UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended October 31, 2016

or

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

For the transition period from _____ to _____

Commission file number 333-68008

PHARMACYTE BIOTECH, INC.
(Exact name of registrant as specified in its charter)

Nevada	**62-1772151**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

23046 Avenida de la Carlota, Suite 600, Laguna Hills, CA 92653
(Address of principal executive offices)

(917) 595-2850
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

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

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer (Do not check if a smaller reporting company)	☐	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 ☒

As of December 2, 2016, registrant had 849,904,665 outstanding shares of common stock, with a par value of $0.0001 per share.

PHARMACYTE BIOTECH, INC.
INDEX TO QUARTERLY REPORT ON FORM 10-Q
FOR THE THREE AND SIX MONTHS ENDED OCTOBER 31, 2016

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

PHARMACYTE BIOTECH, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	October 31, 2016	April 30, 2016
ASSETS		
Current assets:		
Cash	$ 1,551,610	$ 1,920,825
Prepaid expenses and other current assets	51,112	110,026
Total current assets	1,602,722	2,030,851
Other assets:		
Intangibles	3,549,427	3,549,427
Investment in SG Austria	1,572,193	1,572,193
Other assets	7,372	7,854
Total other assets	5,128,992	5,129,474
Total Assets	$ 6,731,714	$ 7,160,325
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 300,896	$ 336,009
Accrued expenses	148,094	151,630
License agreement obligation	–	150,000
Total current liabilities	448,990	637,639
Total Liabilities	448,990	637,639
Commitments and Contingencies (Notes 7 and 9)		
Stockholders' equity:		
Common stock, authorized 1,490,000,000 shares, $0.0001 par value, 849,154,665 and 781,233,338 shares issued and outstanding as of October 31, 2016 and April 30, 2016, respectively	84,916	78,127
Additional paid in capital	92,894,298	91,135,370
Accumulated deficit	(86,698,134)	(84,691,617)
Accumulated other comprehensive income	1,644	806
Total stockholders' equity	6,282,724	6,522,686
Total Liabilities and Stockholders' Equity	$ 6,731,714	$ 7,160,325

See accompanying notes to condensed consolidated financial statements.

PHARMACYTE BIOTECH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2016	**2015**	**2016**	**2015**
Revenue	$ –	$ –	$ –	$ –
Cost of revenue	–	–	–	–
Gross margin	–	–	–	–
Operating Expenses:				
Research and development costs	253,768	439,711	428,772	595,389
Compensation expense	491,472	400,507	906,478	848,077
Director fees	9,000	9,000	18,000	27,000
Legal and professional	56,760	57,988	234,765	183,063
General and administrative	163,195	728,612	417,577	1,496,600
Total operating expenses	974,195	1,635,818	2,005,592	3,150,129
Loss from operations	(974,195)	(1,635,818)	(2,005,592)	(3,150,129)
Other income (expense):				
Other income	–	430	–	335
Interest expense	(356)	(194)	(925)	(826)
Total other income (expense), net	(356)	236	(925)	(491)
Net loss	$ (974,551)	$ (1,635,582)	$ (2,006,517)	$ (3,150,620)
Basic and diluted loss per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average shares outstanding basic and diluted	848,910,100	745,357,022	818,540,900	741,637,252

See accompanying notes to condensed consolidated financial statements.

PHARMACYTE BIOTECH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(UNAUDITED)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2016	**2015**	**2016**	**2015**
Net Loss	$ (974,551)	$ (1,635,582)	$ (2,006,517)	$ (3,150,620)
Other comprehensive income (loss):				
Foreign currency translation	(390)	(34)	(1,644)	1,587
Other comprehensive income (loss)	(390)	(34)	(1,644)	1,587
Comprehensive loss	$ (974,941)	$ (1,635,616)	$ (2,008,161)	$ (3,149,033)

See accompanying notes to condensed consolidated financial statements.

PHARMACYTE BIOTECH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Six Months Ended October 31,	
	2016	**2015**
Cash flows from operating activities:		
Net loss	$ (2,006,517)	$ (3,150,620)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock issued for services	38,500	333,216
Stock issued for compensation	143,760	254,040
Stock based compensation – options	340,236	287,928
Stock based compensation – warrants	–	679,930
Change in assets and liabilities:		
Increase (decrease) in prepaid expenses and other current assets	59,396	(80,500)
Decrease in accounts payable	(35,113)	(69,491)
Increase (decrease) in accrued expenses	(3,536)	29,130
Decrease in license agreement obligation	(150,000)	(400,000)
Net cash used in operating activities	(1,613,274)	(2,116,367)
Cash flows from investing activities:		
Net cash provided by (used in) investing activities	–	–
Cash flows from financing activities:		
Proceeds from sale of common stock	1,243,221	1,728,935
Net cash provided by financing activities	1,243,221	1,728,935
Effect of currency rate exchange on cash	838	125
Net decrease in cash	(369,215)	(387,307)
Cash at beginning of the period	1,920,825	2,699,737
Cash at end of the period	$ 1,551,610	$ 2,312,430
Supplemental disclosures of cash flows information:		
Cash paid during the period for interest	$ 925	$ 826

See accompanying notes to condensed consolidated financial statements.

PHARMACYTE BIOTECH, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 – NATURE OF BUSINESS

Overview

PharmaCyte Biotech, Inc. ("Company") is a clinical stage biotechnology company focused on developing and preparing to commercialize treatments for cancer and diabetes based upon a proprietary cellulose-based live cell encapsulation technology known as "Cell-in-a-Box®." The Cell-in-a-Box® technology will be used as a platform upon which treatments for several types of cancer, including advanced, inoperable pancreatic cancer, and diabetes will be developed.

The Company is developing therapies for pancreatic and other solid cancerous tumors involving the encapsulation of live cells placed in the body to enable the delivery of cancer-killing drugs at the source of the cancer. In addition, the Company is developing a therapy for Type 1 diabetes and insulin-dependent Type 2 diabetes based upon the encapsulation of a human cell line genetically engineered to produce, store and secrete insulin at levels in proportion to the levels of blood sugar in the human body using the Cell-in-a-Box® technology. The Company is also examining ways to exploit the benefits of the Cell-in-a-Box® technology to develop therapies for cancer based upon the constituents of the *Cannabis* plant, known as "cannabinoids."

Cancer Therapy

Targeted Chemotherapy

The Company is using the Cell-in-a-Box® technology to develop a therapy for solid cancerous tumors through targeted chemotherapy. For example, for pancreatic cancer the Company is encapsulating genetically engineered live human cells that produce an enzyme designed to convert the prodrug ifosfamide into its cancer-killing form. The capsules containing these cells will be implanted in a patient in the blood supply as near as possible to the tumor. The cancer prodrug ifosfamide will then be given intravenously at one-third the normal dose. In this way, the ifosfamide will be converted at the site of the tumor instead of in the liver where it is normally converted. The Company believes placement of the Cell-in-a-Box® capsules near the tumor enables the production of optimal concentrations of the "cancer-killing" form of ifosfamide at the site of the tumor. The cancer-killing metabolite of ifosfamide has a short half-life, which the Company believes will result in little to no collateral damage to other organs in the body. In an earlier Phase 1/2 clinical trial which used ifosfamide at one-third the normal dose with the Cell-in-a-Box® technology, this targeted chemotherapy not only reduced the tumor size but also generally resulted in no obvious adverse side effects attributed to this therapy.

Pancreatic Cancer Therapy

The Company is developing a therapy for pancreatic cancer to address a critical unmet medical need. This need exists for patients with advanced pancreatic cancer whose tumors are locally advanced, non-metastatic and inoperable but no longer respond to Abraxane® plus gemcitabine, the current standard of care for advanced pancreatic cancer. These patients have no effective treatment alternative once their tumors no longer respond to this combination therapy.

Although several therapies have been tried in this situation, the most commonly used is believed to be the combination of the cancer chemotherapy drug capecitabine plus radiation ("CRT"). However, the results of a Phase 3 clinical trial were recently reported in the Journal of the American Medical Association. This clinical trial addressed whether CRT is more effective than chemotherapy alone. In patients with locally advanced, inoperable pancreatic cancer whose tumors no longer responded to gemcitabine or gemcitabine plus erlotinib (standard initial therapies at the time the clinical trial was conducted) patients were treated with the same chemotherapy or with CRT. In both cases CRT was not meaningfully more effective than chemotherapy alone.

Subject to United States Food and Drug Administration ("FDA") approval, the Company plans to commence a Phase 2b clinical trial. A Pre-Investigational New Drug ("Pre-IND") meeting with the Center for Biologics Evaluation and Research ("CBER") of the FDA has been granted by the FDA, although no assurance can be given as to when the meeting will be held or whether the FDA will approve the Company's Investigational New Drug Application ("IND"). The trial is designed to show that the Company's Cell-in-a-Box ® plus low-dose ifosfamide therapy can serve as an effective and safe consolidation chemotherapy for patients whose tumors no longer respond after four to six months of therapy with Abraxane® plus gemcitabine. The trial will take place in the United States ("U.S.") with study sites in Europe. Translational Drug Development ("TD2") will conduct the trial in the U.S. Clinical Network Services ("CNS") will conduct the trial in Europe in alliance with TD2. TD2 will be responsible for clinical development plans, program analysis, medical writing, clinical management and database development.

Malignant Ascites Fluid Therapy

The Company is also developing a therapy to delay the production and accumulation of malignant ascites fluid that results from all abdominal tumors. Malignant ascites fluid is secreted by abdominal tumors into the abdomen after the tumor reaches a certain stage of growth. This fluid contains cancer cells that can seed and form new tumors throughout the abdomen. This fluid accumulates in the abdominal cavity, causing swelling of the abdomen, severe breathing difficulties and extreme pain.

Malignant ascites fluid must be surgically removed on a periodic basis. This is painful and costly. There is no therapy that prevents or delays the production and accumulation of malignant ascites fluid. The Company has been involved in a series of preclinical studies at TD2 to determine if the combination of Cell-in-a-Box® encapsulated cells plus ifosfamide can delay the production and accumulation of malignant ascites fluid. If successful, the Company plans to conduct a clinical trial in the U.S. with additional study sites in Europe. TD2 will conduct the trial in the U.S., and CNS will conduct the trial in Europe in alliance with TD2. The Company plans to start a clinical trial in 2017 if the results of its preclinical studies support the trial and the Company receive FDA approval to do so.

Diabetes Therapy

Diabetes

Diabetes is caused by insufficient availability of, or resistance to, insulin. Insulin is produced by the islet cells of the pancreas. Its function is to assist in the transport of sugar (glucose) in the blood to the inside of most types of cells in the body where it is used as a source of energy for those cells. In Type 1 diabetes the islet cells of the pancreas (the body's insulin-producing cells) have been destroyed - usually by an autoimmune reaction. Type 1 diabetics require daily insulin administration through injection or through the use of an insulin pump. In Type 2 diabetes the body does not use insulin properly. This means the body has become resistant to insulin. Type 2 diabetes can generally be controlled by diet and exercise in its early stages. As time goes by, it may be necessary to use antidiabetic drugs to control the disease. However, over time these too may lose their effectiveness. Thus, even Type 2 diabetics may become insulin-dependent.

Bio-Artificial Pancreas for Diabetes

The Company plans to develop a therapy for Type 1 diabetes and insulin-dependent Type 2 diabetes. The Company is developing a therapy that involves encapsulation of human liver cells that have been genetically engineered to produce, store insulin and release insulin on demand at levels in proportion to the levels of blood sugar (glucose) in the human body. The encapsulation will be done using the Cell-in-a-Box® technology.

In October 2014, the Company obtained from the University of Technology Sydney ("UTS") in Australia an exclusive, worldwide license ("Melligen Cell License Agreement") to use insulin-producing genetically engineered human cells developed by UTS to treat Type 1 diabetes and insulin-dependent Type 2 diabetes. These cells, named "Melligen," have already been tested in mice and shown to produce insulin in direct proportion to the amount of glucose in their surroundings. When Melligen cells were transplanted into immunosuppressed diabetic mice, the blood glucose levels of the mice became normal. In other words, the Melligen cells reversed the diabetic condition.

Austrianova Singapore Pte Ltd ("Austrianova") has already successfully encapsulated live pig pancreatic islet insulin-producing cells using the Cell-in-a-Box® technology and then implanted these encapsulated cells in diabetic rats. Soon after the capsules were implanted, the rats' blood glucose levels normalized and remained normal throughout the study period of approximately six months. No immune system suppressing drugs were needed. Thus, the preclinical proof of principle for a bio-artificial pancreas has already been established using Cell-in-a-Box® capsules containing pig pancreatic insulin-producing cells in a rat model of Type 1 diabetes.

In June 2013, the Company acquired from Austrianova an exclusive, worldwide license to use the Cell-in-a-Box® technology for the development of a treatment for diabetes and the use of Austrianova's Cell-in-a-Box® trademark and its associated technology ("Diabetes Licensing Agreement"). The Company believes that encapsulating the Melligen cells using the Cell-in-a-Box® technology has numerous advantages over encapsulation of cells with other materials, such as alginate. Since the capsules are composed largely of cellulose (a bio-inert material in the human body), the Cell-in-a-Box® capsules are robust. This allows them to remain intact for long periods of time in the body, all the while protecting the cells inside them from immune system attack. Moreover, in prior studies, these capsules and the cells inside them have not caused any immune or inflammatory responses like those seen with alginate-encapsulated cells.

Cannabis Therapy

The Company plans to use *Cannabis* to develop therapies for two of the deadliest forms of cancer – brain and pancreatic. We also plan to focus initially on developing specific therapies based on carefully chosen molecules rather than using complex *Cannabis* extracts. Targeted cannabinoid-based chemotherapy utilizing our Cell-in-a-Box® technology offers a "green" approach to treating solid-tumor malignancies.

It is believed that the constituents of the *Cannabis* plant (cannabinoids) inhibit or prevent the growth and spread of tumors or malignant cells. The chemical and biochemical processes involved in the interaction of cannabinoids with live cell encapsulation provides the opportunity to develop "green" approaches to treating cancers, such as pancreatic, brain, breast and prostate, among others. The Company believes that it is in a unique position among medical *Cannabis* pharmaceutical companies to develop cannabinoid-based therapies utilizing the Cell-in-a-Box® live cell encapsulation technology as the platform.

In May 2014, the Company entered into a Research Agreement with the State of Colorado, acting on behalf of the Board of Trustees of the University of Northern Colorado. The goal of the ongoing research is to develop methods for the identification, separation and quantification of constitutes of *Cannabis* (some of which are prodrugs) that may be used in combination with the Cell-in-a-Box® technology to treat cancer. Initial studies have been undertaken using cannabinoid-like model compounds to identify the appropriate cell type that can convert the selected cannabinoid prodrugs into metabolites with anticancer activity. Once identified, the genetically modified cells that will produce the appropriate enzyme to convert that prodrug will be encapsulated using the Company's Cell-in-a-Box® technology. The encapsulated cells and cannabinoid prodrugs identified by these studies will then be combined and used for future studies to evaluate their anticancer effectiveness.

Company Background and Material Agreements

The Company is a Nevada corporation incorporated in 1996. In 2013, it restructured its operations in an effort to focus on biotechnology. The restructuring resulted in the Company focusing all of its efforts upon the development of a novel, effective and safe way to treat cancer and diabetes. On January 6, 2015, the Company changed its name from Nuvilex, Inc. to PharmaCyte Biotech, Inc. to better reflect the nature of its business.

In 2011, the Company entered into an Asset Purchase Agreement ("SG Austria APA") with SG Austria Pte. Ltd. ("SG Austria") to purchase 100% of the assets and liabilities of SG Austria. As a result, Austrianova and Bio Blue Bird AG ("Bio Blue Bird"), then wholly-owned subsidiaries of SG Austria, were to become wholly-owned subsidiaries of the Company on the condition that the Company pay SG Austria $2.5 million and 100,000,000 shares of the Company's common stock. The Company was to receive 100,000 shares of common stock of Austrianova and nine bearer shares of Bio Blue Bird representing 100% of the ownership of Bio Blue Bird.

Through two addenda to the SG Austria APA, the closing date of the SG Austria APA was extended twice by agreement between the parties.

In June 2013, the Company and SG Austria entered into a Third Addendum to the SG Austria APA ("Third Addendum"). The Third Addendum changed materially the transaction contemplated by the SG Austria APA. Under the Third Addendum, the Company acquired 100% of the equity interests in Bio Blue Bird and received a 14.5% equity interest in SG Austria. In addition, the Company received nine bearer shares of Bio Blue Bird to reflect its 100% ownership of Bio Blue Bird. The Company paid: (i) $500,000 to retire all outstanding debt of Bio Blue Bird; and (ii) $1.0 million to SG Austria. The Company also paid SG Austria $1,572,193 in exchange for the 14.5% equity interest of SG Austria. The Third Addendum required SG Austria to return the 100,000,000 shares of the Company's common stock held by SG Austria and for the Company to return the 100,000 shares of common stock of Austrianova the Company held.

Effective as of the same date of the Third Addendum, the parties entered into a Clarification Agreement to the Third Addendum ("Clarification Agreement") to clarify and include certain language that was inadvertently left out of the Third Addendum. Among other things, the Clarification Agreement confirmed that the Third Addendum granted the Company an exclusive, worldwide license to use, with a right to sublicense, the Cell-in-a-Box® technology for the development of treatments for cancer and use of Austrianova's Cell-in-a-Box® trademark and its associated technology.

Bio Blue Bird licensed certain types of genetically modified human cells ("Cells") from Bavarian Nordic A/S ("Bavarian Nordic") and GSF-Forschungszentrum für Umwelt u. Gesundheit GmbH (collectively, "Bavarian Nordic/GSF") pursuant to a License Agreement ("Bavarian Nordic/GSF License Agreement") to develop a therapy for cancer using encapsulated Cells. The licensed rights to the Cells pertain to the countries in which Bavarian Nordic/GSF obtained patent protection. Hence, facilitated by the acquisition of Bio Blue Bird, the Third Addendum and the Clarification Agreement provide the Company with an exclusive, worldwide license to use the Cell-in-a-Box® technology and trademark for the development of a therapy for cancer using the Cells.

In June 2013, the Company entered into the Diabetes Licensing Agreement. The Company paid Austrianova $2.0 million to secure this license.

In October 2014, the Company entered into the Melligen Cell License Agreement (defined below). The Company is in the process of developing a therapy for diabetes by encapsulating the Melligen cells using the Cell-in-a-Box® technology.

In December 2014, the Company acquired from Austrianova an exclusive, worldwide license to use the Cell-in-a-Box® technology in combination with genetically modified non-stem cell lines which are designed to activate cannabinoid prodrug molecules for development of treatments for diseases and their related symptoms and the use of the Cell-in-a-Box® trademark for this technology ("Cannabis Licensing Agreement").

In July 2016, the Company entered into a Binding Memorandum of Understanding with Austrianova ("Austrianova MOU"). Pursuant to the Austrianova MOU, Austrianova will actively work to seek an investment partner or partners who will finance clinical trials and further develop products for the therapies for cancer, in exchange for which we, Austrianova and any future investment partner or partners will each receive a share of the net revenue of applicable products in designated territories.

Effective October 1, 2016, the parties amended the Bavarian Nordic/GSF License Agreement to include the right to import, reflect ownership and notification of improvements, clarify which provisions survive expiration or termination of the Bavarian Nordic/GSF License Agreement, to provide rights to Bio Blue Bird to the clinical data after expiration of the licensed patent rights and to change the notice address and recipients of Bio Blue Bird.

NOTE 2 – LIQUIDITY AND MANAGEMENT PLANS

Liquidity

The Company's condensed consolidated financial statements are prepared using accounting principles generally accepted in the United States ("U.S. GAAP") applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. As of October 31, 2016, the Company had an accumulated deficit of $86,698,134 and incurred a net loss for the six months ended October 31, 2016 of $2,006,517.

During the six months ended October 31, 2016, approximately $1.3 million of funding was provided by investors to maintain and expand the Company's operations. The remaining challenges, beyond the regulatory and clinical aspects, include accessing funding for the Company to cover its future cash flow needs. During the six months ended October 31, 2016, the Company acquired funds through the Company's S-3 Registration Statement pursuant to which its exclusive placement agent, Chardan Capital Markets, LLC ("Chardan"), sold shares of common stock "at-the-market" or in negotiated block trades in a program which is structured to provide up to $50 million dollars to the Company less certain commissions.

The Company requires substantial additional capital to finance its planned business operations and expects to incur operating losses in future periods due to the expenses related to the Company's core businesses. The Company has not realized material revenue since it commenced doing business in the biotechnology sector, and there can be no assurance that it will be successful in generating revenues in the future in this sector. The Company believes that cash as of October 31, 2016, any sales of unregistered shares of its common stock and any public offerings of common stock the Company may engage in will provide sufficient capital to meet its capital requirements and to fund its operations through October 31, 2017. However, the Company's ability to raise additional capital is limited by its inability to use a short form registration statement on Form S-3. As of the date of this Report, the Company does not meet the eligibility requirements in order for it to be able to conduct a primary offering of its common stock under Form S-3 or to file a new Registration Statement on Form S-3. The Company may be able to regain the use of Form S-3 if it meets one or both of the eligibility criteria, including: (i) the aggregate market value of the Company's common stock held by non-affiliates exceeds $75 million; or (ii) the common stock is listed and registered on a national securities exchange.

If the Company is not able to raise substantial additional capital in a timely manner, the Company may not be able to commence or complete its planned clinical trials and preclinical studies.

The Company will continue to be dependent on outside capital to fund its research and operating expenditures for the foreseeable future. If the Company fails to generate positive cash flows or fails to obtain additional capital when required, the Company may need to modify, delay or abandon some or all of its business plans.

Management Goal and Strategies to Implement

The Company's goal is to become an industry-leading biotechnology company using the Cell-in-a-Box® technology as a platform upon which therapies for cancer and diabetes are developed and obtain marketing approval for these therapies from regulatory agencies in the U.S., the European Union, Australia and Canada.

The Company's strategies to achieve this goal consist of the following:

- The completion of clinical trials in locally advanced, inoperable non-metastatic pancreatic cancer and its associated pain;
- The completion of preclinical studies and clinical trials that will demonstrate the effectiveness of the Company's cancer therapy in reducing the production and accumulation of malignant ascites fluid in the abdomen that is characteristic of pancreatic and other abdominal cancers;
- The completion of preclinical studies and clinical trials that involve the encapsulation of the Melligen cells using the Cell-in-a-Box® technology to develop a treatment for Type 1 diabetes and insulin-dependent Type 2 diabetes;
- The enhancement of the Company's ability to expand into the biotechnology arena through further research and partnering agreements in cancer and diabetes;
- The acquisition of contracts that generate revenue or provide research and development capital utilizing the Company's sublicensing rights;
- The further development of uses of the Cell-in-a-Box® technology platform through contracts, licensing agreements and joint ventures with other companies; and
- The completion of testing, expansion and marketing of existing and newly derived product candidates.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The accompanying condensed consolidated financial statements as of October 31, 2016 and for the three and six months ended October 31, 2016 and 2015 are unaudited. These unaudited condensed consolidated financial statements have been prepared in accordance with U.S. GAAP for interim financial information and are presented in accordance with the requirements of Regulation S-X of the Securities and Exchange Commission ("SEC") and with the instructions to Form 10-Q. Accordingly, they do not include all the information and footnotes required by U.S. GAAP for complete condensed consolidated financial statements.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six months ended October 31, 2016 are not necessarily indicative of the results that may be expected for the fiscal year ending April 30, 2017. The unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements as of and for the fiscal year ended April 30, 2016 and footnotes thereto included in the Annual Report on Form 10-K of the Company filed with the SEC on July 29, 2016.

The condensed consolidated balance sheet as of October 31, 2016 contained herein has been derived from the audited consolidated financial statements as of April 30, 2016, but does not include all disclosures required by U.S. GAAP.

Principles of Consolidation and Basis of Presentation

The condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. The Company operates independently and through four wholly-owned subsidiaries: (i) Bio Blue Bird; (ii) PharmaCyte Biotech Europe Limited; (iii) PharmaCyte Biotech Australia Pty. Ltd.; and (iv) Viridis Biotech, Inc. and are prepared in accordance with U.S. GAAP and the rules and regulations of the SEC. Intercompany balances and transactions are eliminated. The Company's 14.5% investment in SG Austria is presented on the cost method of accounting.

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities known to exist as of the date the financial statements are published and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, the Company evaluates these estimates including those related to fair values of financial instruments, intangible assets, fair value of stock-based awards, income taxes and contingent liabilities, among others. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of the Company's consolidated financial statements; accordingly, it is possible that the actual results could differ from these estimates and assumptions, which could have a material effect on the reported amounts of the Company's consolidated financial position and results of operations.

Intangible Assets

The Financial Accounting Standards Board ("FASB") standard on goodwill and other intangible assets prescribes a two-step process for impairment testing of goodwill and indefinite-lived intangibles, which is performed annually, as well as when an event triggering impairment may have occurred. The first step tests for impairment, while the second step, if necessary, measures the impairment. The Company has elected to perform its annual analysis at the end of its reporting year.

The Company's intangible assets are licensing agreements related to the Cell-in-a-Box® technology for $1,549,427 and diabetes license for $2,000,0000 for an aggregate total of $3,549,427.

These intangible assets have an indefinite life; therefore, they are not amortizable.

The Company concluded that there was no impairment of the carrying value of the intangibles for the six months ended October 31, 2016.

Impairment of Long-Lived Assets

The Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be fully recoverable. If the estimated future cash flows (undiscounted and without interest charges) from the use of an asset are less than carrying value, a write-down would be recorded to reduce the related asset to its estimated fair value. No impairment was identified or recorded during the six months ended October 31, 2016.

Fair Value of Financial Instruments

For certain of the Company's non-derivative financial instruments, including cash, accounts payable and accrued expenses, the carrying amount approximates fair value due to the short-term maturities of these instruments.

Accounting Standards Codification ("ASC") Topic 820, "Fair Value Measurements and Disclosures," requires disclosure of the fair value of financial instruments held by the Company. ASC Topic 825, "Financial Instruments," defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The carrying amounts reported in the consolidated balance sheets for current liabilities qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest. The three levels of valuation hierarchy are defined as follows:

- Level 1. Observable inputs such as quoted prices in active markets;
- Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company adopted ASC subtopic 820-10, Fair Value Measurements and Disclosures and Accounting Standards Codification subtopic 825-10, Financial Instruments, which permits entities to choose to measure many financial instruments and certain other items at fair value. Neither of these statements had an impact on the Company's financial position, results of operations or cash flows. The carrying value of cash, accounts payable and accrued expenses, as reflected in the consolidated balance sheets, approximate fair value because of the short-term maturity of these instruments.

Income Taxes

Deferred taxes are calculated using the liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

A valuation allowance is provided for deferred income tax assets when, in management's judgment, based upon currently available information and other factors, it is more likely than not that all or a portion of such deferred income tax assets will not be realized. The determination of the need for a valuation allowance is based on an on-going evaluation of current information including, among other things, historical operating results, estimates of future earnings in different taxing jurisdictions and the expected timing of the reversals of temporary differences. The Company believes the determination to record a valuation allowance to reduce a deferred income tax asset is a significant accounting estimate because it is based, among other things, on an estimate of future taxable income in the U.S. and certain other jurisdictions, which is susceptible to change and may or may not occur, and because the impact of adjusting a valuation allowance may be material. In determining when to release the valuation allowance established against the Company's net deferred income tax assets, the Company considers all available evidence, both positive and negative. Consistent with the Company's policy, and because of the Company's history of operating losses, the Company does not currently recognize the benefit of all of its deferred tax assets, including tax loss carry forwards, that may be used to offset future taxable income. The Company continually assesses its ability to generate sufficient taxable income during future periods in which deferred tax assets may be realized. If and when the Company believes it is more likely than not that it will recover its deferred tax assets, the Company will reverse the valuation allowance as an income tax benefit in the statements of operations.

The Company accounts for its uncertain tax positions in accordance with U.S. GAAP. The purpose of this method is to clarify accounting for uncertain tax positions recognized. The U.S. GAAP method of accounting for uncertain tax positions utilizes a two-step approach to evaluate tax positions. Step one, recognition, requires evaluation of the tax position to determine if based solely on technical merits it is more likely than not to be sustained upon examination. Step two, measurement, is addressed only if a position is more likely than not to be sustained. In step two, the tax benefit is measured as the largest amount of benefit, determined on a cumulative probability basis, which is more likely than not to be realized upon ultimate settlement with tax authorities. If a position does not meet the more likely than not threshold for recognition in step one, no benefit is recorded until the first subsequent period in which the more likely than not standard is met, the issue is resolved with the taxing authority or the statute of limitations expires. Positions previously recognized are derecognized when the Company subsequently determines the position no longer is more likely than not to be sustained. Evaluation of tax positions, their technical merits and measurements using cumulative probability are highly subjective management estimates. Actual results could differ materially from these estimates.

Research and Development

Research and development expenses consist of costs incurred for direct and overhead-related research expenses and are expensed as incurred. Costs to acquire technologies, including licenses, that are utilized in research and development and that have no alternative future use are expensed when incurred. Technology developed for use in the Company's product candidates is expensed as incurred until technological feasibility has been established.

Under the Cannabis Licensing Agreement, the Company acquired from Austrianova an exclusive, world-wide license to use the Cell-in-a-Box® trademark and its associated technology with genetically modified non-stem cell lines which are designed to activate cannabinoids to develop therapies involving *Cannabis.*

Under the Cannabis Licensing Agreement, the Company is required to pay Austrianova an Upfront Payment (defined in Note 4) of $2,000,000. The Company has the right to make periodic monthly partial payments of the Upfront Payment in amounts to be agreed upon between the parties prior to each such payment being made. Under the Cannabis Licensing Agreement, the Company was required to pay the Upfront Payment in full by no later than June 30, 2016, and such obligation has been paid in full. As of October 31, 2016, the Company has paid Austrianova $2.0 million of the Upfront Payment. The $2 million cost of the license has been recorded as research and development costs.

Research and development costs for the three and six months ended October 31, 2016 and 2015 were $253,768, $439,711, $428,772, and $595,389, respectively.

Stock-Based Compensation

The Company recognizes stock-based compensation expense for only those awards ultimately expected to vest on a straight-line basis over the requisite service period of the award, net of an estimated forfeiture rate. The Company estimates the fair value of stock options using a Black-Scholes-Merton valuation model, which requires the input of highly subjective assumptions, including the option's expected term and stock price volatility. In addition, judgment is also required in estimating the number of stock-based awards that are expected to be forfeited. Forfeitures are estimated based on historical experience at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The assumptions used in calculating the fair value of share-based payment awards represent management's best estimates, but these estimates involve inherent uncertainties and the application of management's judgment. As a result, if factors change and the Company uses different assumptions, its stock-based compensation expense could be materially different in the future.

Concentration of Credit Risk

The Company has no significant off-balance-sheet concentrations of credit risk such as foreign exchange contracts, options contracts or other foreign hedging arrangements. The Company maintains most of its cash balance at a financial institution located in California. Accounts at this institution are insured by the Federal Deposit Insurance Corporation up to $250,000. Uninsured balances aggregated approximately $1,302,000 and $1,656,000 at October 31, 2016 and April 30, 2016, respectively. The Company has not experienced any losses in such accounts, and management believes it is not exposed to any significant credit risk on cash.

Foreign Currency Translation

The Company translates the financial statements of its foreign subsidiary from the local (functional) currencies to U.S. dollars in accordance with FASB ASC 830, *Foreign Currency Matters*. All assets and liabilities of the Company's foreign subsidiaries are translated at year-end exchange rates, while revenue and expenses are translated at average exchange rates prevailing during the year. Adjustments for foreign currency translation fluctuations are excluded from net loss and are included in other comprehensive income. Gains and losses on short-term intercompany foreign currency transactions are recognized as incurred.

Recent Accounting Pronouncements

ASU No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* ("ASU 2015-07"), was issued in May 2015. This ASU removes the requirement to categorize within the fair value hierarchy table investments without readily determinable fair values in entities that elect to measure fair value using net asset value per share ("NAV") or its equivalent. ASU 2015-07 requires that these investments continue to be shown in the fair value disclosure in order to allow the disclosure to reconcile to the investment amount presented in the balance sheet. The Company's prospective adoption of this ASU did not have a material impact on its consolidated financial statements.

ASU No. 2014-15, *"Presentation of Financial Statements – Going Concern"*, Subtopic 205-40, *"Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern."* The amendments in this ASU apply to all entities and require management to assess an entity's ability to continue as a going concern by incorporating and expanding upon certain principles that are currently in U.S. auditing standards. Specifically, the amendments: (i) provide a definition of the term "substantial doubt"; (ii) require an evaluation every reporting period including interim periods; (iii) provide principles for considering the mitigating effect of management's plans; (iv) require certain disclosures when substantial doubt is alleviated as a result of consideration of management's plans; (v) require an express statement and other disclosures when substantial doubt is not alleviated; and (vi) require an assessment for a period of one year after the date that the financial statements are issued or available to be issued. The amendments in this update are effective for the annual period ending after December 15, 2016. For annual periods and interim periods thereafter, early application is permitted. The Company is currently evaluating the impact this guidance will have on its consolidated financial position and results of operations.

ASU No. 2016-09, *Compensation—Stock Compensation*, includes several areas of simplification to stock compensation including simplifications to the accounting for income taxes, classification of excess tax benefits on the Statement of Cash Flows and forfeitures. ASU 2016-09 is effective for annual reporting periods beginning after December 15, 2016. An entity that elects early adoption must adopt all of the amendments in the same period. We did not early adopt ASU 2016-09 as of and for the period ended October 31, 2016. The Company is still evaluating the effect of this update.

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09 " *Revenue from Contracts with Customers*" ("Topic 606"). Topic 606 supersedes the revenue recognition requirements in Topic 605, *"Revenue Recognition",* including most industry-specific revenue recognition guidance throughout the Industry Topics of the Codification. In addition, the amendments create a new Subtopic 340-40, *"Other Assets and Deferred Costs—Contracts with Customers".* In summary, the core principle of Topic 606 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. For a public entity, the amendments in this Update are effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period; early application is not permitted. The Company is currently evaluating the impact this guidance will have on its consolidated financial position and consolidated statement of operations. In August 2015, the FASB issued ASU No. 2015-14, *Revenue with Customers – Deferral of the Effective Date*, as an amendment to ASU No. 2014-09, which defers the effective date of ASU No. 2014-09 by one year.

ASU No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*, eliminates the requirement to disclose the methods and significant assumptions used to estimate the fair value that is required to be disclosed for financial instruments measured at amortized cost on the balance sheet. The standard also clarifies the need to evaluate a valuation allowance on a deferred tax asset related to available-for-sale securities in combination with other deferred tax assets. ASU 2016-01 is effective for annual reporting periods beginning after December 15, 2017. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

ASU No. 2016-02, *Leases*, allows the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous US GAAP. The classification criteria for distinguishing between finance leases and operating leases are substantially similar to the classification criteria for distinguishing between capital leases and operating leases in the previous leases guidance. The Update 2016-02 is effective for annual reporting periods beginning after December 15, 2018 and early adoption is permitted. The Company is still evaluating the effect of this update.

NOTE 4 – LICENSE AGREEMENT OBLIGATION

The Company entered into a licensing agreement for a license to use the Cell-in-a-Box® technology to develop therapies involving *Cannabis* for a total amount of $2,000,000 "Upfront Payment" for the license (see Note 8). As of October 31, 2016, the Company's license agreement obligation was paid in full. As of April 30, 2016, the Company's license obligation was $150,000.

NOTE 5 – COMMON STOCK TRANSACTIONS

The Company issued 3,600,000 shares of common stock to officers as part of their compensation agreements in the year ended April 30, 2015. These shares vest on a quarterly basis over a twelve-month period. During the three and six months ended October 31, 2015, 900,000 and 1,800,000 shares vested and the Company recorded a non-cash compensation expense of $80,010 and $190,530, respectively.

The Company issued 1,200,000 shares of common stock to an employee as part of an employee agreement in the year ended April 30, 2015. These shares vest on a quarterly basis over a twelve-month period. During the three and six months ended October 31, 2015, 300,000 and 600,000 shares vested and the Company recorded a non-cash expense of $26,670 and $63,510, respectively.

The Company awarded 3,600,000 shares of common stock to officers as part of their compensation agreements for 2016. These shares vest on a quarterly basis over a twelve-month period and are subject to their continuing service under the agreements. During the three and six months ended October 31, 2016, 900,000 and 1,800,000 shares vested and the Company recorded a non-cash compensation expense in the amount of $53,910 and $107,820, respectively.

The Company awarded 1,200,000 shares of common stock to an employee as part of his compensation agreement for 2016. These shares vest on a quarterly basis over a twelve-month period and are subject to the employee providing services under the agreement. During the three and six months ended October 31, 2016, 300,000 and 600,000 shares vested and the Company recorded a non-cash compensation expense in the amount of $17,970 and $35,940, respectively.

During the six months ended October 31, 2016, the Company issued 600,000 shares of common stock to a consultant. These shares vest on a quarterly basis over a twelve-month period and are subject to the consultant providing services under the agreement. During the three and six months ended October 31, 2016, 150,000 and 300,000 shares vested and the Company recorded a non-cash expense in the amount of $8,550 and $17,100, respectively.

During the six months ended October 31, 2016, the Company issued 500,000 shares of common stock to two consultants. The terms of the agreements are for twelve months each. The shares vested upon issuance and the Company recorded a non-cash compensation expense in the amount of $21,400 for the three and six months ended October 31, 2016.

All shares were issued without registration under the Securities Act of 1933, as amended ("Securities Act"), in reliance upon the exemption afforded by Section 4(a)(2) of the Securities Act.

On October 28, 2014, the Company's Registration on Form S-3 was declared effective by the Commission for a public offering of up to $50 million on a "shelf offering" basis. During the six months ended October 31, 2016 and 2015, the Company sold and issued approximately 66.8 and 14.7 million shares of common stock, respectively, at prices ranging from $0.02 to $0.16 per share. Net of underwriting discounts, legal, accounting and other offering expenses, the Company received proceeds of approximately $1.3 and $1.7 million from the sale of these shares for the six months ended October 31, 2016 and 2015, respectively. The Company has filed a prospectus supplement for an "at-the-market" offering with an investment bank as sales agent. As of October 31, 2016, the Company did not meet the eligibility requirements in order for it to be able to conduct a primary offering of its common stock under Form S-3 or to file a new Registration Statement on Form S-3. See Note 2 for additional information.

A summary of the Company's non-vested restricted stock activity and related weighted average grant date fair value information for the six months ended October 31, 2016 are as follows:

	Shares	Weighted Average Grant Date Fair Value
Non-vested, at April 30, 2016	3,600,000	$ 0.06
Granted	1,100,000	0.05
Vested	(3,200,000)	0.06
Forfeited	–	–
Non-vested, at October 31, 2016	1,500,000	$ 0.06

NOTE 6 – STOCK OPTIONS AND WARRANTS

Stock Options

As of October 31, 2016, the Company had outstanding stock options held by its directors, officers, an employee, ("employee options") and a consultant, ("non-employee options") that were issued pursuant to compensation, director and consultant agreements.

During the six months ended October 31, 2016 and 2015, the Company granted 13,100,000 and zero non-employee options, respectively. The non-employee options granted during the six months ended October 31, 2016 consist of 600,000 guaranteed options and 12,500,000 non-guaranteed performance based options. There were no employee options granted during the six months ended October 31, 2016 and 2015, respectively.

The fair value of the non-employee options was estimated using the Black-Scholes-Merton option-pricing model, based on the following weighted average assumptions:

	Six Months Ended October 31,	
	2016	2015
Risk-free interest rate	1.31%	–
Expected volatility	105%	–
Expected lives (years)	5.0	–
Expected dividend yield	0.00%	–

The Company's computation of expected volatility is based on the historical daily volatility of its publicly traded stock. For stock option grants issued during three and six months ended October 31, 2016 and 2015, the Company used a calculated volatility for each grant. For employee options, the Company lacks adequate information about the exercise behavior at this time and has determined the expected term assumption under the simplified method provided for under ASC 718, which averages the contractual term of the Company's stock options of five years with a typical vesting term of one year. For non-employee options, the Company used the contract term of five years to estimate the expected term as guided under ASC 505. The dividend yield assumption of zero is based upon the fact the Company has never paid cash dividends and presently has no intention of paying cash dividends. The risk-free interest rate used for each grant is equal to the U.S. Treasury rates in effect at the time of the grant for instruments with a similar expected life.

Non-employee option grants that do not vest immediately upon grant are recorded as an expense over the vesting period. At the end of each financial reporting period, the value of these options, as calculated using the Black-Scholes-Merton option-pricing model, is determined, and compensation expense recognized or recovered during the period is adjusted accordingly. During the three and six months ended October 31, 2016, the values to account for the measurement on these vesting dates were approximately $0.04 and $0.04, respectively. As a result, the amount of the future compensation expense is subject to adjustment until the common stock options are fully vested.

A summary of the Company's stock option activity and related information for the six months ended October 31, 2016 are shown below:

	Options	Weighted Average Exercise Price	Weighted Average Grant Date Fair Value per Share
Outstanding, April 30, 2016	68,050,000	$ 0.13	$ 0.09
Issued	13,100,000	0.07	0.04
Exercised	–		
Total Outstanding, October 31, 2016	81,150,000	0.11	0.09
Total Exercisable, October 31, 2016	65,750,000	0.13	–
Total Vested and expected to vest as of October 31, 2016	68,650,000	$ 0.13	–

The Company recorded $164,363 and $142,962 of stock-based compensation expense related to the issuance of employee options in exchange for services during the three ended October 31, 2016 and 2015, respectively, and $328,726 and $285,924 during the six months ended October 31, 2016 and 2015, respectively. As of October 31, 2016 and 2015, there remained $109,576 and $238,266, respectively, of unrecognized compensation expense related to unvested employee options granted, to be recognized as expense over a weighted-average period of approximately one year. The non-vested employee options vest at 1,300,000 per month and are expected to be fully vested on December 31, 2016.

The Company recorded $5,760, $11,510, zero and zero of stock-based compensation expense related to the issuance of non-employee options in exchange for services during the three and six months ended October 31, 2016 and 2015, respectively. The non-vested non-employee guaranteed options vest at 50,000 per month and are expected to be fully vested on April 30, 2017.

The following table summarizes ranges of outstanding stock options by exercise price at October 31, 2016:

	Exercise Price				
Exercise Price	$ 0.19	$ 0.11	$ 0.18	$ 0.063	$ 0.069
Number of Options Outstanding	25,000,000	27,200,000	250,000	15,600,000	13,100,000
Weighted Average Remaining Contractual Life (years) of Outstanding Options	2.92	3.17	3.47	4.17	4.50
Weighted Average Exercise Price	$ 0.19	$ 0.11	$ 0.18	$ 0.063	$ 0.069
Number of Options Exercisable	25,000,000	27,200,000	250,000	13,000,000	300,000
Weighted Average Exercise Price of Exercisable Options	$ 0.19	$ 0.11	$ 0.18	$ 0.063	$ 0.069

The aggregate intrinsic value of outstanding options as of October 31, 2016 was approximately $0. This represents options whose exercise price was less than the closing fair market value of the Company's common stock on October 31, 2016 of approximately $0.04 per share.

Warrants

The warrants issued by the Company are classified as equity. The fair value of the warrants was recorded as additional-paid-in-capital, and no further adjustments are made.

For stock warrants paid in consideration of services rendered by non-employees, the Company recognizes consulting expense in accordance with the requirements of ASC 505-50 and ASC 505, as amended.

A summary of the Company's warrant activity and related information for the three and six months ended October 31, 2016 are shown below:

	Warrants	Weighted Average Exercise Price
Outstanding, April 30, 2016	84,969,908	$ 0.16
Issued	–	–
Expired	–	–
Total Outstanding, October 31, 2016	84,969,908	0.16
Total Exercisable, October 31, 2016	84,969,908	$ 0.16

The following table summarizes additional information concerning warrants outstanding and exercisable at October 31, 2016:

Range of Exercise Prices	Number of Warrant Shares Exercisable at 10/31/2016	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
$0.075, $0.11, $0.12, $0.18 and $0.25	84,969,908	2.05	$ 0.16
Five Year Term - $0.075	1,056,000	0.94	
Five Year Term - $0.12	35,347,508	2.66	
Five Year Term - $0.18	19,811,200	1.16	
Five Year Term - $0.25	18,755,200	1.18	
Five Year Term - $0.11	10,000,000	3.39	
	84,969,908		

NOTE 7 – LEGAL PROCEEDINGS

The Company is not currently a party to any pending legal proceedings, material or otherwise. There are no legal proceedings to which any property of the Company is subject. However, in the past the Company has been the subject of litigation, claims and assessments arising out of matters occurring in its normal business operations. In the opinion of management, none of these had a material adverse effect on the Company's unaudited condensed consolidated financial position, operations and cash flows presented in this Quarterly Report on Form 10-Q.

NOTE 8 – RELATED PARTY TRANSACTIONS

The Company had the following related party transactions.

The Company owns 14.5% of the equity in SG Austria and is reported on the cost method of accounting. SG Austria has two subsidiaries: (i) Austrianova; and (ii) Austrianova Thailand Ltd. The Company purchased products from these subsidiaries in the approximate amounts of $95,073 and $155,255 in the three months ended October 31, 2016 and 2015, respectively, and $144,843 and $202,942 in the six months ended October 31, 2016 and 2015, respectively.

In April 2014, the Company entered into a consulting agreement with Vin-de-Bona Trading Company Pte. Ltd. ("Vin-de-Bona") pursuant to which Vin-de-Bona agreed to provide professional consulting services to the Company. Vin-de-Bona is owned by Prof. Walter H. Günzburg and Dr. Brian Salmons. The term of the agreement is for 12 months, automatically renewable for successive 12 month terms. After the initial term, either party can terminate the agreement by giving the other party 30 days' written notice before the effective date of termination. The amounts paid for the three months ended October 31, 2016 and 2015 are approximately $13,910 and $8,740, respectively, and the amounts paid for the six months ended October 31, 2016 and 2015 are approximately $41,705 and $18,885, respectively.

Under the Cannabis Licensing Agreement, the Company acquired from Austrianova an exclusive, world-wide license to use the Cell-in-a-Box® trademark and its associated technology with genetically modified non-stem cell lines which are designed to activate cannabinoids to develop therapies involving *Cannabis.*

Under the Cannabis Licensing Agreement, the Company is required to pay Austrianova an Upfront Payment of $2,000,000. The Company has the right to make periodic monthly partial payments of the Upfront Payment in amounts to be agreed upon between the parties prior to each such payment being made. Under the Cannabis Licensing Agreement, as amended, the Upfront Payments must be paid in full by no later than June 30, 2016. As of October 31, 2016 and 2015, the Company has paid Austrianova $2.0 million and $1.4 million of the Upfront Payment, respectively.

With the exception of Thomas Liquard, the Board has determined that none of the Company's directors satisfies the definition of Independent Director as established in the NASDAQ Marketplace Rules. Mr. Liquard has been determined by the Board to be an Independent Director.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

The Company acquires assets still in development and enters into research and development arrangements with third parties that often require milestone and royalty payments to the third party contingent upon the occurrence of certain future events linked to the success of the asset in development. Milestone payments may be required, contingent upon the successful achievement of an important point in the development life-cycle of the pharmaceutical product (e.g., approval of the product for marketing by a regulatory agency). If required by the license agreements, the Company may have to make royalty payments based upon a percentage of the sales of the pharmaceutical products in the event that regulatory approval for marketing is obtained.

Office Lease

The Company formerly leased office space at 12510 Prosperity Drive, Suite 310, Silver Spring, Maryland 20904. The term of the lease expired on July 31, 2016 and was extended to August 31, 2016 at the same amount of monthly rent.

The Company entered into a new office lease agreement effective on September 1, 2016. The term of the lease is twelve months. The leased premises are located at 23046 Avenida de la Carlota, Suite 600, Laguna Hills, California 92653.

Rent expense for these offices for the three and six months ended October 31, 2016 and 2015 were $9,577 and $17,114, respectively, and were $23,429 and $29,612 for the six months ended October 31, 2016 and 2015, respectively.

The following table summarizes the Company's aggregate future minimum lease payments required under the operating lease as of October 31, 2016.

Period ending, October 31,	Amount
2017	$ 18,430
2018	12,007
	$ 30,437

License Agreements

The Third Addendum

The Third Addendum requires the Company to make future royalty and milestone payments as follows:

- Two percent royalty on all gross sales received by the Company or its affiliates;
- Ten percent royalty on gross revenues received by the Company or its affiliates from any sublicense or right to use the patents or the licenses granted by the Company or its affiliates;
- Milestone payments of $100,000 due 30 days after enrollment of the first human patient in the first clinical trial for each product; $300,000 due 30 days after enrollment of the first human patient in the first Phase 3 clinical trial for each product; and $800,000 due 60 days after having a marketing application approved by the applicable regulatory authority for each product; and
- Milestone payments of $50,000 due 30 days after enrollment of the first veterinary patient in the first trial for each product and $300,000 due 60 days after having a marketing application approved by the applicable regulatory authority for each veterinary product.

In addition, the parties to the Third Addendum entered into a Manufacturing Framework Agreement pursuant to which the Company is required to pay a fee for producing the final encapsulated cell product of $647 per vial of 300 capsules after production with a minimum purchased batch size of 400 vials of any Cell-in-a-Box® product. The fees under the Manufacturing Framework Agreement are subject to annual increases according to the annual inflation rate in the country in which the encapsulated cell products are manufactured.

Diabetes Licensing Agreement

The Diabetes Licensing Agreement requires the Company to pay a fee for producing the final encapsulated cell product of $633.14 per vial of 300 capsules after production with a minimum purchased batch size of 400 vials of any Cell-in-a-Box® product, subject to adjustment for inflation in accordance with the terms of the Diabetes Licensing Agreement.

The Diabetes Licensing Agreement requires the Company to make future royalty and milestone payments as follows: (i) ten percent royalty of the gross sale of all products the Company sells; (ii) twenty percent royalty of the amount actually received by the Company from sub-licensees on sub-licensees' gross sales; (iii) milestone payments of $100,000 within 30 days of beginning the first pre-clinical experiments using the encapsulated cells; (iv) $500,000 within 30 days after enrollment of the first human patient in the first clinical trial; (v) $800,000 within 30 days after enrollment of the first human patient in the first Phase 3 clinical trial; and (vi) $1,000,000 due 60 days after having a marketing application approved by the applicable regulatory authority for each product.

Melligen Cell License Agreement

The Melligen Cell License Agreement, as amended, does not require any "up-front" payment to UTS. The Company is required to pay the patent prosecution and maintenance costs and to pay to UTS a patent administration fee amounting to 15% on all amounts paid by UTS to prosecute and maintain patents related to the licensed property.

The Melligen Cell License Agreement requires that the Company pay royalty payments to UTS of (i) six percent gross exploitation revenue on product sales; and (ii) twenty-five percent of gross revenues if the product is sub-licensed by the Company. In addition, the Company is required to pay milestone payments of: (iii) AU$ 50,000 at the successful conclusion of Pre-clinical studies; (iv) AU$ 100,000 at the successful conclusion of Phase 1 clinical trials; (v) AU$ 450,000 at the successful conclusion of Phase 2 clinical trials; and (vi) AU$ 3,000,000 at the conclusion of Phase 3 clinical trials.

Cannabis Licensing Agreement

Under the Cannabis Licensing Agreement, the Company is required to pay Austrianova an Upfront Payment of $2,000,000. The Company has the right to make periodic monthly partial payments of the Upfront Payment in amounts to be agreed upon between the parties prior to each such payment being made. Under the Cannabis Licensing Agreement, as amended, the Upfront Payments must be paid in full by no later than June 30, 2016. As of October 31, 2016, the Company has paid Austrianova $2.0 million of the Upfront Payment (see Note 4).

The Cannabis Licensing Agreement requires the Company to pay Austrianova, pursuant to a manufacturing agreement between the parties, a one-time manufacturing setup fee in the amount of $800,000, of which 50% is required to be paid on the signing of a manufacturing agreement for a product and 50% is required to be paid three months later. As of October 31, 2016, the manufacturing agreement remains unsigned. In addition, the Cannabis Licensing Agreement requires the Company to pay a fee for producing the final encapsulated cell product of $800 per vial of 300 capsules after production with a minimum purchased batch size of 400 vials of any Cell-in-a-Box® product, subject to adjustment for inflation in accordance with the terms of the Cannabis Licensing Agreement.

The Cannabis Licensing Agreement requires the Company to make future royalty and milestone payments as follows: (i) ten percent royalty of the gross sale of all products sold by the Company; (ii) twenty percent royalty of the amount actually received by the Company from sub-licensees on sub-licensees' gross sales value; (iii) a milestone payment of $100,000 within 30 days of beginning the first pre-clinical experiments using the encapsulated cells; (iv) a milestone payment of $500,000 within 30 days after enrollment of the first human patient in the first clinical trial; (v) a milestone payment of $800,000 within 30 days after enrollment of the first human patient in the first Phase 3 clinical trial; and (vi) a milestone payment of $1,000,000 due 90 days after having a marketing application approved by the applicable regulatory authority for each product.

Consulting Agreement with ViruSure

The Company has engaged ViruSure, a professional cell growing and adventitious agent testing company that has had extensive experience with the CYP2B1-expressing cells that will be needed for the Company's pancreatic cancer therapy. The Company did so in order to recover them from frozen stocks of similar cells and regenerate new stocks for use by the Company in its preclinical studies and clinical trials. ViruSure is in the process of cloning new cells from a selected clone. Those clones will be grown to populate a Master Cell Bank and a Working Cell Bank for the Company's future clinical trials. There are approximately $186,500 in future milestone payments relating to testing to be completed.

Compensation Agreements

The Company entered into executive compensation agreements with its two executive officers and an employment agreement with one of its employees in March 2015, each of which was amended in December 2015. Each agreement has a term of two years. The Company also entered into a compensation agreement with a Board member in April 2015 which continues in effect until the member is no longer on the Board.

NOTE 10 – INCOME TAXES

The Company had no income tax expense for the three and six months ended October 31, 2016 and 2015, respectively. During the six months ended October 31, 2016 and 2015, the Company had a net operating loss ("NOL") for each period which generated deferred tax assets for NOL carryforwards. The Company provided valuation allowances against the net deferred tax assets including the deferred tax assets for NOL carryforwards. Valuation allowances provided for the net deferred tax asset increased by approximately $718,000 and $544,000 for the six months ended October 31, 2016 and 2015, respectively.

There was no material difference between the effective tax rate and the projected blended statutory tax rate for the six months ended October 31, 2016 and 2015.

In assessing the realization of deferred tax assets, management considered whether it is more likely than not that some portion or all of the deferred asset will not be realized. The ultimate realization of the deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Based on the available objective evidence, including the history of operating losses and the uncertainty of generating future taxable income, management believes it is more likely than not that the net deferred tax assets at October 31, 2016 will not be fully realizable. Accordingly, management has maintained a valuation allowance against the net deferred tax assets at October 31, 2016.

There have been no changes to the Company's liability for unrecognized tax benefits during the six months ended October 31, 2016.

The Company's policy is to recognize any interest and penalties related to unrecognized tax benefits as a component of income tax expense. As of the six months ended October 31, 2016 and 2015, the Company had accrued no interest or penalties related to uncertain tax positions.

See Note 13 of Notes to Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended April 30, 2016 for additional information regarding income taxes.

NOTE 11 – EARNINGS PER SHARE

Basic earnings (loss) per share is computed by dividing earnings available to common stockholders by the weighted average number of shares outstanding during the period. Diluted earnings per share is computed by dividing net income by the weighted average number of shares and potentially dilutive common shares outstanding during the period increased to include the number of additional shares of common stock that would be outstanding if the potentially dilutive securities had been issued. Potential common shares outstanding principally include stock options and warrants. During the three and six months ended October 31, 2016 and 2015, the Company incurred losses. Accordingly, the effect of any common stock equivalent would be anti-dilutive during those periods and are not included in the calculation of diluted weighted average number of shares outstanding.

The table below sets forth the basic and diluted loss per share calculations:

	Six Months Ended October 31,	
	2016	2015
Net loss	$ (2,006,517)	$ (3,150,620)
Basic weighted average number of shares outstanding	818,540,900	741,637,252
Diluted weighted average number of shares outstanding	818,540,900	741,637,252
Basic and diluted loss per share	$ (0.00)	(0.00)

The table below sets forth these potentially dilutive securities:

	Six Months Ended October 31,	
	2016	2015
Excluded options	81,150,000	52,450,000
Excluded warrants	84,969,908	72,969,908
Total excluded options and warrants	166,119,908	125,419,908

The table below sets forth the basic and diluted loss per share calculations:

	Three Months Ended October 31,	
	2016	2015
Net loss	$ (974,551)	$ (1,635,582)
Basic weighted average number of shares outstanding	848,910,100	745,357,022
Diluted weighted average number of shares outstanding	848,910,100	745,357,022
Basic and diluted loss per share	$ (0.00)	(0.00)

The table below sets forth these potentially dilutive securities:

	Three Months Ended October 31,	
	2016	2015
Excluded options	81,150,000	52,450,000
Excluded warrants	84,969,908	72,969,908
Total excluded options and warrants	166,119,908	125,419,908

Item 2. Management's Discussion and Analysis of Financial Conditions and Results of Operations.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q ("Report") includes "forward-looking statements" within the meaning of the federal securities laws. All statements other than statements of historical fact are "forward-looking statements" for purposes of this Report, including any projections of earnings, revenue or other financial items, any statements regarding the plans and objectives of management for future operations, any statements concerning proposed new products or services, any statements regarding future economic conditions or performance, any statements regarding expected benefits from any transactions and any statements of assumptions underlying any of the foregoing. In some cases, forward-looking statements can be identified by the use of terminology such as "may," "will," "should," "believes," "intends," "expects," "plans," "anticipates," "estimates," "goal," "aim," "potential" or "continue," or the negative thereof or other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements contained in this Report are reasonable, there can be no assurance that such expectations or any of the forward-looking statements will prove to be correct, and actual results could differ materially from those projected or assumed in the forward-looking statements. Thus, investors should refer to and carefully review information in future documents we file with the United States Securities and Exchange Commission ("Commission"). Our future financial condition and results of operations, as well as any forward-looking statements, are subject to inherent risk and uncertainties, including, but not limited to, the risk factors set forth in "Part I, Item 1A – Risk Factors" set forth in our Form 10-K for the year ended April 30, 2016 and for the reasons described elsewhere in this Report, among others, our estimates regarding expenses, future revenues, capital requirements and needs for additional financing; the success and timing of our preclinical studies and clinical trials; the potential that results of preclinical studies and clinical trials may indicate that any of our technologies and product candidates are unsafe or ineffective; our dependence on third parties in the conduct of our preclinical studies and clinical trials; the difficulties and expenses associated with obtaining and maintaining regulatory approval of our product candidates; and whether the United States Food and Drug Administration ("FDA") will approve our product candidates. All forward looking statements and reasons why results may differ included in this Report are made as of the date hereof, and we do not intend to update any forward-looking statements except as required by law or applicable regulations. Except where the context otherwise requires, in this Report, the "Company," "we," "us" and "our" refer to PharmaCyte Biotech, Inc., a Nevada corporation, and, where appropriate, its subsidiaries.

Overview

We are a clinical stage biotechnology company focused on developing and preparing to commercialize treatments for cancer and diabetes based upon a proprietary cellulose-based live cell encapsulation technology known as "Cell-in-a-Box®." Our unique Cell-in-a-Box® technology will be used as a platform upon which treatments for several types of cancer, including advanced, inoperable pancreatic cancer, and diabetes will be developed.

We are developing therapies for pancreatic and other solid cancerous tumors involving the encapsulation of live cells placed in the body to enable the delivery of cancer-killing drugs at the source of the cancer. We are also developing a therapy for Type 1 diabetes and insulin-dependent Type 2 diabetes based upon the encapsulation of a human cell line genetically engineered to produce, store and secrete insulin at levels in proportion to the levels of blood sugar in the human body using our Cell-in-a-Box® technology. In addition, we are examining ways to exploit the benefits of the Cell-in-a-Box® technology to develop therapies for cancer based upon the constituents of the *Cannabis* plant, known as "cannabinoids."

Performance Indicators

Non-financial performance indicators used by management to manage and assess how the business is progressing will include, but are not limited to, the ability to: (i) acquire appropriate funding for all aspects of our operations; (ii) acquire and complete necessary contracts; (iii) complete activities for producing cells and having them encapsulated for the planned preclinical studies and clinical trials; (iv) have regulatory work completed to enable studies and trials to be submitted to regulatory agencies; (v) initiate all purity and toxicology cellular assessments; and (vi) ensure completion of cGMP produced encapsulated cells to use in our clinical trials.

There are numerous factors required to be completed successfully in order to ensure our final product candidates are ready for use in our clinical trials. Therefore, the effects of material transactions with related parties and certain other parties to the extent necessary for such an undertaking may have substantial effects on both the timeliness and success of our current and prospective financial position and operating results. Nonetheless, we are actively working to ensure strong ties and interactions to minimize the inherent risks regarding success. From our assessments to date, we do not believe there are factors which will cause materially different amounts to be reported than those presented in this Report and aim to assess this regularly to provide the most accurate information to our shareholders.

Results of Operations

Three and six months ended October 31, 2016 compared to three and six months ended October 31, 2015

Revenue

We had no revenues in the three and six months ended October 31, 2016 and 2015.

Operating Expenses and Loss from Operations

The following tables summarize our Operating Expenses and Loss from Operations for the three and six months ended October 31, 2016 and 2015, respectively:

Three Months Ended October 31,		Six Months Ended October 31,	
2016	2015	2016	2015
$ 974,195	$ 1,635,818	$ 2,005,592	$ 3,150,129

The total operating expenses for the three months ended October 31, 2016 decreased by $661,623 from the three months ended October 31, 2015. The decrease is attributable to a decrease in research and development cost of $185,943, an increase in compensation expense of $90,965, a decrease in legal fees of $1,228, and a decrease in general and administrative expenses of $565,417, respectively. The decrease in general and administrative expenses was mostly attributable to a decrease in consulting expenses.

The total operating expenses during the six months ended October 31, 2016 decreased by $1,144,537 from the six months ended October 31, 2015. The decrease is attributable to a reduction in general and administrative expenses of $1,079,023 (mainly attributable to the amortization of prepaid warrant and common stock issued to consultants), a decrease in research and development cost of $166,617, an increase in legal and professional expense of $51,702, and an increase in compensation expense of $58,401.

Other income (expense), net

The following tables summarize our other income (expense), net for the three and six months ended October 31, 2016 and 2015:

Three Months Ended October 31,		Six Months Ended October 31,	
2016	2015	2016	2015
$ (356)	$ 236	$ (925)	$ (491)

Total other income (expense), net, for the three months ended October 31, 2016 increased by the amount of $592, respectively, from the three months ended October 31, 2015. The increase/decrease is mainly attributable to the decrease/increase in foreign exchange income of $430 and increase of interest expense in the amount of $162.

Total other expense, net, for the six months ended October 31, 2016, was $925, as compared to other expense, net, of $491 for the six months ended October 31, 2015.

Discussion of Operating, Investing and Financing Activities

The following table presents a summary of our sources and uses of cash for the six months ended October 31, 2016 and 2015, respectively:

	October 31,	
	2016	2015
Net cash used in operating activities:	$ (1,613,274)	$ (2,116,367)
Net cash used in investing activities:	$ –	$ –
Net cash provided by financing activities:	$ 1,243,221	$ 1,728,935
Effect of currency rate exchange	$ 838	$ 125
Decrease in cash	$ (369,215)	$ (387,307)

Operating Activities:

The cash used in operating activities for the six months ended October 31, 2016 is a result of our net losses: (i) offset by securities issued for services and compensation, decreases to prepaid expenses, accounts payable and accrued expenses; and (ii) decreased by the reduction in license agreement liability. The cash used in operating activities for the six months ended October 31, 2015 is a result of our net losses, offset by an increase in stock issued, decrease to prepaid expenses, accounts payable and an increase accrued expenses.

Investing Activities*:*

There were no investing activities in the six months ended October 31, 2016 and 2015.

Financing Activities:

The cash provided from financing activities is mainly attributable to the proceeds from the sale of our common stock.

Liquidity and Capital Resources

As of October 31, 2016, our cash totaled approximately $1.6 million, compared to approximately $1.9 million at April 30, 2016. Working capital was approximately $1.1 million at October 31, 2016 and approximately $1.4 million at April 30, 2016. The decrease in cash is attributable to our operating expenses, net of the proceeds from the sale of our common stock.

We believe that cash as of October 31, 2016, the sales of unregistered shares of its common stock and any public offerings of common stock we may engage in will provide sufficient capital to meet its capital requirements and to fund its operations through October 31, 2017. We plan to pursue additional funding opportunities in connection with planning for and conducting our clinical trials. Among others, we intend on continuing the sale of our common stock to raise capital to fund these activities and for working capital for corporate purposes, if necessary.

We are ineligible to make offerings under our effective Form S-3 registration statement until no earlier than the time that the aggregate market value of our common stock held by non-affiliates reaches $75 million or we are listed on a national stock exchange. Until then, if it becomes necessary to raise additional capital, we would be required to engage in a private sale of securities or a public offering under Form S-1. However, there can be no assurance that such financing will be available as needed or if available, on terms favorable to us, and may result in higher costs of capital to us and higher transaction expenses. Additionally, any such future financing may be dilutive to stockholders' present ownership levels, and such additional securities may have rights, preferences, or privileges that are senior to those of our existing common stock.

Off-Balance Sheet Arrangements

Except as described below, we have no off-balance sheet arrangements that could have a material current effect or that are reasonably likely to have a material future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources.

As we reach certain "milestones" in the progression of our live cell encapsulation technology towards the development of treatments for cancer and diabetes, we will be required to make payments to SG Austria Pte. Ltd. ("SG Austria") or Austrianova.

The future royalty and milestone payments for cancer required by the Third Addendum to the Asset Purchase Agreement we entered into with SG Austria are as follows: (i) a 2% royalty payment on all gross sales; (ii) a 10% royalty payment on all gross revenues from sublicensing; (iii) a milestone payment of $100,000 after enrollment of the first human patient in the first clinical trial for each product; (iv) a milestone payment of $300,000 after the enrollment of the first human patient in the first Phase 3 clinical trial; and (v) a milestone payment of $800,000 after obtaining a marketing authorization from a regulatory agency. Additional milestone payments of $50,000 after the enrollment of the first veterinary patient for each product and $300,000 after obtaining marketing authorization for each veterinary product are also required to be paid to SG Austria.

The future royalty and milestone payments for the treatment of diseases and their related symptoms using constituents of the *Cannabis* plant under our Licensing Agreement with Austrianova are as follows: (i) a 10% royalty payment on all gross sales; (ii) a 20% royalty payment on gross revenues from sublicensing; (iii) a milestone payment of $100,000 within 30 days of beginning the first pre-clinical experiments using the encapsulated cells; (iv) a milestone payment of $500,000 within 30 days after enrollment of the first human patient in the first clinical trial; (v) a milestone payment of $800,000 within 30 days after enrollment of a human patient in the first Phase 3 clinical trial; and (vi) a milestone payment of $1,000,000 within 90 days after obtaining the first marketing authorization.

We are also required to pay a 4.5% royalty payment on net sales for each product we develop that uses the genetically modified cells we license from Bavarian Nordic A/S and GSF-Forschungszentrum fur Umwelt u. Gesundheit GmbH.

Contractual Obligations

On August 31, 2016, our existing office lease expired. On September 1, 2016, we entered into a new office lease agreement with a term of 12 months. Payments owed in respect of our new office lease are reflected in the following table, which presents certain payments due by the Company as of October 31, 2016 with respect to our known contractual obligations:

	Payments due by period				
Contractual Obligations	**Total**	**Less than 1 Year**	**1-3 Years**	**3-5 Years**	**More than 5 Years**
Capital Leases	$ –	$ –	$ –	$ –	$ –
Operating Leases	30,437	30,437	–	–	–
Purchase Obligations	–	–	–	–	–
Other Long-Term Liabilities Reflected on the Company's Balance Sheet under U.S. GAAP	–	–	–	–	–
Total	$ 30,437	$ 30,437	$ –	$ –	$ –

As of October 31, 2016, there were no other material changes to our contractual obligations outside the ordinary course of business since April 30, 2016.

Critical Accounting Estimates and Policies

Our condensed consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). In connection with the preparation of our condensed consolidated financial statements, we are required to make assumptions and estimates about future events and apply judgments that affect the reported amounts of assets, liabilities, revenue and expenses and the related disclosures. We base our assumptions, estimates and judgments on historical experience, current trends and other factors that management believes to be relevant at the time our condensed consolidated financial statements are prepared. On a regular basis, management reviews the accounting policies, assumptions, estimates and judgments to ensure that our condensed consolidated financial statements are presented fairly and in accordance with U.S. GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates and such differences could be material.

We discuss our critical accounting estimates and policies in Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" our Annual Report on Form 10-K for the year ended April 30, 2016. There has been no material change in our critical accounting estimates and policies since April 30, 2016.

New Accounting Pronouncements

For a discussion of all recently adopted and recently issued but not yet adopted accounting pronouncements, see Note 3 "Summary of Significant Accounting Policies" of our notes to our condensed consolidated financial statements contained in this Report.

Available Information

Our website is located at www.PharmaCyte.com. In addition, all of our filings submitted to the Commission, including our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all of our other reports and statements are available on the Commission's web site at www.sec.gov. Such filings are also available for download free of charge on our website. The contents of the website are not, and are not intended to be, incorporated by reference into this Report or any other report or document filed or furnished by us, and any reference to the websites are intended to be inactive textual references only.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

We are exposed to market risks, which may result in potential losses arising from adverse changes in, among other things, foreign exchange rates. We have not taken steps to try and manage foreign exchange rate fluctuations. We do not enter into derivatives or other financial instruments for trading or speculative purposes to manage this risk. As indicated below, we do not believe we are exposed to material market risk with respect to our cash.

We currently have no operations outside the United States ("U.S."), but we have contracted with third parties to manufacture our encapsulated live cell product and other product candidates in Thailand and Australia for preclinical and clinical trials. Manufacturing and research costs related to these operations are paid for in a combination of U.S. dollars and local currencies. Accordingly, we are subject to limited foreign currency exchange rate risk. It is not possible to estimate with any degree of accuracy the degree of this risk on a percentage basis. As of October 31, 2016, we do not believe foreign currency exchange rate risk is a substantial risk at this time due to the limited extent of our operations; however, if we conduct additional clinical trials and seek to manufacture a more significant portion of our product candidates outside of the U.S. in the future, we could incur significant foreign currency exchange rate risk.

As of October 31, 2016, we had cash of approximately $1.6 million. We do not engage in any hedging activities against changes in interest rates or foreign currency exchange rates. Because of the short-term nature of our cash, we do not believe that an immediate 10% increase in interest rates would have any significant impact on the fair value of our cash.

Item 4. Controls and Procedures.

Our management, including our Chief Executive Officer, President and General Counsel, as our principal executive officer and acting principal financial officer ("Principal Executive Officer" or "Principal Executive Officer and Acting Principal Financial Officer"), and our Vice President of Finance ("Vice President of Finance"), evaluated the effectiveness of our "disclosure controls and procedures," as such term is defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended ("Exchange Act"). Disclosure controls and procedures are designed to ensure that the information required to be disclosed in the reports that we file or submit to the Commission pursuant to the Exchange Act is recorded, processed, summarized and reported within the time period specified by the Commission's rules and forms and is accumulated and communicated to our management, including our Principal Executive Officer, as appropriate to allow timely decisions regarding required disclosures. Based upon this evaluation, the Principal Executive Officer and Vice President of Finance have concluded that, as of October 31, 2016, our disclosure controls and procedures were not effective due to the material weaknesses in internal control over financial reporting described under *Management's Report on Internal Control over Financial Reporting* below.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as that term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of the Principal Executive Officer and the Vice President of Finance, management conducted an evaluation of the effectiveness of our internal control over financial reporting as of October 31, 2016 based on the criteria outlined in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and identified the following material weaknesses in internal control over financial reporting:

- Ineffective corporate governance;
- Ineffective communication of internal information;
- Insufficient procedures and control documentation;
- Insufficient segregation of duties; and
- Insufficient information technology controls and documentation.

Because of these material weaknesses, the Principal Executive Officer and Acting Principal Financial Officer and the Vice President of Finance concluded that, as of October 31, 2016, our internal control over financial reporting was not effective based on the COSO criteria.

We have begun the process of investigating new procedures and controls in fiscal year 2017 and to review further our procedures and controls in 2017. Although we expect to make changes to our infrastructure and related processes that we believe are also reasonably likely to strengthen and materially affect our internal control over financial reporting, we have not yet made any such changes.

Prior to the remediation of these material weaknesses, there remains risk that the processes and procedures on which we currently rely will fail to be sufficiently effective, which could result in material misstatement of our financial position or results of operations and require a restatement. Moreover, because of the inherent limitations in all control systems, no evaluation of controls-even where we conclude the controls are operating effectively-can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, our control systems, as we develop them, may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected and could be material to our financial statements.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the most recent fiscal quarter that have materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

We are not currently a party to any material pending legal proceedings. There are no material legal proceedings to which any property of ours is subject.

Item 1A. Risk Factors.

In addition to the other information set forth in this Report, you should carefully consider the factors discussed in Part I, Item 1A. "Risk Factors" in our Form 10-K for the year ended April 30, 2016. The information set forth therein and in this Report could materially affect our business, financial position and results of operations. There are no material changes from the risk factors set forth in Part I, Item 1A. "Risk Factors" of our Form 10-K for the year ended April 30, 2016.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

In accordance with the terms of consulting agreements with two consultants in effect during the six months ended October 31, 2016, 500,000 shares of common stock were awarded to the consultants for their services. These shares vested upon issuance.

All shares were awarded and will be issued without registration under the Securities Act of 1933, as Amended ("Securities Act"), in reliance upon the exemption afforded by Section 4(a)(2) of the Securities Act based on the limited number of recipients, our relationship with the individuals involved, their sophistication and the use of restrictive legends on the shares certificates issued to prevent a public distribution of the relevant securities.

Item 3. Defaults upon Senior Securities.

None.

Item 4. Mine Safety Disclosure.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Except as indicated in respect of Exhibit 32.1, the following exhibits are filed as part of, or incorporated by reference into, the Report.

Exhibit No.	Description	Location
10.1	Second Amendment to License Agreement Relating to Encapsulated Cells Producing Viral Particles and Encapsulated Cells Expressing Biomolecules between and among Bavarian Nordic A/S, Helmholtz Zentrum München/GSF – Forschungszentrum für Umwelt u. Gesundheit GmbH and Bio Blue Bird AG effective as of October 1, 2016.	Filed herewith.
31.1	Certification of Chief Executive Officer (Principal Executive Officer and acting Principal Financial and Principal Accounting Officer) pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith.
32.1	Certification of Chief Executive Officer (Principal Executive Officer and acting Principal Financial and Principal Accounting Officer) pursuant to 18 U.S.C. Section 1350 (Section 906 of the Sarbanes-Oxley Act of 2002).	Furnished herewith.
101.INS	XBRL Instance Document	Submitted herewith.
101.SCH	XBRL Taxonomy Extension Schema Document	Submitted herewith.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	Submitted herewith.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	Submitted herewith.
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document	Submitted herewith.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	Submitted herewith.

Exhibit 32.1 is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall such exhibit be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act or the Exchange Act, except as otherwise stated in such filing.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PharmaCyte Biotech, Inc.

December 2, 2016

By: /s/ Kenneth L. Waggoner
Kenneth L. Waggoner
Chief Executive Officer and Chairman of the Board (Principal Executive Officer and acting Principal Financial and Principal Accounting Officer on behalf of Registrant)

Exhibit 10.1

SECOND AMENDMENT TO LICENSE AGREEMENT

Relating to

Encapsulated Cells Producing Viral Particles

and

Encapsulated Cells Expressing Biomolecules

LICENSORS

Bavarian Nordic A/S, reg. no. 16271187

a company incorporated in Denmark, whose registered office is at Hejreskovvej 10A, DK-3490 Kvistgard, Dennmark

and

Helmholtz Zentrum Miinchen/GSF — Forschungszentrum fur Umwelt u. Gesundheit GmbH,

Ingolstadter Landstr. 1, D-85764 Neuherberg, Deutschland

and

LICENSEE

Bio Blue Bird AG,

Pflugstr. 7, FL-9490 Vaduz, Liechtenstein

This Second Amendment to Licensee Agreement **("Second Amendment")** is made effective as of the 1st day of October 2016 **("Effective Date of the Second Amendment")** between:

(1) **BAVARIAN NORDIC A/S,** reg. no. 16271187, a company incorporated in Denmark, whose registered office is at Hejreskovvej 10A, DK-3490 Kvistgard, Denmark **("BAVARIAN NORDIC")** and

(2) Helmholtz Zentrum **Munchen/GSF-Forschungszentrum fur Umwelt u. Gesundheit GmbH,** Ingolstadter Landstr. 1, D-85764 Neuherberg, Deutschland **("GSF") (BAVARIAN NORDIC and GSF jointly referred to as "LICENSORS")** and

(3) **Bio Blue Bird AG,** Pflugstr. 7, FL-9490 Vaduz, Liechtenstein **("LICENSEE").**

WHEREAS LICENSEE and LICENSORS entered Into a License Agreement on 6 July 2005 **("License Agreement")** whereby LICENSEE was granted a non-exclusive license to, in particular, further develop, make, have made (including services under contract for Licensee or sub-licensee, by Contract Manufacturing Organizations, Contract Research Organisations, Consultants, Logistics Companies or others), obtain marketing approval, sell and offer for sale the Licensed Product or otherwise use the Licensed Patent Rights in the Territory within the Field of this Agreement.

WHEREAS LICENSEE and LICENSORS amended the License Agreement on 20 December 2006 **("Amendment")** to reflect: (i) the license granted shall be exclusive; (ii) a royalty rate increase; (iii) LICENSEE taking over expenses; and (iv) to make clear that the license will survive as a license granted by one of the LICENSORS if the other LICENSOR rejects performance under the License Agreement due to any actions or declarations of insolvency.

WHEREAS LICENSEE and LICENSORS now desire to further amend the License Agreement in order to include the right to import, reflect Ownership and Notification of Improvements, clarify which provisions survive expiration or termination of the License Agreement, to provide rights to the LICENSEE to the Clinical Data after the expiration of the Licensed Patent Rights and to change the Notice address and recipients of LICENSEE.

It is agreed:

Clause 3.1 of the License Agreement shall be deleted and replaced with the following:

3.1 **License to LICENSEE.** Subject to the terms of this Agreement, LICENSORS hereby grant to LICENSEE the exclusive irrevocable (except as provided for in clause 9.2) royalty-bearing, license, with the right to sublicense in accordance with Clause 3.2, under the Licensed Patent Rights to further develop, make, have made (including services under contract for Licensee or sub-licensee, by Contract Manufacturing Organizations, Contract Research Organizations, Consultants, Logistics Companies or others), obtain marketing approval, sell, import and offer for sale the Licensed Product or otherwise use the Licensed Patent Rights in the Territory within the Field of this Agreement.

Clause 4.1 of the License Agreement shall be deleted and replaced with the following:

4.1 BAVARIAN NORDIC hereby grants LICENSEE and any sub-licensee, the exclusive right to use the Clinical Data (Annex 1) that may be deemed necessary or appropriate in order for LICENSEE or any sub-licensee to develop, make, have made (including services under contract for LICENSEE or sub-licensee, by Contract Manufacturing Organizations, Contract Research Organizations, Consultants, Logistics Companies or others), obtain marketing approval, sell, import and offer for sale the Licensed Products or otherwise use the Clinical Data pursuant to Clause 3.

Clause 6.3 of the License Agreement shall be deleted and replaced with the following:

6.3 Patent Prosecution. LICENSORS shall have the sole and exclusive right, except as otherwise provided below, to file, prosecute and maintain any patents with claims covering inventions in the Licensed Patent Rights. LICENSORS shall use good faith, diligent efforts to file, prosecute, and maintain such patents, including Supplementary Protection Certificates ("SPC") and Patent Term Extensions ("PTE") and the like, and shall consider the best interest of both LICENSEE and LICENSORS in so doing; provided, however, that LICENSOR shall defer to the LICENSEES request as to which patent(s), if any, should be the subject of an application for and/or selection of such SPC, PTE or the like. However, any such request by Licensee to obtain any such Patent Term Extension shall be procured by a mutually agreed external counsel. LICENSEE is solely responsible for providing all information required to obtain any Patent Term Extension, and within the relevant period for such filing, to said external counsel including, but not limited to, the identity of the product subject to regulatory review, the identity of the patent for which extension is being sought and the identity of each claim, all information needed to enable the eligibility of a patent for extension, the description of the activities undertaken by the applicant, or the LICENSEE as the case may be, during the applicable regulatory review period, and any other information required to obtain said Patent Term Extension. LICENSORS shall provide the external counsel all necessary assistance in terms of documentation and declarations that pertain to said patents needed to obtain Patent Term Extension.

As of the first day of January 2007 LICENSEE will bear LICENSORS' external attorneys' costs and official fees necessary for filing, prosecuting and maintaining any patent claims covering inventions in the Licensed Patent Rights. LICENSORS' internal costs will be borne by themselves. At the end of each calendar quarter LICENSORS shall send LICENSEE a detailed specification of external costs and fees incurred in that quarter, if any. Upon receipt of such specification LICENSEE shall pay the external costs and fees within one month to the invoicing LICENSOR. Upon request from the LICENSEE, the invoicing LICENSOR shall provide invoices or other documents evidencing the external costs and fees. Notwithstanding the foregoing, the cost incurred by an external counsel retained to procure a Patent Term Extension shall be invoiced to, and paid for directly, by LICENSEE.

If LICENSORS decline to file or prosecute a patent or maintain a patent within the Licensed Patent Rights, LICENSORS shall timely, at least three months before any relevant deadline, notify LICENSEE and LICENSEE may thereafter file and prosecute at its expense a patent or application or maintain a patent claiming such invention. LICENSORS shall in such case provide to LICENSEE all necessary assistance, in particular assignment declarations and copies of all relevant patent office correspondence and copies of the relevant patent application and all patent documents. As a result of its maintenance of such patents or filing and or prosecution of such patent applications (or paying any fees according to this Clause), LICENSEE shall obtain all rights in these patents (including SPCs and PTEs and the like) and patent applications for that jurisdiction and cease to be obliged to further pay royalties here based on said patents (including SPCs, PTEs and the like) or patent applications prosecuted or maintained at its own expense.

Clause 9.3.1 of the License Agreement shall be deleted and replaced with the following:

9.3.1 In the event of termination or expiry of this Agreement, the following provisions (Clauses) of this Agreement shall survive in their entirety (2.2, 6.7, 8, 9.3, 13.1, 13.2, 13.3, 14.1, 14.4, 14.7).

The following Clause 9.3.3 shall be added to the License Agreement as follows:

9.3.3 Upon expiration, but not earlier termination, pursuant to Section 9.1, Licensee will have a non-exclusive, irrevocable, perpetual, fully-paid license, with the right to sublicense, to use the Clinical Data (Annex 1) as set forth in Clause 4.1.

The Notices "To LICENSEE", including "With copies to" set forth in Clause 14.7 of the License Agreement, are hereby deleted and restated as follows:

To LICENSEE:	Bio Bluebird AG
	Pflugstrasse 7
	FL-9490
	Vaduz, Liechtenstein
	Attn: Dr. Kenneth L. Waggoner

With copies to:	PharmaCyte Biotech, Inc.
	23046 Avenida de la Carlota
	Suite 600
	Laguna Hills, California 92653 USA
	Attn: Dr. Kenneth L. Waggoner

If to GSF:	Helmholtz Zentrum Munchen Deutsches Forschungszentrum fur Gesundheit und Umwelt (GmbH)
(now HMGU)	Legal Affairs
	Ingolstadter Landstrafle 1
	85764 Neuherberg
	Attn: Head of Legal Affairs and Head of Innovation Management (2016744)

Except as amended and set forth above, the License Agreement shall continue in full force and effect.

Date: 13 October 2016	
Signed:	
Print Name: Li Westerlund	
for and on behalf of **BAVARIAN NORDIC A/S**	
Date: 20 October 2016	
Signed:	
Print Name: **Dr. jur. Daniel Lahne** *Head of Legal*	
for and on behalf of Helmholtz Zentrum München - Deutsches Forschungszentrum für Gesundheit und Umwelt (GmbH)	Dr. Annette Janz Head Innovation Management

Date: 9 September 2016	
Signed: Kenneth L. Waggoner	
Print Name: Kenneth L. Waggoner	
for and on behalf of **Bio Blue Bird AG**	

EXHIBIT 31.1

CERTIFICATION

I, Kenneth L. Waggoner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of PharmaCyte Biotech, Inc. and its subsidiaries for the period ended October 31, 2016 ("Report");

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

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

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

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

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

(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;

(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 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 our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: December 2, 2016

By: /s/ Kenneth L. Waggoner
Name: Kenneth L. Waggoner
Title: Chief Executive Officer and Chairman of the Board
(Principal Executive Officer and acting Principal Financial and Principal Accounting Officer on behalf of Registrant)

EXHIBIT 32.1

WRITTEN STATEMENT
PURSUANT TO
18 U.S.C. SECTION 1350

In connection with this Quarterly Report of PharmaCyte Biotech, Inc. and its subsidiaries ("Company") on Form 10-Q for the period ended October 31, 2016 as filed with the Securities and Exchange Commission on the date hereof ("Report"), the undersigned, Kenneth L. Waggoner, Chief Executive 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:

(1) The Report fully complies with the requirements of Section 13a-14(b) or 15d-14(b) of the Securities Exchange Act of 1934, as amended; 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: December 2, 2016

By: /s/ Kenneth L. Waggoner
Name: Kenneth L. Waggoner
Title: Chief Executive Officer and Chairman of the Board
(Principal Executive Officer and acting Principal Financial and Principal Accounting Officer on behalf of Registrant)

A signed original of this written statement required by Section 906 of the Sarbanes Oxley Act of 2002 has been provided to the Company and will be retained by the Company and will be furnished to the SEC or its staff upon request. This exhibit is not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 but is instead furnished as provided by applicable rules of the SEC.