

**QUARTERLY REPORT**  
**For the Period Ending March 31, 2012**



**Marijuana, Inc.**

**8174 S Las Vegas Blvd #109-367  
Las Vegas, NV 89123**

**CUSIP: 56782C109  
Trading Symbol: HEMP**

**Item 1            Exact name of the issuer and the address of its principal executive offices.**

Marijuana, Inc.

The Company was incorporated on January 16, 2008 in Colorado as Preachers Coffee, Inc. and on November 11, 2009 the Company changed its name to Marijuana, Inc..

Marijuana, Inc.  
8174 S Las Vegas Blvd #109-367  
Las Vegas, NV 89123  
877-221-8351

[www.KushClear.com](http://www.KushClear.com)  
[www.gomedicate.com](http://www.gomedicate.com)  
[www.stonershealth.com](http://www.stonershealth.com)  
[www.marijuanainc.info](http://www.marijuanainc.info)  
[www.marijuanainc.tv](http://www.marijuanainc.tv)  
[bruce@marijuanainc.tv](mailto:bruce@marijuanainc.tv)

[investorrelations@marijuanainc.tv](mailto:investorrelations@marijuanainc.tv)

**Item 2            Shares outstanding.**

At the end of the quarter ending March 31, 2012  
3,000,000,000 shares of Common authorized  
500,000,000 shares of Preferred authorized  
250,000,000 shares of Preferred K authorized  
Common Stock 737,098,357 shares outstanding  
Preferred Stock 331,500,000 shares outstanding  
Preferred K Stock 193,836,430 shares outstanding  
181,833,875 shares of Common in the Public Float  
4,158 – Beneficial Shareholders of Common Stock  
130 – Shareholders of Record of Common Stock  
3 – Shareholders of Preferred Stock  
1 – Shareholder of Preferred K Stock

**Item 3            Interim financial statements**

Marijuana, Inc.  
Balance Sheet  
(UNAUDITED)

	<u>Jan - Mar 31, 2012</u>
<b>ASSETS</b>	
Current Assets	
Cash on Hand	\$ 171.86
Other Current Assets	
Inventory Asset	\$ 5,500.00
Marketable Securities	\$ 368,550.00
Total Other Current Assets	<u>\$ 374,050.00</u>
Total Current Assets	<u>\$ 374,221.86</u>
Other Assets	
Investment in 420 Café	\$ 5,000.00
Investment in Wild Herb Naturals	\$ 5,000.00
Leasehold Improvements	\$ 2,500.00
Red Rock Naturals	\$ 2,500.00
Kins Investment	\$ 10,389.95
Property, Plant, & Equipment	
LPO Software	\$ 1,810,775.00
Social Network Software	\$ 382,000.00
Total Other Assets	<u>\$ 2,218,164.95</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 2,592,386.81</b></u>
<b>LIABILITIES &amp; EQUITIES</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	\$ 2,489.56
Total Accounts Payable	<u>\$ 2,489.56</u>
Other Current Liabilities	
Loan Payable - David Tobias	\$ 17,259.93
Total Other Current Liabilities	<u>\$ 17,259.93</u>
Total Current Liabilities	<u>\$ 19,749.49</u>
Total Liabilities	<u>\$ 19,749.49</u>
Equity	
Additional Paid In Capital	\$ 2,003,679.94
Capital - Common & Preferred	
Capital Stock (par value \$0.00001)	\$ 7,370.98
Preferred Stock (par value \$0.00001)	\$ 3,315.00
Preferred K Stock (par value \$0.00001)	\$ 1,938.36
Total Capital - Common, Preferred, Preferred K	<u>\$ 12,624.35</u>
Retained Earnings/Losses	\$ 356,707.73
Net Income	<u>\$ 199,625.31</u>

Total Equity	<u>\$ 2,572,637.32</u>
TOTAL LIABILITIES & EQUITIES	<u>\$ 2,592,386.81</u>

Marijuana, Inc.  
Income Statement  
(UNAUDITED)

Jan - Mar 31, 2012

Ordinary Income/Expense

Income

Product Sales	\$ 3,285.64
Total Income	<u>\$ 3,285.64</u>

Expense

Advertising and Promotion	\$ 9,268.55
Bank Service Charges	\$ 165.71
Compensation-Stock Based	
Computer, Internet, Web Development	\$ 16,563.71
Consulting	\$ 72,658.71
Corporate Fees	\$ 615.00
Dues and Fees	\$ 1,167.55
Insurance Expense	\$ 829.30
Interest Expense	\$ 535.40
Investment Expense	\$ 14,260.31
Legal	\$ 420.00
License	\$ 400.00
Meals and Entertainment	\$ 216.15
Miscellaneous	\$ 1,951.64
Office Supplies	\$ 4,771.69
Postage and Shipping	\$ 687.80
Professional Fees	\$ 26,470.57
Rent	\$ 4,343.65
Repairs and Maintenance	\$ 185.71
Storage	\$ 519.45
Telephone Expense	\$ 2,833.00
Taxes - Sales	\$ 2,200.00
Texts	\$ 56.09
Transfer Agent Costs	\$ 1,381.01
Travel	
Air Travel	\$ 372.55
Automobile Gas & Oil	\$ 1,041.97
Car Rental	\$ 188.00
Hotels	\$ 298.98
Meals	\$ 832.32
Parking	\$ 23.00
Travel - Other	<u>\$ 3,010.80</u>
Total Travel	\$ 5,767.62
Utilities	<u>\$ 3,941.71</u>

Total Expense	<u>\$ 172,210.33</u>
Net Ordinary Income	<u>\$ (168,924.69)</u>
Other Income/Expense	
Other Expense	
Increase in Value of Marketable Securities	\$ 368,550.00
Net Other Income	<u>\$ 368,550.00</u>
Net Income	<u>\$ 199,625.31</u>

Marijuana, Inc,  
Statement of Cash Flows  
For the Period Jan 1 - Mar 31, 2012  
(UNAUDITED)

	<u>Jan - Mar 31, 2012</u>
OPERATING ACTIVITIES	
Net Income	\$ 199,625.31
Adjustments to reconcile Net Income	
To net cash provided by operations:	
Cash on Hand	\$ 171.86
Inventory Asset	\$ 5,500.00
Marketable Securities	\$ 518,700.00
Loan Payable - David Tobias	\$ 17,259.93
Net cash provided by Operating Activities	<u>\$ 741,257.10</u>
INVESTING ACTIVITIES	
Kins Investment	\$ (10,389.95)
Net cash provided by Investing Activities	<u>\$ (10,389.95)</u>
FINANCING ACTIVITIES	
Additional Paid In Capital	\$ 2,003,679.94
Capital - Common & Preferred: Capital Stock	\$ 7,370.98
Capital - Common & Preferred: Preferred Stock	\$ 3,315.00
Capital - Common & Preferred: Preferred K Stock	\$ 1,938.36
Net cash provided by Financing Activities	<u>\$ 2,016,304.28</u>
Net cash increase for period	<u>\$ 2,747,171.43</u>
Cash at end of Period	<u>\$ -</u>

Dilution	Preferred K Stock		Common Stock		Additional Paid In Capital	Retained Earnings	Total
	Shares	Amount	Shares	Amount			
Balance as of Mar 31, 2012	193,836,430	\$1,938.36	4,600,000	\$46.00	\$2,003,679.94	\$356,707.73	\$2,362,372.03



MARIJUANA, INC. (OTC:"HEMP")

## Note 1 - Organization and Basis of Presentation

### Organization and Line of Business

The Company was incorporated on January 16, 2008 in Colorado as Preachers Coffee, Inc. Preachers Coffee, Inc. a Colorado corporation was given the trading symbol PCIO. On November 11, 2009 Preachers Coffee, Inc. a Colorado corporation's name was changed to Marijuana, Inc. On October 10, 2011 the trading symbol PCIO was changed to HEMP.

Marijuana Inc. ("MI") (OTC: HEMP) is a start-up company and is in the development stage preparing to launch a comprehensive network of information, services and products focused on the rapidly emerging medical marijuana industries and movements. MI is assembling the components of this all encompassing educational, social network, affinity program, and distribution network through internal development, mergers & acquisition and joint ventures. These components are being seamlessly integrated into a process designed to take someone from curious, to knowledgeable, to a satisfied and loyal MI community member with a lasting relationship with the company through education, information, social networking, and product purchases.

### Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America.

It is assumed that the transfer agent's certified shareholder list is accurate and complete regarding the issuance and holders of common stock.

## Note 2 - Summary of Significant Accounting Policies

### Use of Estimates

The preparation of financial statements in conformity with 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. Actual results could differ from those estimates.

### Principles of Consolidation

These consolidated financial statements include the accounts of Marijuana, Inc's wholly owned subsidiaries Eco Harmony Rocks, LLC, a Delaware limited liability company and Eco Harmony, Inc., a Nevada corporation. All significant intercompany transactions have been eliminated.

## Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less. During this development period, many of the expenses of the company were funded by the officers and directors, thus alleviating the need for a bank account.

## Prepaid Expenses

None

## Investments in Marketable Securities

On August 15, 2011, ten million five hundred thousand (10,500,000) freely trading shares of Medical Marijuana, Inc., ("MJNA") were exchanged for 307,537,500 shares of MI common stock, subject to 144 restriction (which requires these recipients to hold the shares for a year prior to the shares being able to be sold). On March 31, 2012 the marketable securities account was adjusted to reflect the change in market value.

## Deposits

Deposits are the balances outstanding that have not been redeemed as of the date of the Financial Statements. As of March 31, 2012, there are no deposits.

## Accounts Receivable/Other Receivable

Accounts Receivable are amounts due to the company from sales or services rendered. As of March 31, 2012, there are no accounts receivable.

## Notes Receivable

Notes Receivable are executed contractual obligations to pay the company reflecting amounts due for sales or services rendered to another by the company. As of March 31, 2011, there are no notes receivable.

## Property and Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations.

As of March 31, 2012, there are two assets classified under Property and Equipment. One is a software program that incorporates all working aspects of the social network, loyalty program, media access, education access, and sales and marketing for the company. This software is the backbone of the business and actual payments for programmers exceeded \$1.8 million. The other proprietary software program is for managing the Company's social network.

#### Inventory

Inventory consists of nutraceutical products being test marketed over the internet.

#### Revenue Recognition

The Company's revenue recognition policies are in compliance with SEC Staff Accounting Bulletin ("SAB") 104.

#### Stock-Based Compensation

The Company accounts for its stock-based compensation in accordance with SFAS No. 123R, "Share-Based Payment, an Amendment of FASB Statement no. 123." The Company recognizes in the statement of operations the grant-date fair value of stock options and other equity-based compensation issued to employees and non-employees.

#### Income Taxes

The Company utilizes the SFAS No. 109, "Accounting for Income Taxes," which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in the future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period and based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

#### Basic and Diluted Earnings per Share

Earnings per share are calculated in accordance with the SFAS No. 128 ("SFAS No. 128"), "Earnings per Share." Net earnings per share for all periods presented have been restated to reflect the adoption of SFAS No. 128. Basic earnings per share is based upon the weighted average number of common shares outstanding. Diluted earnings per share is based on the assumption that all dilutive convertible shares and stock options were converted or exercised. There are convertible shares as discussed in Note 8. There are no options or warrants. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later),

and as if funds obtained thereby were used to purchase common stock at the average market price during the period. At this time there are no stock options granted.

#### Note 3 - Going Concern

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which contemplates continuation of the Company as a going concern.

#### Note 4 - Accounts Payable

Accounts payable represent amounts owed to vendors for products and/or services rendered but not yet paid for in full. At the close of business on March 31, 2012, there were no account having an outstanding balance.

#### Note 5 - Notes Payable

None.

#### Note 6 - Loans To/From Officers

Loans are stated at par and are represented in aggregate. Such sum represents the loan of funds and/or withdrawal of funds by officers and is not considered revenue to the company, nor income to individual officers.

#### Note 7 - Stock Options and Warrants

None.

#### Note 8 - Preferred Shares

The company has three types of preferred shares. The first, Preferred, is convertible to common shares at a ratio of one preferred share to two and one half shares of common shares. There are currently 331,500,000 preferred shares outstanding. The second, Series K, is convertible to common shares at a ratio of one preferred share to ten shares of common. There are currently 193,836,430 preferred series K shares outstanding. The third, Series Q, is convertible to common shares at a ratio of one preferred share to one hundred shares of common. There are currently no preferred series Q shares outstanding.

#### Note 9 - Prepaid Expenses

None.

#### Note 10 - Significant Events

The company has acquired the exclusive access to the web address hemp.com through a joint venture. The rights were purchased using a combination of stock, cash, and a percentage of the ongoing revenue. See attached Joint Venture agreement.

The company converted one million nine hundred thirty eight thousand three hundred sixty four dollars and thirty cents (\$1,938,364.30) to one hundred ninety three million eight hundred thirty six thousand four hundred thirty (193,836,430) shares of Preferred K stock as noted in Item 7 above.

#### Note 11 – Change in Stockholder’s Equity

##### Common Stock

During the period ended March 31, 2012, the Company issued 300,000 shares of restricted common stock for advertising in the Art of Mary Jane magazine.

During the period ended March 31, 2012, the Company issued 300,000 shares of restricted common stock to the Cash Hyde foundation as a charitable donation.

During the period ended March 31, 2012, the Company issued 1,000,000 shares of restricted common stock as a contractual payment related to MarijuanaInc.TV agreement. (Hal Lewis)

During the period ended March 31, 2012, the Company issued 3,000,000 shares of restricted common stock in accordance with the Joint Venture agreement and the Hemp.com rights acquisition.

Total common stock issued during period 4,600,000

##### Preferred Stock

During the period ended March 31, 2012, no preferred stock was issued.

##### Preferred K Stock

During the period ended March 31, 2012, the Company issued 193,836,430 shares of restricted Preferred K stock to retire a company debt of \$1,983,364.30 owed to Bruce Perlowin.

Total preferred K stock issued during period 193,836,430

#### **Item 4            Management’s discussion and analysis or plan of operation.**

#### **A. Plan of Operation**

Marijuana, Inc. ("MI") (OTC: HEMP) is a start-up company nearing completion of its development stage of operations. Most of the funding of the company has been supplied by the CEO of the Company, Bruce Perlowin. Over the last two years he has personally spent in excess of \$2,000,000 in the process of developing proprietary software for transaction processing, MIS, loyalty program, and social network management.

During that time the Company has also developed proprietary cutting edge nutraceutical products designed to, among other things, improve concentration, increase awareness, increase energy, improve joint flexibility, improve overall wellness, and to supply high quality hemp and blue-green algae protein. The market testing of these products began in December of 2011 and roll-out of the first two products is expected in second quarter 2012.

The Company has just completed the research and development phase of several proprietary skin care products for both men and women and will be market testing the products beginning in the second quarter of 2012.

The Company has also begun producing video content available in high definition over the internet. This content will be used to increase the interest of the target market in order to draw people to the MI social network, Eco Harmony, and to share meaningful products and services which will be more compelling with the loyalty program.

The Company has invested in the development of a Kins Domain in Northern Arizona near the Nevada border. A Kins Domain is a plan for sustainable living.

The Company is preparing to go beyond R&D and will need additional funds to implement the next phase of operations. It is part of the Company's plan to first begin selling products, mostly hemp based, then to bring the social network on-line and to supply content in the form of news and education. Once these are established the Company expects to advance other segments of the business plan such as the 420 Cafes and 420 Resorts.

#### **B. Management's Discussion and Analysis of Financial Conditions and the Results of Operations.**

As a development stage business, this section is not applicable.

#### **C. Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

**Item 5            Legal proceedings**

The Company is not involved in any legal proceedings.

**Item 6            Defaults upon senior securities.**

The Company is not in default on any senior securities.

**Item 7            Other information**

On February 21, 2012 pursuant to a request from Bruce Perlowin CEO, in accordance with his consulting agreement dated December 10, 2009, for expense reimbursement, the Board of Directors unanimously approved the reimbursement of Mr. Perlowin's expenses according the contract by granting one hundred ninety three million eight hundred thirty six thousand four hundred thirty (193,836,430) shares of Marijuana, Inc. restricted Preferred K stock valued at one cent (\$0.01) for expenses paid by Mr. Perlowin through December 31, 2012 totaling one million nine hundred thirty eight thousand three hundred and sixty four dollars and thirty cents (\$1,938,364.30).

On February 28, 2012 the Company completed a joint venture giving the company exclusive rights to the Hemp.com web site. The agreement called for a combination of stock, cash, and ongoing revenue sharing in return for exclusive rights to use the Hemp.com web address.

**Item 8            Exhibits**

February 21, 2012

Board of Directors  
Marijuana, Inc.  
8174 S Las Vegas Blvd #109-367  
Las Vegas, NV 89123

Re: Request for repayment of loans payable of record to Bruce Perlowin with Marijuana, Inc.  
Preferred K stock in accordance with Bruce Perlowin's Consulting Agreement dated December  
10, 2009.

Dear Sirs:

In accordance with the "EXPENSE REIMBURSEMENT" paragraph of my Consulting Agreement with the company I am requesting all debt owed to me as of December 31, 2011, one million nine hundred thirty eight thousand three hundred and sixty four dollars and thirty cents (\$1,938,364.30) be paid in full by the issuance of the company of one hundred ninety three million eight hundred thirty six thousand four hundred thirty (193,836,430) shares of Marijuana, Inc. restricted Preferred K stock valued at one cent (\$0.01) per share based upon the value of Marijuana, Inc. common stock at the close of trading on this day.

Sincerely,



Bruce Perlowin



**BRUCE PERLOWIN LOAN REPAYMENT**  
**FOR ALL LOANS OWED AS OF DECEMBER 31, 2011**

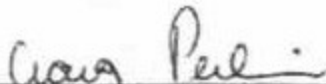
February 21, 2012

By unanimous approval of the Board of Directors the loan repayment for Bruce Perlowin in accordance with Mr. Perlowin's Consulting Agreement dated December 10, 2009 is hereby approved.

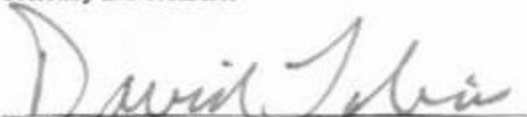
All loans payable of record to Bruce Perlowin as of December 31, 2011, one million nine hundred thirty eight thousand three hundred and sixty four dollars and thirty cents (\$1,938,364.30) will be paid in full forthwith by the issuance of the company of one hundred ninety three million eight hundred thirty six thousand four hundred thirty (193,836,430) shares of Marijuana, Inc. restricted Preferred K stock valued at one cent (\$0.01) per share based upon the value of Marijuana, Inc. common stock at the close of trading on this day.



Mr. Bruce Perlowin  
CEO and Chairman of the Board



Mr. Craig Perlwin  
Secretary and Treasurer



Mr. David M. Tobias  
Board Member

## JOINT VENTURE AGREEMENT

This Joint Venture Agreement (the "Agreement"), the HEMP.com Joint Venture ("HCJV"), is made this 25th day of January, 2012, by and among Marijuana, Inc. ("MI") a Colorado Corporation and [REDACTED] an individual residing in Alabama, in connection with the following facts:

### RECITALS:

A. MI is in the business of supplying informational material designed to increase the positive awareness of the benefits of cannabis and hemp as well as other services and products directed at the cannabis and hemp industries that are legal at the local, state and federal level of the United States of America.

B. [REDACTED] is the owner of the HEMP.com domain name.

C. The parties enter into this Agreement for the purpose of facilitating the ability of [REDACTED] and MI to introduce information, services, and products covering all legal aspects of the hemp and cannabis business.

### AGREEMENT:

NOW, THEREFORE, for due consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Recitals. The foregoing Recitals are hereby incorporated by reference and made a part of this Agreement.
2. Responsibilities of MI. In connection with the carrying out of the purpose of the joint venture, MI will have the following responsibilities and obligations:
  - (a) Provide HCJV with substantial operating capital from the funds to be received from the fully subscribed next Private Placement Memorandum.
  - (b) Provide [REDACTED] with 3,000,000 shares of 144 restricted MI (HEMP) stock within sixty days of the date of this agreement and another 2,000,000 shares of 144 restricted MI (HEMP) stock within eight months of the date of this agreement.
  - (c) Provide [REDACTED] with fifty thousand dollars (\$50,000). Twenty five thousand dollars (\$25,000) on or before April 20, 2012 and the additional twenty five thousand dollars (\$25,000) on or before June 20, 2012.
  - (d) Performing, without compensation, such other duties as may reasonably be expected in carrying out the operations of the HCJV which the parties agree to.

3. Responsibilities of [REDACTED]. In connection with the carrying out of the purpose of the joint venture, [REDACTED] will have the following responsibilities and obligations:

(a) Provide MI exclusive use of the Hemp.com Domain Name and exclusive rights to brand, market, and trademark said legal products and services bearing the hemp.com name and logo.

(b) Supply consulting services to HCJV in order to more effectively assist in the development of HEMP.com as the leading source of legitimate information, services, and products related to hemp and cannabis. Including but not limited to Hemp protein, Hemp oil, Hemp fabric, medical marijuana information, etc..

4. Payment and Profits.

4.1 Lockbox. All revenues from whatever source, including payments from Customers, will be paid into a lockbox account at a jointly approved bank ("Lockbox") managed by a person to be approved by both parties. The proceeds of the Lockbox will be swept no less than once every two weeks and will be distributed as set forth in Section 4.2 below.

4.2 Cashflow Distributions. The parties agree that all gross revenues received by the Joint Venture, from whatever source, including funds received in the Lockbox, will be paid out and applied as follows:

- (i) first to pay [REDACTED] \$1,000 monthly based on previous advertising revenue sales;
- (ii) payments of jointly approved expenses or commissions for outside agents not related to MI or [REDACTED];
- (iii) payments for expenses related to section 10 of this agreement;
- (iv) then, to pay MI 70%, [REDACTED] 20% and 10% will be held in a fund for incentive programs.

5. Representations and Warranties of MI. MI represents and warrants to [REDACTED] as follows:

(a) MI is a corporation and the signatories of this agreement have the requisite authority to enter into this Agreement.

6. Representations and Warranties of [REDACTED]. [REDACTED] represents and warrants to MI as follows:

(a) [REDACTED] is an individual and has the requisite authority to enter into this Agreement.

7. Term and Termination.

7.1 Term. Unless otherwise terminated pursuant to the provisions of this Agreement, the term of this HCJV Agreement is until both parties agree to terminate the agreement.

7.2 Effects of Termination. Upon termination of the Agreement, [REDACTED] and MI will continue to remit all receivable collections into the Lockbox until all financial obligations have expired and have been paid in full.

8. Financial Reporting. The HCJV manager who will be designated jointly by [REDACTED] and MI will provide (a) by the 15<sup>th</sup> day of each month financial statements for the previous calendar month (including income statement and balance sheet) prepared internally, and (b) by the 60<sup>th</sup> day following the end of each calendar year financial statements for the previous calendar year (including income statement and balance sheet). Any additional audits will be performed by certified public accountants mutually acceptable to [REDACTED] and MI and paid for by the HCJV.

9. Events of Default.

9.1 MI. Any of the following events shall constitute a default by MI under the Agreement.

(a) MI directly or indirectly causes revenues to be redirected from the Lockbox without the prior written consent of [REDACTED].

9.2 [REDACTED]. Any of the following events shall constitute a default by [REDACTED] under the Agreement.

(a) [REDACTED] directly or indirectly causes revenues to be redirected from the Lockbox without the prior written consent of MI.

9.3 Cure Period. The non-defaulting party shall provide written notice to the defaulting party. Such notice shall set forth the nature of the default. The defaulting party shall have fourteen (14) days to remedy such default.

9.4 Result of Default. In the event of an uncured default by any party, which default is not waived by the non-defaulting party, this Agreement will immediately terminate except for the obligations to pay according the Section 4, which shall continue until appropriate payment is made pursuant to the terms of this Agreement.

10. Cost of Operations. The Hemp.com Joint Venture will pay for administrative, legal, accounting, banking, Lockbox and product expenses incurred by the HCJV. All cost paid by the HCJV will be hard dollar costs and the HCJV will not be responsible for soft dollar costs.

11. Covenants. Upon execution of this Agreement, [REDACTED] and MI agree to the following:

(a) All significant contracts and agreements to be entered into by the HCJV must be approved by [REDACTED] and MI in advance and in writing, including all supplier contracts and Customer agreements.

12. Miscellaneous.

12.1 Notices. All notices to any party will be deemed to be sufficient only if contained in a written instrument delivered in person, delivery by recognized express courier, or overnight express delivery. All notices must have signature receipts executed to be valid. In each case the notice shall be addresses as set forth below such parties' signature below, or to such other address as may hereinafter be designated in writing by the recipient to the sender pursuant to this Section 12.1.

12.2 Jurisdiction; Venue. The parties irrevocably submits to the in personam jurisdiction of, and venue in, the state courts of the State of Nevada and of the United States District Court for the Nevada that are located in Clark County, Nevada, for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement.

12.3 Amendments and Waivers. Neither this Agreement nor any term hereof may be amended, modified or waived, except by written instrument signed by the parties. No course of dealing between the parties will operate as a waiver of any party's rights under this Agreement. A waiver on any one occasion will not be construed as a bar to or waiver of any right or remedy on any future occasion.

12.4 Attorneys' Fees. If any party hereto commences or maintains any action at law or in equity (including counterclaims or cross-complaints) against any other party or parties hereto by reason of the breach or claimed breach of any term or provision of this Agreement by such other party or parties, then the prevailing party or parties in such action will be entitled to recover its or their reasonable attorney's fees and court costs incurred therein from the other party or parties to such action.

12.5 Successors and Assigns. The provisions of this Agreement will inure to the benefit of, and be binding on, each party's respective successors and assigns, and, as to any individual party, such party's heirs, executors and administrators. This Agreement is not assignable in whole or in part by any party hereto without the prior written consent of all parties hereto, which will not be unreasonably withheld or delayed. Upon such an assignment, the assignee shall become a party to this Agreement.

12.6 Severability; Entire Agreement. The invalidity or unenforceability of any term or provision of this Agreement will not affect the validity or enforceability of any other term or provision hereof. The headings in this Agreement are for convenience of reference only and will not alter or otherwise affect the meaning of this Agreement. This Agreement constitutes the entire agreement of the parties regarding the specific

subject matter hereof and supersede any and all prior understandings or agreements between or among any of the parties with respect to such specific subject matter.

12.7 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Nevada, excluding that body of law pertaining to conflict of laws or choice of law.

12.8 Reimbursement of Expenses. All parties shall bear all of their costs and expenses in connection with the negotiation and consummation of transactions contemplated by this Agreement.

12.9 Execution in Counterparts. This Agreement may be executed in any number of counterparts, which together will constitute one instrument.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first above written.

[REDACTED]:

Marijuana, Inc:

[REDACTED]

Bruce Perlowin

By: [REDACTED]

By: Bruce Perlowin  
Bruce Perlowin, CEO

[REDACTED]

8174 S Las Vegas Blvd #109-367  
Las Vegas, NV 89123

**Item 9**

**Certifications**

I, Joseph Di Marco, Accounting Manager of Marijuana, Inc., certify that:

1. I have reviewed this Quarterly Report covering the period ending March 31, 2012 of Marijuana, Inc;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date:

3/17/2012



\_\_\_\_\_  
Joseph Di Marco  
Accounting Manager



I, Bruce Perlowin CEO and Chairman of the Board, certify that:

1. I have reviewed this Quarterly Report covering the period ending March 31, 2012 of Marijuana, Inc;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: 5/17/2012

Bruce Perlowin  
Bruce Perlowin  
CEO and Chairman of the Board