of these generic drugs. We believe that a larger product portfolio will provide 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. There are no assurances this will occur.

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 very competitive. There are several multinational players in the field including Teva (Israel), Novartis - Sandoz (Switzerland), Hospira (USA), Mylan (Netherlands), Sanofi (France), Fresenius Kabi (Germany) and Pharmascience (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 pharmaceutical marketplace.

Dietary Supplements Operations

In December 2018, we completed the development of Essential 9™, the first in a line of essential micronutrients products that we are planning to launch. On December 14, 2018, Health Canada issued NPN 80089663 through which it authorized Sunshine Biopharma Inc. to manufacture and sell the Essential 9™ product. Our Essential 9™ dietary supplement tablets contain a balanced formula of the 9 Essential Amino Acids that the human body cannot make. Essential Amino Acids are 9 out of the 20 amino acids required for protein synthesis. Proteins are involved in all body functions – From the musculature and immune system to hormones and neurotransmitters. Like vitamins, Essential Amino Acids cannot be made by the human body and must be obtained through diet. Deficiency in one or more of the 9 Essential Amino Acids can lead to loss of muscle mass, fatigue, weight gain and reduced ability to build muscle mass in athletes. Sunshine Biopharma's Essential 9™ provides all 9 Essential Amino Acids in freeform and in the proportions recommended by Health Canada. Essential 9™ is currently available on Amazon.com, Amazon.ca and soon other Amazon sites. Figure 5 below shows our 60-Tablet Essential 9™ product.

Figure 5

RESULTS OF OPERATIONS

Comparison of Results of Operations for the Six Months ended June 30, 2019 and 2018

During the six months ended June 30, 2019, we generated revenues of $3,239 from the sale of products generated by our Dietary Supplements Operations which we launched in March 2019. The direct cost for generating these revenues was $1,572. We did not generate any revenues during the comparable period in 2018.

General and Administrative Expenses during the six months ended June 30, 2019 was $190,073, compared to $731,754 during the six months ended June 30, 2018, a decrease of $541,678. The reason for this relatively large decrease was an effort to reduce expenses across the board. Specifically, executive compensation decreased by $480,479, accounting by $42,960, legal by $20,116 and consulting by $5,784. The only category that saw an increase was office expenses which increased by $9,276 as a result of our continuing effort to raise capital to fund our proprietary drug development program.

We incurred $65,094 in losses arising from debt conversion during the six months ended June 30, 2019, compared to $93,585 in losses from debt conversion during the similar period in 2018. We also incurred $64,639 in interest expense during the six months ended June 30, 2019, compared to $95,364 in interest expense during the similar period in 2018. The decrease in both of these two expense categories was a result of some convertible notes having been paid off or reduced prior to maturity. In addition, we incurred a loss of $582,237 during the six months ended June 30, 2019, compared to $14,125 in losses from discontinued operations during the similar period in 2018 as a result of termination of our Analytical Chemistry Services Operations and sale of Atlas Pharma Inc.

As a result, we incurred a Net Loss of $913,432 ($0.01 per share) for the six month period ended June 30, 2019, compared to a Net Loss of $909,944 ($0.02 per share) during the six month period ended June 30, 2018.

Comparison of Results of Operations for the Three Months Ended June 30, 2019 and 2018

For the three months ended June 30, 2019, we generated $3,033 in revenues, compared to $-0- revenues for the same three months period of 2018. All of these revenues were generated from our newly launched Dietary Supplements Operations. The direct cost for generating these revenues was $1,460.

General and Administrative Expenses during the three month period ended June 30, 2019 were $67,770, compared to General and Administrative Expenses of $580,511 incurred during the three month period ended June 30, 2019, a decrease of $512,741. The reason for this relatively large decrease was an effort to reduce expenses across the board. Specifically, Executive Compensation decreased by $442,893, Accounting by $31,960, Legal Fees by $25,287 and Consulting by $16,860. The only category that saw an increase was Office Expenses which increased by $5,559 as a result of our continuing effort to raise capital to fund our proprietary drug development program.

We incurred $18,342 in interest expense during the three months ended June 30, 2019, compared to $23,981 in interest expense during the similar period in 2018. We also incurred $42,786 in losses arising from debt conversion during the three months ended June 30, 2019, compared to $55,245 in losses from debt conversion during the similar period in 2018. Both of these decreases were a result of decreased borrowings or prepayment of principal balances prior to maturity. In addition, we incurred a loss of $580,125 during the three months ended June 30, 2019, compared to $5,413 in income from discontinued operations during the similar period in 2018 as a result of termination of our Analytical Chemistry Services Operations and sale of Atlas Pharma Inc.

As a result, we incurred a Net Loss of $710,890 ($0.01 per share) for the three month period ended June 30, 2019, compared to a Net Loss of $644,308 ($0.01 per share) during the three month period ended June 30, 2018.

Liquidity and Capital Resources

As of June 30, 2019, we had cash or cash equivalents of $37,277.

Net cash used in Operating Activities was $281,423 during the six month period ended June 30, 2019, compared to $225,883 for the six month period ended June 30, 2018. We anticipate that overhead costs and other expenses will increase in the future as we move forward with our Proprietary Drug Development activities and expansion of our Generic Pharmaceuticals, and Dietary Supplements operations as discussed above.

Cash flows provided by Financing Activities were $219,428 for the six month period ended June 30, 2019, compared to $263,191 during the six months ended June 30, 2018. Cash Flows used in Investing Activities were $12,976 for the six month period ended June 30, 2019 compared to $102,659 during the same six month period in 2018.

During the six months ended June 30, 2019, we issued a total of 18,635,021 shares of $0.001 par value Common Stock for the conversion of outstanding notes payable, reducing the debt by $83,000 and interest payable by $3,841 and generating a loss on conversion of $65,094.

During the six months ended June 30, 2019, we entered into the following new debt arrangements:

- On January 8, 2019, we received net proceeds of $50,500 in exchange for a note payable having a face value of $54,000 and accruing interest at the rate of 8% per annum. The note, due on January 8, 2020, is convertible after 180 days from issuance into $0.001 par value Common Stock at a price 35% below market value. We estimate that the fair value of this convertible debt approximates the face value, so no value has been assigned to the beneficial conversion feature.

- On January 10, 2019, we received net proceeds of $38,000 in exchange for a note payable having a face value of $40,660 and accruing interest at the rate of 8% per annum. The note, due on October 10, 2019, is convertible after 180 days from issuance into $0.001 par value Common Stock at a price 35% below market value. We estimate 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 5, 2019, we received net proceeds of $35,000 in exchange for a note payable having a face value of $37,450 and accruing interest at the rate of 8% per annum. The note, due on October 10, 2019, is convertible after 180 days from issuance into $0.001 par value Common Stock at a price 35% below market value. We estimate 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 11, 2019, we received net proceeds of $50,000 in exchange for a note payable having a face value of $52,000 and accruing interest at the rate of 8% per annum. The note, due on November 30, 2019, is convertible after 180 days from issuance into $0.001 par value Common Stock at a price 35% below market value. We estimate 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 18, 2019, we received net proceeds of $38,000 in exchange for a note payable having a face value of $40,660 and accruing interest at the rate of 8% per annum. The note, due on December 18, 2019, is convertible after 180 days from issuance into $0.001 par value Common Stock at a price 35% below market value. We estimate 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 18, 2019, we received another $38,000 of net proceeds in exchange for a note payable having a face value of $40,660 and accruing interest at the rate of 8% per annum. The note, due on December 18, 2019, is convertible after 180 days from issuance into $0.001 par value Common Stock at a price 35% below market value. We estimate that the fair value of this convertible debt approximates the face value, so no value has been assigned to the beneficial conversion feature.

We are not generating adequate revenues from our operations to fully implement our business plan as set forth herein. As a result, our future success will depend on the future availability of financing, among other things. Such financing will be required to enable us to expand our Dietary Supplements business and further develop our Generic Pharmaceuticals operations 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 $7 million (approximately $2 million for the Dietary Supplements and Generic Pharmaceuticals operations and approximately $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. 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 plan is to fund our Proprietary Drug Development Program through the sales of Generic Drugs and Dietary Supplements if we are unable to find any additional financing. There are also no assurances that we will generate sufficient revenues and profits from our products sales program to accomplish these objectives.

Our cost of operations is 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 capital in order to continue our existing operations and finance our expansion plans 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.

Subsequent Events

On July 2, 2019 we received net proceeds of $38,000 in exchange for a convertible note payable having a face value of $40,000 and accruing interest at the rate of 8% per annum.

On July 23, 2019 the holder of a note payable dated October 23, 2018 elected to convert a total of $15,000 in principal and $894 in accrued interest into an aggregate of 8,150,897 shares of Common Stock leaving a principal balance of $45,000.

On July 25, 2019 the holder of a note payable dated January 10, 2019 elected to convert $8,500 in principal into 4,358,974 shares of Common Stock leaving a principal balance of $32,160 and accrued and unpaid interest of $1,693.

On July 26, 2019 we received net proceeds of $47,500 in exchange for a convertible note payable having a face value of $50,000 and accruing interest at the rate of 8% per annum.

On July 31, 2019 the Company issued 4,600,000 shares of Common Stock to a non-related party for consulting services rendered to the Company through June 2019.

Off Balance Sheet Arrangements

None

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 and 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, 2019, 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 the six month period ended June 30, 2019, 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

On November 14, 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 2016 we received a sample of the pilot manufacturing run for evaluation. Our laboratory analyses showed that, while the sample meets all of the required chemical, physical and biological specifications, the amount of material generated (the "Yield") by the pilot run was found to be significantly lower than anticipated. We are currently working towards finding possible solutions to increase the Yield and define a path forward. 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. We issued a letter to them in June 2017 advising of our position. As of the date of this Report we have not received a response to our letter and no further action has been taken by either party.

In June 2018 we filed an action in the Superior Court of the Province of Quebec in the District of Montreal (Canada) against one of our existing shareholders residing in Quebec City (Canada) arising out of a possible equity investment intended to be completed by August 2018. The complaint alleges among other things, claims of misrepresentations and misleading conduct resulting in damages to us in an amount of approximately $200,000 Canadian (approximately $154,000 US). On April 1, 2019, a note payable held by the defendant having a face value of $100,000 Canadian (approximately $76,000 US) became due and payable. We have elected not to pay the amount due and to petition the courts to link this matter to the ongoing litigation. As of the date of this report we are awaiting a court date for the hearings to commence.

To the best of our management's knowledge and belief, there are no other material claims that have been brought against us nor have there been any claims threatened.

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, 2019, we issued a total of 18,635,021 shares of $0.001 par value Common Stock for the conversion of outstanding notes payable, reducing the debt by $83,000 and interest payable by $3,841 and generating a loss on conversion of $65,094. In addition, we issued 1,000,000 shares of our Common Stock valued at $238,000 or $0.238 per share as part of the acquisition of Atlas Pharma Inc. which we divested effective April 1, 2019.

We relied upon the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended, to issue these shares.

Other than reduction of debt from the conversion of the outstanding convertible notes described above and acquisition of Atlas Pharma Inc., we did not receive any direct proceeds from the issuance of these shares. The proceeds from the notes payable were used for the acquisition of Atlas Pharma Inc. and working capital.

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 14, 2019.

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 14, 2019

s/ Dr. Steve N. Slilaty
Dr. 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 14, 2019

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, 2019, as filed with the Securities and Exchange Commission on August 14, 2019 (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 14, 2019

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

Dated: August 14, 2019

s/ Camille Sebaaly
Camille Sebaaly, Chief Financial Officer