# MCIG, INC.

## FORM 10-Q/A
(Amended Quarterly Report)

Filed 01/30/15 for the Period Ending 07/31/14

| | |
|---|---|
| Address | 4720 SALISBURY ROAD, STE 100<br>JACKSONVILLE, FL, 32256 |
| Telephone | 570-778-6459 |
| CIK | 0001525852 |
| Symbol | MCIG |
| SIC Code | 2111 - Cigarettes |
| Industry | Tobacco |
| Sector | Consumer Non-Cyclicals |
| Fiscal Year | 04/30 |

**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 10-Q/A

**Amendment #3**

*(Mark One)*

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended **July 31, 2014**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT
For the transition period from **N/A** to **N/A**

**Commission File No. 333-175941**

## mCig, Inc.

(Name of small business issuer as specified in its charter)

| **Nevada** | **27-4439285** |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

| **433 North Camden Drive, 6 th Floor, Beverly Hills, CA** | **90210** |
|---|---|
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code: **310-402-6937**

Indicate by check mark whether the Registrant (1) has filed all reports required 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, or a non–accelerated filer. See definition of “accelerated filer and large accelerated filer” and “smaller reporting company” in Rule 12b–2 of the Exchange Act. (Check one):

| | |
|---|---|
| Large accelerated filer ☐ | Accelerated filer ☐ |
| Non–Accelerated filer ☐ | Smaller reporting Company ☒ |

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

Indicate the number of shares outstanding of each of the registrant’s classes of common stock as of the latest practicable date. 270,135,000 common shares issued and outstanding as of January 30, 2015 **.**

**Explanatory Note**

mCig, Inc. (the “Company”) is filing this Amendment #3 on Form 10-Q/A (the Amendment”) to the Company’s quarter report on Form 10-Q for the period ended July 31, 2014 (the “Form 10-Q”), filed with the Securities and Exchange Commission on September 19, 2014 (the “Original Filing Date”), solely for the purpose of incorporating our responses to the Securities and Exchange Commission comment letter s dated September 23, 2014 and November 10, 2014.

No other changes have been made to the Form 10-Q. This Amendment speaks as of the original filing date of the Form 10-Q, does not reflect events that may have occurred subsequent to the original filing date and does not modify or update in any way disclosures made in the original Form 10-Q.

**MCIG, INC.**
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**PART I**
**FINANCIAL INFORMATION**

The accompanying interim consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q. Therefore, they do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity (deficit) in conformity with generally accepted accounting principles. Except as disclosed herein, there has been no material change in the information disclosed in the notes to the financial statements included in the Company's annual report on Form 10-K for the year ended April 30, 2014. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the three months ended July 31, 2014 are not necessarily indicative of the results that can be expected for the year ending April 30, 2015.

**mCig, Inc.**
**CONSOLIDATED BALANCE SHEETS**

| | July 31 , 2014 (Unaudited) | April 30, 2014 (Audited) |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 225,995 | $ 358,839 |
| Accounts receivable | 55,633 | 41,098 |
| Inventory | 106,367 | 138,657 |
| Prepaid inventory | 4,835 | - |
| Prepaid e xpense | 1,769,842 | 6,253 |
| Total current assets | **2,162,672** | **544,84 7** |
| Intangible asset, net | 12,789 | 11,848 |
| Investment in Vapolution | 625,000 | 625,000 |
| Total assets | $ **2,800,461** | $ **1,181,695** |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| Current liabilities: | | |
| Accounts payable | $ 3,943 | $ 132,756 |
| Deferred revenue | - | 4,141 |
| Due to related party | 3,000 | 3,000 |
| Total current liabilities | 6,943 | 139,897 |
| Total liabilities | **6,943** | **139,897** |
| **STOCKHOLDERS' EQUITY** | | |
| Preferred stock, $0.0001 par value per share, 50,000,000 shares authorized, 23,000,000 shares issued and outstanding | 2,300 | 2,300 |
| Common stock, $0.0001 par value per share, 560,000,000 shares authorized, 270,135,000 shares issued and outstanding | 27,014 | 27,014 |
| Additional Paid in Capital | 4,074,611 | 1,394,137 |
| Stock payable | 128,071 | - |
| Accumulated deficit | (1,438,478) | (381,653) |
| Total stockholders' equity | **2,793,518** | **1,041,798** |
| Total liabilities and stockholders' equity | $ **2,800,461** | $ **1,181,695** |

The accompanying notes are an integral part of the consolidated financial statements.

**mCig, Inc.**
**CONDOLIDATED STATEMENTS OF OPERATIONS**
**( Unaudited )**

| | | For the Three Months Ended July 31, 2014 | | For the Three Months Ended July 31, 2013 |
|---|---|---|---|---|
| Revenue | $ | 195,565 | $ | 12,500 |
| Cost of Goods Sold | | 97,434 | | - |
| Gross profit | | 98,131 | | 12,500 |
| Operating Expenses | | | | |
| Amortization expense | | 1,859 | | 1,294 |
| Professional fees | | 15,416 | | 9,225 |
| Travel expenses | | 1,624 | | - |
| General and administrative expenses | | 91,101 | | 9,068 |
| Share-based compensation | | 1,044,956 | | - |
| Total operating expenses | | 1,154,956 | | 19,587 |
| Net loss | $ | (1,056,825) | $ | (7,087) |
| Basic loss per share | $ | (0.00) | $ | (0.00) |
| Weighted average shares of common stock outstanding - basic | | 270,135,000 | | 270,135,000 |

The accompanying notes are an integral part of the consolidated financial statements.

**mCig, Inc.**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**( Una udited)**

| | | For the Three Months Ended July 31, 2014 | | For the Three Months Ended July 31, 2013 |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| Net loss | $ | (1,056,825) | $ | (7,087) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | | | |
| Amortization | | 1,859 | | 1,294 |
| Common stock issued for services rendered | | 1,044,956 | | - |
| Changes in operating assets and liabilities: | | | | |
| Accounts receivable | | (14,535) | | - |
| Inventory | | 32,290 | | - |
| Prepaid inventory | | (4,835) | | - |
| Accounts payable and other liabilities | | (128,813) | | ( 2, 000) |
| Deferred revenue | | ( 4, 141) | | (12,500) |
| Net cash used in operating activities | | (130,044) | | (20,293) |
| **Cash flows from investing activities** | | | | |
| Website development cost | | (2,800) | | (3,733) |
| Net cash used in investing activities | | (2,800) | | (3,733) |
| **Cash flows from financing activities** | | | | |
| Advance from related party | | - | | 24,300 |
| Issuance of common stock for cash | | - | | - |
| Net cash flows provided by financing activities: | | - | | 24,300 |
| Net increase (decrease) in cash | | (132,844) | | 274 |
| **Cash- beginning of period** | | 358,839 | | 3,600 |
| **Cash- end of period** | $ | 225,995 | $ | 3,874 |

The accompanying notes are an integral part of the consolidated financial statements.

**NOTE 1 – DESCRIPTION OF BUSINESS**

mCig, Inc. (mCig) was incorporated in the State of Nevada on December 30, 2010 originally under the name Lifetech Industries, Inc. Effective August 2, 2013, the name was changed from "Lifetech Industries, Inc." to "mCig, Inc." reflecting the new business model. Since October 2013, mCig, Inc. has positioned itself as a technology company focused on two products marijuana and electronic vaporizing cigarettes : (1) The decriminalization and legalization of marijuana for medicinal or recreational purposes - legalizing medicinal and recreational marijuana usage is steadily on the rise not only domestically but also internationally. Marijuana has been decriminalized in over twenty countries, in over five continents. Twenty three states and the District of Columbia currently have laws legalizing marijuana in some form http://www.governing.com/govdata/safetyjustice/statemarijuanalawsmapmedicalrecreational.html ). Management believes that by 2016 it is very likely that many more states, including Alaska, California, Arizona, Maine, and Oregon, will legalize the use and sale of recreational marijuana the way Washington and Colorado have. (2) The adoption of electronic vaporizing cigarettes (commonly known as “eCigs”), as smokers move away from traditional cigarettes onto e-cigarettes. Smoking tobacco causes numerous health problems, including disease and death. Smoking becomes very addicting quickly, and the most difficult part is cessation. The Company contends that e-cigarettes offer a safer and healthier alternative to traditional tobacco cigarettes. E-cigarettes operate by heating a mixture of liquid nicotine and flavoring, which is then inhaled and exhaled in the same manner as a cigarette. However, e-cigarettes do not contain any tobacco or other dangerous additives. Scientific research has shown that the leading cause of cancer in smokers comes from the carcinogens in tobacco. As the movement towards personal health grows, smokers are trying to quit their harmful habits. Management believes that e-cigarettes provide a safe transition from harmful traditional cigarettes.

All agreements related to the Lifetech business are terminated and closed as of April 30, 2014. It has no impact on the current and future operations because all of these agreements are related to the previous business directions of the Company.

We manufacture and retail the mCig – an affordable loose-leaf eCig . Designed in the USA – the mCig provides a smoking experience by heating plant material, waxes, and oils delivering a smoother inhalation experience. The Company also maintains an investment in Vapolution, Inc. which manufactures and retails home-use vaporizers such as the Vapolution 2.0. Through its wholly owned subsidiary, VitaCig, Inc., the Company is engaged in the manufacturing and retailing of a nicotine-free eCig that delivers a water-vapor mixed with vitamins and natural flavors.

On January 23, 2014, the Company signed a Stock Purchase Agreement with Vapolution, Inc. which manufactures and retails home-use vaporizers. In accordance with this agreement mCig, Inc. acquired 100% of Vapolution, Inc.; as part of this transaction mCig, Inc. issued 5,000,000 shares to shareholders of Vapolution, Inc. The shareholders of Vapolution, Inc. retain the right to rescind the transaction, which expires on January 23, 2015.
On January 23, 2014, Paul Rosenberg, CEO of mCig, Inc. has cancelled an equal amount (2,500,000 shares) of common shares owned by him resulting in a net non-dilutive transaction to existing mCig, Inc. shareholders. The remaining 2,500,000 of common shares owned by Paul Rosenberg will be cancelled on the one year anniversary of the agreement, specifically on January 23, 2015, to offset the 2,500,000 new shares issued from the treasury to complete the purchase of Vapolution, Inc.

On February 24, 2014 the company entered into a Contribution Agreement with VitaCig, Inc. In accordance with this agreement VitaCig, Inc. accepted the contribution by mCig, Inc. of specific assets consisting solely of pending trademarks for the term “VitaCig” filed with the USPTO and $500 in cash as contribution in exchange for 500,135,000 shares of common capital stock representing 100% of the shares outstanding of VitaCig, Inc.

On November 28, 2014, mCig, completed the spin-off of VitaCig, Inc. (the “Spin-off”). Effective as of 11:59 p.m., New York City time, on November 28, 2014 (the “Distribution Date”), the Company distributed 270,135,000 shares of common stock of VitaCig, Inc., par value $0.0001 per share (“VitaCig Common Stock”), to holders of mCig’s stockholders of record as a pro rata dividend. The record date for the dividend was November 28, 2014. The Ex-Dividend Date was set for November 25, 2014. mCig stockholders received one share of VitaCig Common Stock for every one share of common stock, par value $0.0001 per share, of mCig. The Spin-off was completed for the purpose of legally and structurally separating VitaCig, Inc. from mCig. MCig retain 230,000,000 shares of common stock and remains as a controlling shareholder. The shares of common stock to be received by mCig shareholders were registered on a Form S-1 filed by VitaCig and declared effective by the Securities and Exchange Commission on November 5, 2014.

**NOTE 2 – BASIS OF PRESENTATION OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. The accompanying interim unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information in accordance with the instructions to Form 10Q and Article 8 of Regulation SX. In management's opinion, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included.

Operating results for the three months ended July 31, 2014 are not necessarily indicative of the results that may be expected for the year ending April 30, 2015. Notes to the unaudited interim consolidated financial statements that would substantially duplicate the disclosures contained in the audited consolidated financial statements for the year ended April 30, 2014 have been omitted ; this report should be read in conjunction with the audited consolidated financial statements and the footnotes thereto for the fiscal year ended April 30, 2014 included within the Company's Form 10-K as filed with the Securities and Exchange Commission.

**NOTE 3 – GOING CONCERN**

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company has recurring losses from operations of $ 1,056,825 and an accumulated deficit at July 31, 2014 of $1,438,478 and needs additional cash to maintain its operations.

These factors raise doubt about the Company's ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. The Company's continued existence is dependent upon management's ability to develop profitable operations, continued contributions from the Company's executive officers to finance its operations and the ability to obtain additional funding sources to explore potential strategic relationships and to provide capital and other resources for the further development and marketing of the Company's products and business.

**NOTE 4 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Significant accounting policies are as follows:

**Use of Estimates and Assumptions**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions that affect (i) the reported amounts of assets and liabilities, (ii) the disclosure of contingent assets and liabilities known to exist as of the date the consolidated financial statements are published, and (iii) the reported amount of net revenues and expenses recognized during the reporting period. Adjustments made with respect to the use of estimates often relate to improved information not previously available. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of consolidated financial statements; accordingly, actual results could differ from these estimates. The Company's most significant estimates relate to the valuation of its proprietary technology and its valuation of its common stock.

**Cash and cash equivalents**

The Company includes in cash and cash equivalents all short-term, highly liquid investments that mature within three months of their acquisition date. Cash equivalents consist principally of investments in interest-bearing demand deposit accounts and liquidity funds with financial institutions and are stated at cost, which approximates fair value. For cash management purposes the company concentrates its cash holdings in an account at Bank of America.

**Impairment of Long-Lived Assets**

Long-lived assets are evaluated for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable or that the useful lives of these assets are no longer appropriate. Each impairment test is based on a comparison of the undiscounted future cash flows to the recorded value of the asset. If impairment is indicated, the asset is written down to its estimated fair value. The acquired software technologies are reviewed annually for impairment.

**Fair Value of Financial Instruments**

The Company's financial instruments consist primarily of cash, accounts payable and accrued expenses, and debt. The carrying amounts of such financial instruments approximate their respective estimated fair value due to the short-term maturities and approximate market interest rates of these instruments.

Fair value is focused on an exit price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Within the measurement of fair value, the use of market-based information is prioritized over entity specific information and a three-level hierarchy for fair value measurements is used based on the nature of inputs used in the valuation of an asset or liability as of the measurement date.

The three-level hierarchy for fair value measurements is defined as follows:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets; liabilities in active markets;

Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability other than quoted prices, either directly or are not considered to be active;

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following table summarizes fair value measurements by level at July 31, 2014 and April 30, 2014 for assets measured at fair value on a recurring basis:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| At July 31, 2014 | | | | |
| Investment and intangible | $ - | $ - | $ 637, 789 | $ 637, 789 |
| Total Investment and intangible | $ - | $ - | $ 637, 789 | $ 637, 789 |
| | | | | |
| At April 30, 2014 | | | | |
| Investment and intangible | $ - | $ - | $ 636,848 | $ 636,848 |
| Total Investment and intangible | $ - | $ - | $ 636,848 | $ 636,848 |

**Accounts Receivable and Allowance for Uncollectible Accounts**

Substantially all of the Company’s accounts receivable balance is related to trade receivables. Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the Company’s best estimate of the amount of probable credit losses in its existing accounts receivable. The Company will maintain allowances for doubtful accounts for estimated losses resulting from the inability of its customers to make required payments for services. Accounts with known financial issues are first reviewed and specific estimates are recorded. The remaining accounts receivable balances are then grouped in categories by the number of days the balance is past due, and the estimated loss is calculated as a percentage of the total category based upon past history. Account balances are charged against the allowance when it is probable the receivable will not be recovered.

**Income Taxes**

The Company utilizes the asset and liability method in accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for operating loss and tax credit carryforwards and for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of operations in the period that includes the enactment date. A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets unless it is more likely than not that the value of such assets will be realized.

The Company uses the two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not, that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount, which is more than 50% likely of being realized upon ultimate settlement. The Company considers many factors when evaluating and estimating the Company's tax positions and tax benefits, which may require periodic adjustments. At July 31, 2014, the Company did not record any liabilities for uncertain tax positions.

**Revenue Recognition**

The Company’s revenue recognition policy is in accordance with generally accepted accounting principles, which requires the recognition of sales when there is evidence of a sales agreement, the delivery of goods has occurred, the sales price is fixed or determinable and the collectability of revenue is reasonably assured.

**Inventory**

Inventory consists of finished product, mCig and VitaCig electronic vaporizing cigarettes valued at the lower of cost or market valuation under the first-in, first-out method of costing.

**Warranties**

Warranty reserves include management’s best estimate of the projected costs to repair or to replace any items under warranty, based on actual warranty experience as it becomes available and other known factors that may impact the Company’s evaluation of historical data. Management reviews mCig’s reserves at least quarterly to ensure that its accruals are adequate in meeting expected future warranty obligations, and the Company will adjust its estimates as needed. Initial warranty data can be limited early in the launch of a product and accordingly, the adjustments that are recorded may be material. Because of the nature of its products, customers are made aware that as soon as a mCig is packed with marijuana, they automatically void their warranty, primarily because it is against federal laws to mail a product that has been in proximity of marijuana. As a result, the products that can be returned as a warranty replacement is extremely limited. For VitaCig, the warranty limitations are extremely limited, since as soon as a customer takes off the freshness seal of the product, the warranty is no longer applicable. As a result, due to the Company’s warranty policy, the Company did not have any significant warranty expenses to report as of Quarter Ended July 31, 2014. Based on these actual expenses, the warranty reserve, as estimated by management as of Quarter Ended July 31, 2014 was at $0. Any adjustments to warranty reserves are to be recorded in cost of sales.

It is likely that as we start selling higher priced products, that are not affected by federal shipping laws and/or are not single use items (such as eLiquid Juice Vaporizer), we will acquire additional information on the projected costs to service work under warranty and may need to make additional adjustments. Further, a small change in the Company’s warranty estimates may result in a material charge to the Company’s reported financial results.

**Product exchanges and product returns**

The total for product exchanges and product returns as of July 31, 2014 were minimal. As a result, all product exchanges and product returns were recorded as a reduction to revenues.

**Deferred Revenue**

Deferred revenue result from fees billed to customers for which revenue has not yet been recognized or for which the conditions of the arrangement have been modified. The Company recognizes revenue when earned and defers revenues that are unearned.

The Company has deferred revenue of $0 as of July 31, 2014 and $4,141 for April 30, 2014.

**Share-Based Compensation**

The Company measures the cost of services received in exchange for an award of an equity instrument based on the grant date fair value of the award. Compensation cost is recognized over the vesting or requisite service period.

**Basic and Diluted Net Income (Loss) per Common Share**

Basic income (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares outstanding during the reporting period. The weighted average number of shares is calculated by taking the number of shares outstanding and weighting them by the amount of time that they were outstanding. Diluted earnings per share reflects the potential dilution that could occur if stock options, warrants, and other commitments to issue common stock were exercised or equity awards vest resulting in the issuance of common stock that could share in the earnings of the Company.

The Company has 23,000,000 preferred shares that can be converted subject to the limitation of the Company's authorized shares at 1 preferred share for 10 common shares. The conversion can only take place with the approval of the Board of Directors after the expiration of the lock up agreement on April 30, 2015. The preferred shares are antidilutive due to the losses the Company has incurred for the periods ended July 31, 2014 and 2013.

Diluted loss per share is the same as basic loss per share during periods where net losses are incurred since the inclusion of the potential common stock equivalents would be antidilutive as a result of the net loss.

**Subsequent Events**

The Company has evaluated all transactions occurring between July 31, 2014 and the date of issuance of the consolidated financial statements for subsequent event disclosure consideration.

**Recent Accounting Pronouncements**

No accounting standards or interpretations issued recently are expected to a have a material impact on the Company's financial position, operations or cash flows.

**NOTE 5 – INTANGIBLE**

The following is a detail of software at July 31, 2014 and April 30, 2014:

| | July 31, 2014 | April 30, 2014 |
|---|---|---|
| Website | $ 22,310 | $ 19,510 |
| Vapolution | 625,000 | 625,000 |
| Total intangible assets | 647,310 | 644,510 |
| Accumulated amortization of intangible assets | ( 9,521) | (7,662) |
| Total intangible assets | $ 637, 789 | $ 636,848 |

**Website development costs**

Under the provisions of FASB-ASC Topic 350, the Company previously capitalized costs of design, configuration, coding, installation, and testing of the Company's website up to its initial implementation. Costs will be amortized to expense over an estimated useful life of three years using the straight-line method. Ongoing website post- implementation cost of operations, including training and application, are expensed as incurred. The Company evaluates the recoverability of website development costs in accordance with FASB-ASC Topic 350. As of July 31, 2014, management does not believe that there is a need for the impairment of costs incurred towards the development of its website.

**Investment in Vapolution**

The Company has determined the appropriate way to report its deposit in Vapolution using the cost method of accounting. Specifically, as reported Per ASC 325-20-25-1, the fair value of restricted stock is not readily determinable since the seller has the right to rescind the agreement effective through January 23, 2015. Therefore the Company has recorded this as a deposit on the cost method, mCig reported its deposit in Vapolution as of July 31, 2014 and April 30, 2014 in the amount of $625,000. The Company issued the 2,500,000 in common stock as a deposit and the transaction with Vapolution will then be finally transacted on January 23, 2015 when the right to rescind the transaction has expired.

The Company has treated this transaction as a deposit since the payment of the 2,500,000 million shares is a pre-closing deposit. The Company will true up the remaining balance of the shares to be issued in January of 2015 after the right to rescind the transaction has expired as noted in the Amended Stock Purchase Agreement. The Company intends to revalue the transaction in January based up on the current performance of the operations. The Company does not presently have control of Vapolution and will not until the final closing of this transaction. At that time the Company will treat this acquisition in January of 2015 as a Business Combination with the appropriate disclosures.

**NOTE 6 - EQUITY**

As of July 31, 2014, the Company was authorized to issue 560,000,000 common shares and 23,000,000 preferred shares at a par value of $0.0001.

The Company has prepaid common stock of $1,769,842 that has been issued to consultants and employees from our CEO’s common stock. The shares are earned in accordance with their agreements and are earned by the employees consultants in less than a year. These shares have been issued from our CEO’s common stock and recorded as part of the related party note. (See Note 7)

**Common Stock**

On September 17, 2013, the company issued 60,000 restricted shares of common stock at $0.21 per share for professional services rendered in order to promote the company via social media. These shares were valued at $12,600 based on the price on the date of grant.

On October 18, 2013, the company issued 30,000 restricted shares of common stock at $0.11 per share for professional services rendered in order to promote the company via social media. These shares were valued at $3,300 based on the price on the date of grant.

On November 15, 2013, the company issued 45,000 restricted shares of common stock at $0.07 per share for professional services rendered in order to promote the company via social media. These shares were valued at $3,150 based on the price on the date of grant.

On November 26, 2013, the Company issued 500,000 shares of common stock at $0.083 per share for services of Chief Operating Officer by transferring these shares of common stock held by Paul Rosenberg. These shares were valued at $41,500 based on the price on the date of grant. It was considered as capital contribution.

On January 23, 2014, the Company completed the investment acquisition of Vapolution, Inc. by acquiring all of its' issued and outstanding shares in exchange for 5,000,000 shares of mCig's common stock at a market value of $0.25 per share on the date of the acquisition, where Vapolution became a controlled subsidiary.

On January 23, 2014, Paul Rosenberg, CEO of mCig, Inc. has cancelled an equal amount (2,500,000 shares) of common shares owned by him resulting in a net non-dilutive transaction to existing mCig, Inc. shareholders. The remaining 2,500,000 of common shares owned by Paul Rosenberg will be cancelled on the one year anniversary of the agreement on January 23, 2015, to offset the 2,500,000 new shares issued from the treasury to complete the purchase of mCig, Inc.

Since only half of the agreed upon shares had been paid out by mCig, Inc. to the previous owners of Vapolution, Inc. as of April 30, 2014 as part of the agreed upon purchase price, only half of the purchase price ($625,000) was reported on the Company’s balance sheet as Investment in Vapolution, Inc. at the year-end date. The remaining purchase price of 2,500,000 shares will be recognized in the amount of $625,000 on the Company’s balance sheet on the commencement date of January 23, 2015. At that time, mCig intends to satisfy all requirements necessary to consolidate Vapolution’s audited year-end results as part of its financials.

On April 14, 2014, the Company issued 750,000 shares of common stock at $0.4 per share in accordance with a Security Purchase Agreement between mCig, Inc. and an institutional investor as part of the company's deployment of a national market strategy dated as of April 14, 2014, by transferring these shares of common stock held by Paul Rosenberg. These shares were valued at $300,000 based on the price at $0.4 per share. It was considered as capital contribution.

As of April 30, 2014, Mr. Paul Rosenberg cancelled 741,224 shares of common stock from his personnel holdings in the Company and were issued to various employees and consultants for services rendered and 135,000 shares of common stock were issued by the Company for services rendered. The total amount of these shares, included as part of the Company's equity roll-forward equaled $195,723.

On April 30, 2014, Mr. Paul Rosenberg, President and CEO, agreed to forgive debts (the sum of $15,000) owed to him by the Company and recorded as Additional paid in capital.

As of July 31, 2014, Mr. Paul Rosenberg cancelled 5,040,658 shares of common stock from his personnel holding to issue them on behalf of the Company for services rendered by employees and consultants. The total amount of these shares, included as part of the Company's equity roll-forward equaled $2,680,474.

**Stock split**

Effective July 31, 2013, the company effected a 1 old for 10 new forward stock split of the Company's common stock. As a result, our authorized capital increased from 200,000,000 to 1,000,000,000 shares of common stock and our issued and outstanding increased from 50,000,000 shares of common stock to 500,000,000 shares of common stock, all with a par value of $0.0001.

On December 12, 2013, the company made an amendment of Certificate of Incorporation to decrease the number of authorized shares of Common stock, $0.0001 par value per share, from 1,000,000,000 shares to 560,000,000 shares.

**Preferred Stock**

The Company has authorized 50,000,000 shares of preferred stock, at $0.0001 par value and 23,000,000 are issued and outstanding as of July 31, 2014. Each share of the Preferred Stock has 10 votes on all matters presented to be voted by the holders of the Company's common stock. All 23,000,000 shares of preferred stock were granted to the Company's Chief Executive Officer on September 23, 2013 which were valued at $2,300, the price of the common stock of $0.0001 exchanged in the transaction.

On September 23, 2013, the Company entered into a Share Cancellation / Exchange / Return to Treasury Agreement with Paul Rosenberg, the chief executive officer of mCig, Inc., for the cancellation of 230,000,000 shares of our common stock held by Mr. Rosenberg in exchange for 23,000,000 shares of our company's Series A Preferred Stock. Under the terms of the Agreement, the Preferred Shares only have voting rights and no right to convert to common stock in accordance with the Certificate of Certification filed with the State of Nevada on September 10, 2013. The Series A Preferred shares of mCig, Inc. carry ten (10) votes per each share of Preferred stock while mCig, Inc.'s common shares carry one (1) vote per each share outstanding.

On April 10, 2014, the Share Cancellation / Exchange / Return to Treasury Agreement was amended. Under terms of the amended agreement, all or any part of the Preferred Shares held by Shareholder can be converted at any time or from time to time, and can be exchanged for a stated number of the company's Common Stock Shares. The amendment was rejected by the State of Nevada as the conversion did not have a stated number of shares that converts and thus was invalid.

On July 16, 2014, the Board of Directors approved the conversion rate of ten for one (ten shares of common stock for each share of Series A Preferred Stock). In addition, the Board of Directors reduced the number of shares of Series A Preferred Stock to the amount issued and outstanding (23,000,000) and executed a lock up agreement such that Mr. Rosenberg cannot convert the Series A Convertible Preferred Stock until after the year ended April 30, 2015. The Certificate of Certification was filed on July 17, 2014 with the State of Nevada.

**Stock Payable**

As of July 31, 2014, the Company entered into agreements with various consultants for services. As per the agreement the Company is liable to issue shares for the compensation agreed upon per the agreement. As at July 31, 2014 a total of $128,071 is classified as stock payable for shares liable to be issued under the agreement.

**NOTE 7 - RELATED PARTY TRANSACTIONS**

***Stock Issued for Services***

During the three months ended July 31, 2014, the Company issued 2,538,556 shares of common stock as compensation. The fair values of the shares were a total of $1,044,956 and were recorded at the market price on the date of grant. The issuances of stock were as follows:

| Date | Number of Shares | Fair Value | Description of Services |
|---|---|---|---|
| May 16, 2014 | 59,167 | $ 26,956 | Compensation to consultant |
| May 29, 2014 | 519,886 | 229,141 | Compensation to consultant |
| May 15, 2014 | 697,674 | 300,000 | Compensation for Billboard Advertising |
| May 26, 2014 | 55,917 | 25,240 | Compensation to consultant |
| June 26, 2014 | 109,915 | 48,829 | Compensation for advertising |
| July 11, 2014 | 34,239 | 15,947 | Compensation for advertising |
| July 15, 2014 | 252,055 | 20,921 | Compensation to COO |
| July 15, 2014 | 100, 000 | 44,225 | Compensation to Pharmacist |
| July 15, 2014 | 78,333 | 14,833 | Compensation for Advertising |
| May 1, 2014 | 37,236 | 43,737 | Compensation to Marketing Director |
| May 29, 2014 | 284,091 | 125,000 | Commission for advertiser |
| July 15, 2014 | 17,511 | 7,500 | Compensation to employee |
| July 15, 2014 | 24,000 | 11,990 | Compensation to employee |
| July 15, 2014 | 60,000 | 29,180 | Compensation to executive assistant |
| July 15, 2014 | 52,532 | 25,589 | Compensation for marketing |
| July 15, 2014 | 120,000 | 58,360 | Compensation to accounting consultant |
| July 15, 2014 | 36,000 | 17,508 | Compensation for research services |
| Total | 2,538,556 | $ 1,044,956 | |

As of July 31, 2014, the Company's Chief Executive Officer advanced $3,000 to the Company which is due upon demand.

**NOTE 8 - SUBSEQUENT EVENTS**

As of the date of this filing, there are no subsequent events to report.

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

**Forward-Looking Statements**

Management's Discussion and Analysis contains various "forward looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, regarding future events or the future financial performance of the Company that involve risks and uncertainties. Certain statements included in this Form 10-Q, including, without limitation, statements related to anticipated cash flow sources and uses, and words including but not limited to "anticipates", "believes", "plans", "expects", "future" and similar statements or expressions, identify forward looking statements. Any forward-looking statements herein are subject to certain risks and uncertainties in the Company's business, including but not limited to, reliance on key customers and competition in its markets, market demand, delayed payments of accounts receivables, technological developments, maintenance of relationships with key suppliers, changes to e-cigarette regulation or marijuana regulations, difficulties of hiring or retaining key personnel and any changes in current accounting rules, all of which may be beyond the control of the Company. Management will elect additional changes to revenue recognition to comply with the most conservative SEC recognition on a forward going accrual basis as the model is replicated with other similar markets (i.e. SBDC). The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth therein.

Forward-looking statements involve risks, uncertainties and other factors, which may cause our actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Factors and risks that could affect our results and achievements and cause them to materially differ from those contained in the forward-looking statements include those identified in the section titled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended April 30, 2014, as well as other factors that we are currently unable to identify or quantify, but that may exist in the future.

In addition, the foregoing factors may affect generally our business, results of operations and financial position. Forward-looking statements speak only as of the date the statement was made. We do not undertake and specifically decline any obligation to update any forward-looking statements.

**Our Business**

We were incorporated as mCig, Inc. (mCig) in the State of Nevada on December 30, 2010 originally under the name Lifetech Industries, Inc. Effective August 2, 2013, the name was changed from "Lifetech Industries, Inc." to "mCig, Inc." reflecting the new business model. Since October 2013, mCig, Inc. has positioned itself as a technology company focused on two products marijuana and electronic vaporizing cigarettes : (1) The decriminalization and legalization of marijuana for medicinal or recreational purposes - legalizing medicinal and recreational marijuana usage is steadily on the rise not only domestically but also internationally. Marijuana has been decriminalized in over twenty countries, in over five continents. Twenty three states and the District of Columbia currently have laws legalizing marijuana in some form http://www.governing.com/govdata/safetyjustice/statemarijuanalawsmapmedicalrecreational.html ). Management believes that by 2016 it is very likely that many more states, including Alaska, California, Arizona, Maine, and Oregon, will legalize the use and sale of recreational marijuana the way Washington and Colorado have. (2) The adoption of electronic vaporizing cigarettes (commonly known as "eCigs") by the world's smokers. The FDA has indicated that e-cigarettes and their potential risks have not been fully studied. Since e-cigarettes are new, their long-term effects are not well known, including the potential risks of e-cigarettes when used as intended and how many potentially harmful chemicals are being inhaled during use. However, even with the limited research that we have now, it is well known that e-cigarettes are still much safer and healthier than traditional cigarettes. The largest health benefit of e-cigarettes is when used as a smoking cessation tool. The leading cause of disease from smokers is caused by the tar found in cigarettes, which e-cigarettes do not have.

We do not rely on one or a few major customers but rely on general sales to numerous customers online.

On January 23, 2014, through a Stock Purchase Agreement with Vapolution, Inc., we made a down payment towards the acquisition of Vapolution, Inc. Upon closing of this transaction on January 23, 2015 we can acquire all of Vapolution, Inc.'s issued and outstanding shares in exchange for an aggregate of 5,000,000 shares of our common stock at a market value of $0.25 per share on the date of the closing of the acquisition. Upon closing the acquisition January 23, 2015, Vapolution will become a wholly owned subsidiary. The shareholders of Vapolution, Inc. retain the right to rescind the transaction on or before January 23, 2015.

On January 23, 2014, Paul Rosenberg, our Chief Executive Officer, cancelled an equal amount (2,500,000 shares) of common shares owned by him resulting in a net non-dilutive transaction to our existing shareholders. The remaining 2,500,000 of common shares owned by Paul Rosenberg will be cancelled on the one year anniversary of the agreement on January 23, 2015, to offset the 2,500,000 new shares to be issued from the treasury for the completion of the acquisition of Vapolution. Since only half of the agreed upon shares had been paid out by us to the previous owners of Vapolution, Inc. as on July 31, 2014 as part of the agreed upon purchase price, only half of the purchase price ($625,000) was reported on our balance sheet as Investment in Vapolution, Inc. at the quarter end date. The remaining purchase price of 2,500,000 shares of our common stock will be recognized in the amount of $625,000 on our balance sheet on the commencement date of January 23, 2015. At that time, we intend to satisfy all requirements necessary to consolidate Vapolution audited year-end results as part of our financials. On May 23, 2014, the parties to the agreement agreed to amend the original Stock Purchase Agreement. Per the amended Stock Purchase Agreement executed as of May 23, 2014, a clarification was made to the agreement that more appropriately expresses the spirit of the transaction as agreed upon by us g and the previous owners of Vapolution, Inc.

**SIGNIFICANT ACCOUNTING POLICIES**

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Significant accounting policies are as follows:

**Use of Estimates and Assumptions**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions that affect (i) the reported amounts of assets and liabilities, (ii) the disclosure of contingent assets and liabilities known to exist as of the date the consolidated financial statements are published, and (iii) the reported amount of net revenues and expenses recognized during the periods presented. Adjustments made with respect to the use of estimates often relate to improved information not previously available. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of consolidated financial statements; accordingly, actual results could differ from these estimates. Our most significant estimates relate to the valuation of its proprietary technology and its valuation of its common stock.

**Share-Based Compensation**

We measure the cost of services received in exchange for an award of an equity instrument based on the grant-date fair value of the award. Compensation cost is recognized over the vesting or requisite service period.

**Basic and Diluted Net Income (Loss) per Common Share**

Basic income (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of our common shares outstanding during the reporting period. The weighted average number of shares is calculated by taking the number of shares outstanding and weighting them by the amount of time that they were outstanding. Diluted earnings per share reflects the potential dilution that could occur if stock options, warrants, and other commitments to issue common stock were exercised or equity awards vest resulting in the issuance of common stock that could share in the earnings of the Company. We have 23,000,000 preferred shares that can be converted subject to the limitation of our authorized shares at 1 preferred share for 10 common shares. The conversion can only take place after April 15, 2015.

Diluted loss per share is the same as basic loss per share during periods where net losses are incurred since the inclusion of the potential common stock equivalents would be anti-dilutive as a result of the net loss.

**Revenue Recognition**

Our revenue recognition policy is in accordance with generally accepted accounting principles, which requires the recognition of sales when there is evidence of a sales agreement, the delivery of goods has occurred, the sales price is fixed or determinable and the collectability of revenue is reasonably assured.

***Financial results and trends***

**Results of Operations for the Three Months Ended July 31, 2014 and 2013**

Our operating results for the three months ended July 31, 2014 and 2013 are summarized as follows:

| | For the three months ended July 31, 2014 | | For the three months ended July 31, 2013 | |
|---|---|---|---|---|
| | | | | |
| Revenue | $ | 195,565 | $ | 12,500 |
| Cost of Goods Sold | | 97,434 | | 0 |
| Gross Profit | | 98,131 | | 12,500 |
| Expenses | | 1,154,956 | | 19,587 |
| Net Loss | $ | ( 1,056,825 ) | $ | ( 7 , 087 ) |

***Revenues***

Our revenues increased to $195,565 for the three months ended July 31, 2014 compared to $12,500 for the three months ended July 31, 2013, and for an increase of $183,065 . The increase in revenue is attributed to the launch of our primary product the mCig 2.0 in January 2014. Revenues consist primarily of results

from the sales of the electronic cigarettes, components for electronic cigarettes and related accessories.

Sales of the electronic cigarettes of mCig for the three months ended July 31, 2014 and 2013 were $107,446 and $0, respectively. Significant increase in sales is mainly due to the launch of the new mCig's products.

Sales of the VitaCig electronic vaporizing cigarettes for the three months ended July 31, 2014 and 2013 were $88,119 and $0, respectively. The Company was incorporated on January 22, 2014 and has launched its product in April.

These sales do not include any sales for Vapolution, Inc. which is being held as an investment.

Our revenue recognition policy is in accordance with generally accepted accounting principles, which requires the recognition of sales when there is evidence of a sales agreement, the delivery of goods has occurred, the sales price is fixed or determinable and the collectability of revenue is reasonably assured.

Cost of goods sold for the three months ended July 31, 2014 and 2013 were $97,435 and $0 respectively. The increase is primarily due to the launch of our new business and sales of the mCig's and VitaCig's electronic cigarettes.

Cost of goods sold for mCig, Inc. for the three months ended July 31, 2014 and 2013 were $49,876 and $0, respectively. And cost of goods sold for VitaCig, Inc. for the three months ended July 31, 2014 and 2013 were $47,558 and $0, respectively.

***Operating Expenses***

Our total operating expenses for the three months ended July 31, 2014 and 2013 were $1,154,956 and $19,587, respectively, an increase of $1,135,369, or approximately 98%. The increase is primarily due to the increase of the professional fees, stock-based compensation and general and administrative expenses.

Our total operating expenses for the three months ended July 31, 2014 consisted of $15,416 of professional fees, $1,624 of travel expenses, $1,859 of amortization, $91,101 of general and administrative expenses and $1,044,956 of share-based compensation. Our general and administrative expenses consist of bank

charges, advertising and promotion, rent, computer and internet expenses, postage and delivery and other expenses. For the three months ended July 31, 2013 our incurred total operation expenses consisted of $9,225 of professional fees, $1,294 of amortization, and $9,068 of general and administrative expenses.

Total operating expenses for mCig, Inc. for the three months ended July 31, 2014 were $1,121,910 and consisted of $10,600 of professional fees, $1,626 of amortization, $1,624 of travel, $63,104 of general and administrative expenses and $1,044,956 of stock based compensation. Total operating expenses for VitaCig, Inc. for the three months ended July 31, 2014 were $33,046 and consisted of $4,816 of professional fees, $233 of amortization and $27,997 of general and administrative expenses. The general and administrative expenses consist of bank charges, computer and internet expenses, postage and delivery and telephone expenses.

Net loss for the three months ended July 31 , 2014 and 2013 was $1,056,825 and $7,087, respectively, an increase of $1,049,738 as a result of the items discussed above.

**Liquidity and Financial Condition**

We expect to incur substantial expenses and generate significant operating losses as we continue to grow our operations, as well as incur expenses related to operating as a public company and compliance with regulatory requirements. At July 31, 2014, we had cash of $225,995.

Working Capital

| | | As at July 31 , 2014 | | As at July 31 , 2013 | | Change |
|---|---|---|---|---|---|---|
| Current Assets | $ | 2,162,672 | $ | 3,874 | $ | 2,158,798 |
| Current Liabilities | $ | 6,943 | $ | 64,175 | $ | (57,232) |
| Working Capital | $ | 2,155,729 | $ | (60,301) | $ | 2,216,030 |

Cash Flows

| | | For the three months ended July 31, 2014 | | For the three months ended July 31, 2013 |
|---|---|---|---|---|
| Net Cash Used in Operating Activities | $ | (1 30,044 ) | $ | ( 20,293 ) |
| Net Cash Used by Investing Activities | $ | ( 2,800 ) | $ | ( 3,733 ) |
| Net Cash Provided by (Used In) Financing Activities | $ | - | $ | 24,300 |
| Net Increase (Decrease) in Cash During the Period | $ | (132,844) | $ | 274 |

**Off-Balance Sheet Arrangements**

As of July 31, 2014, we had no off balance sheet transactions that have or are reasonably likely to have a current or future effect on our financial condition, changes in our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

**WHERE YOU CAN FIND MORE INFORMATION**

You are advised to read this Quarterly Report on Form 10-Q in conjunction with other reports and documents that we file from time to time with the SEC. In particular, please read our Quarterly Reports on Form 10-Q, Annual Report on Form 10-K, and Current Reports on Form 8-K that we file from time to time. You may obtain copies of these reports directly from us or from the SEC at the SEC’s Public Reference Room at 100 F. Street, N.E. Washington, D.C. 20549, and you may obtain information about obtaining access to the Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains information for electronic filers at its website http://www.sec.gov.

**ITEM 3. QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK**

We do not hold any derivative instruments and do not engage in any hedging activities.

## ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to our sole officer, as appropriate to allow timely decisions regarding required disclosure. We carried out an evaluation, under the supervision and with the participation of our sole officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of July 31, 2014. Based on the evaluation of these disclosure controls and procedures, our sole officer concluded that our disclosure controls and procedures are ineffective.

Our Chief Executive Officer and Principal Financial Officer are responsible for establishing and maintaining adequate internal control over our financial reporting. In order to evaluate the effectiveness of internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act, management has conducted an assessment, including testing, using the criteria in Internal Control — Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Our system of internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Management has used the framework set forth in the report entitled Internal Control-Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission, known as COSO, to evaluate the effectiveness of our internal control over financial reporting. Based on this assessment, our Chief Executive Officer and Principal Financial Officer have concluded that our internal control over financial reporting were not effective as of July 31, 2014. There has been no change in our internal controls over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

The Company's material weaknesses in financial reporting were:

a. There is no segregation of duties as our CEO is also our CFO.

b. It should be noted that any system of controls, however well designed and operated, can provide only reasonable and not absolute assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of certain events. Because of these and other inherent limitations of control systems, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

(a) Changes In Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the six months ended July 31, 2014 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

We are currently not involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our company's or our company's subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

## ITEM 1A. RISK FACTORS

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

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

During the three months ended July 31, 2014, the Company issued 2,538,556 shares of common stock as compensation. Except for shares issued for compensation, t here were no changes in securities and small business issuer purchase of equity securities during the quarter ended July 31, 2014.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

There were no defaults upon senior securities during the three months ended July 31, 2014.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**ITEM 5. OTHER INFORMATION**

There is no information with respect to which information is not otherwise called for by this form.

**ITEM 6. EXHIBITS**

**Exhibits**

| | |
|---|---|
| 3.1 | Articles of Incorporation (1) |
| 3.2 | Amendment to the Articles of incorporation (2) |
| 3.3 | Amendment to the Articles of incorporation (3) |
| 3.4 | Certificate of Correction (8) |
| 3.5 | Certificate of Designation (12) |
| 3.6 | Bylaws (1) |
| 3.3 | Certificate of Designation filed with the Secretary of State July 23, 2014 |
| 10.2 | Joint Venture Agreement with Leadwill Corporation (1) |
| 10.3 | Exclusive International Distributorship Agreement with Leadwill Corporation (1) |
| 10.4 | Exclusive Technology License Agreement (1) |
| 10.5 | Exclusive Distributorship Agreement with Epik Investments Limited (1) |
| 10.6 | Joint Venture Agreement with LifeTech Japan Corporation (1) |
| 10.7 | Exclusive Technology License Agreement with LifeTech Japan Corporation (1 ) |
| 10.8 | Distributorship Partnership Agreement with SunPlex Limited (1) |
| 10.9 | Debt Assignment, Consent and Release Agreement (1) |
| 10.10 | Exclusive International Distributorship Agreement (1) |
| 10.11A | Amended to Stock Purchase Agreement |
| 10.11 | Share Cancellation/Exchange/Return To Treasury Agreement(3) |
| 10.12 | Employment Agreement with Mark James Linkhorst (5) |
| 10.13 | Stock Purchase Agreement with the shareholders of Vapolution, Inc.(6) |
| 10.14 | Section 351 Contribution Agreement With Vitacig, Inc.(4) |
| 10.15 | Consulting Agreements (7) |
| 10.16 | Share Cancellation/Exchange/Return To Treasury Agreement(8) |
| 10.17 | Amendment to Stock Purchase Agreement with Vapolution shareholders (9) |
| 10.18 | Employment Agreement with Patrick J. Lucey (10) |
| 10.19 | Lock Up Agreement with Paul Rosenberg (11) |
| 10.20 | Amendment to Stock Purchase Agreement with Vapolution shareholders (12) |
| 10.21 | Securities Purchase Agreement(13) |
| 14 | Code of Ethics (12) |
| 31 | Certification Pursuant to Section 302 of the Sarbanes-Oxley Act* |
| 32 | Certification Pursuant to Section 906 of the Sarbanes-Oxley Act* |
| 101.INS | XBRL Instance Document |
| 101.SCH | XBRL Taxonomy Extension Schema Document |
| 101.CAL | XBRL Taxonomy Calculation Linkbase Document |
| 101.LAB | XBRL Taxonomy Labels Linkbase Document |
| 101.PRE | XBRL Taxonomy Presentation Linkbase Document |
| 101.DEF | XBRL Definition Linkbase Document |

(1) Incorporated by references to our Amended Annual Report on Form 10-K/A, filed on April 14, 2014.
(2) Incorporated by reference to our Current Report on Form 8-K, filed on August 6, 2013.
(3) Incorporated by references to our Quarterly Report on Form 10-Q, filed on September 23, 2013.
(4) Incorporated by reference to our Current Report on Form 8-K, filed on March 21, 2014.
(5) Incorporated by reference to our Current Report on Form 8-K, filed on March 21, 2014.
(6) Incorporated by reference to our Current Report on Form 8-K/A, filed on April 23, 2014.
(7) Incorporated by reference to our Quarterly Report on Form 10-Q/A, filed on May 29, 2014
(8) Incorporated by reference to our Current Report on Form 8-K/A, filed on May 29, 2014.
(9) Incorporated by reference to our Current Report on Form 8-K/A, filed on May 30, 2014.
(10) Incorporated by reference to our Current Report on Form 8-K, filed on July 10, 2014.
(11) Incorporated by reference to our Current Report on Form 8-K, filed on July 18, 2014
(12) Incorporated by references to our Annual Report on Form 10-K, filed on August 13, 2014.
(13) Incorporated by reference to our Quarterly Report on Form 10-Q/A, filed on December 30, 2014

***Filed herein**

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act, the Registrant has duly caused this Quarterly Report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated : January 30 , 201 5

/s/ *Paul Rosenberg*
**Paul Rosenberg**
President, Chief Executive Officer, Chief Financial Officer, Treasurer, and Director
(Principal Executive Officer)

**EXHIBIT 31.1**

**CERTIFICATION PURSUANT TO**
**RULE 13A-14(a) OR 15D-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT**
**TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 200**

I, Paul Rosenberg, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of mCig Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on my 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 : January 30 , 201 5

/s/ *Paul Rosenberg*

Paul Rosenberg

President, Chief Executive Officer, Chief
Financial Officer, Treasurer and Director

(Principal Executive Officer, Principal Financial
Officer and Principal Accounting Officer)

**EXHIBIT 32.1**

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

In connection with the Quarterly Report on Form 10-Q/A No. 3 for the quarter ended July 31, 2014 of mCig,Inc. ("the Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his respective knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated : January 30 , 201 5

/s/ *Paul Rosenberg*

Paul Rosenberg

President, Chief Executive Officer, Chief Financial Officer, Treasurer and Director

(Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer)