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 September 30, 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: 000-54208

BioCorRx Inc.

(Exact name of registrant as specified in its charter)

Nevada	**26-1972677**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2390 East Orangewood Avenue, Suite 575
Anaheim, California 92806
(Address of principal executive offices) (zip code)

(714) 462-4880
(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 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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 November 14, 2016, there were 169,894,501 shares of registrant's common stock outstanding.

BIOCORRX INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

BIOCORRX INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2016 (unaudited)	December 31, 2015
ASSETS		
Current assets:		
Cash	$ 80,625	$ 220,060
Accounts receivable, net	39,500	2,750
Other accounts receivable	25,000	25,000
Prepaid expenses	25,345	64,253
Total current assets	170,470	312,063
Property and equipment, net	23,692	3,900
Other assets:		
Restricted cash	250,000	-
Prepaid expenses, long term	1,016	8,573
Intellectual property, net	161,743	1,075,400
Deposits, long term	22,968	5,334
Total other assets	435,727	1,089,307
Total assets	$ 629,889	$ 1,405,270
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued expenses, including related party payables of $276,017 and $731,666, respectively	$ 689,481	$ 1,256,956
Deferred revenue, short term	432,836	635,613
Settlement payable	250,000	-
Convertible notes payable, short term, net of debt discount	-	21,134
Notes payable, net of debt discount, short term portion	172,748	1,461,256
Notes payable, net of debt discount, related party	210,188	269,635
Derivative liability	-	110,753
Total current liabilities	1,755,253	3,755,347
Long term debt:		
Deferred revenue, long term	722,526	844,673
Convertible notes payable, long term, net of debt discount	501,766	5,530
Warrant liability	36,097	22,746
Derivative liability	4,561,258	59,778
Total long term debt	5,821,647	932,727
Total liabilities	7,576,900	4,688,074
Commitments and contingencies (Note 17)	-	-
Stockholders' deficit:		
Preferred stock, no par value and $0.001 par value; 600,000 and 80,000 designated; 80,000 shares issued and outstanding as of September 30, 2016 and December 31, 2015	16,000	16,000
Common stock, $0.001 par value; 525,000,000 and 200,000,000 shares authorized, 169,094,501 and 164,144,501 shares issued and outstanding as of September 30, 2016 and December 31, 2015, respectively	169,095	164,145
Common stock subscribed	100,000	100,000
Additional paid in capital	10,209,916	9,667,934
Accumulated deficit	(17,442,022)	(13,230,883)
Total stockholders' deficit	(6,947,011)	(3,282,804)
Total liabilities and stockholders' deficit	$ 629,889	$ 1,405,270

See the accompanying notes to the unaudited condensed consolidated financial statements

BIOCORRX INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2016	**2015**	**2016**	**2015**
Revenues, net	$ 167,598	$ 118,192	$ 585,923	$ 851,437
Operating expenses:				
Cost of implants and other costs	37,687	19,105	124,325	139,355
Selling, general and administrative	626,941	576,505	1,571,404	1,279,898
Termination of licensing agreement	-	-	132,804	3,639,694
Loss on settlement of sub-licenses	-	-	-	118,027
Depreciation and amortization	20,338	28,908	21,706	96,197
Total operating expenses	684,966	624,518	1,850,239	5,273,171
Loss from operations	(517,368)	(506,326)	(1,264,316)	(4,421,734)
Other income (expenses):				
Interest expense, net	(214,192)	(164,742)	(602,551)	(327,396)
(Loss) gain on change in fair value of derivative liability	(1,877,231)	(26,403)	(2,344,272)	77,765
Total other income (expenses)	(2,091,423)	(191,145)	(2,946,823)	(249,631)
Loss before income taxes	(2,608,791)	(697,471)	(4,211,139)	(4,671,365)
Income taxes	-	-	-	-
Net loss	$ (2,608,791)	$ (697,471)	$ (4,211,139)	$ (4,671,365)
Net loss per common share, basic and diluted	$ (0.02)	$ (0.00)	$ (0.03)	$ (0.03)
Weighted average number of common shares outstanding, basic and diluted	168,832,544	158,060,044	166,397,421	153,016,644

See the accompanying notes to the unaudited condensed consolidated financial statements

BIOCORRX INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT
NINE MONTHS ENDED SEPTEMBER 30, 2016

	Preferred stock		Common stock		Common stock	Additional	Accumulated	
	Shares	Amount	Shares	Amount	Subscribed	Paid in Capital	Deficit	Total
Balance, December 31, 2015	80,000	$ 16,000	164,144,501	$ 164,145	$ 100,000	$ 9,667,934	$ (13,230,883)	$(3,282,804)
Common stock issued for services rendered	-	-	4,950,000	4,950	-	121,140	-	126,090
Reclassify fair value of debt derivative at payoff of note payable	-	-	-	-	-	262,271	-	262,271
Change in fair value of modifications of options	-	-	-	-	-	53,858	-	53,858
Fair value of vested options	-	-	-	-	-	104,713	-	104,713
Net loss	-	-	-	-	-	-	(4,211,139)	(4,211,139)
Balance, September 30, 2016 (unaudited)	80,000	$ 16,000	169,094,501	$ 169,095	$ 100,000	$10,209,916	$ (17,442,022)	$(6,947,011)

See the accompanying notes to the unaudited condensed consolidated financial statements

BIOCORRX INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Nine months ended September 30,	
	2016	**2015**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$(4,211,139)	$(4,671,365)
Adjustments to reconcile net loss to cash flows used in operating activities:		
Depreciation and amortization	21,706	96,197
Bad debt expense	8,750	85,122
Loss on settlement of sub-license	-	118,027
Termination of licensing agreement	132,804	3,639,694
Non-cash interest	21,722	134,554
Amortization of debt discount	474,217	84,886
Stock based compensation	287,617	396,971
Change in fair value of option modifications	53,858	-
Change in fair value of derivative liabilities	2,344,272	(77,765)
Changes in operating assets and liabilities:		
Accounts receivable	(45,500)	(50,522)
Prepaid expenses and other current assets	(10,349)	(2,475)
Accounts payable and accrued expenses	(371,630)	389,617
Settlement payable	-	(240,000)
Deferred revenue	(324,924)	(407,473)
Net cash used in operating activities	(1,618,596)	(504,532)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(22,593)	-
Payment of long term deposit	(17,634)	-
Payment for intellectual property	(180,648)	-
Net cash used in investing activities	(220,875)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from related party notes payable	-	38,000
Proceeds from convertible notes payable	2,264,448	110,000
Proceeds from advances	-	400,000
Repayments of notes payable	(564,412)	(87,919)
Net cash provided by financing activities	1,700,036	460,081
Net decrease in cash	(139,435)	(44,451)
Cash, beginning of the period	220,060	53,120
Cash, end of period	$ 80,625	$ 8,669
Supplemental disclosures of cash flow information:		
Interest paid	$ 106,333	$ 2,418
Taxes paid	$ -	$ -
Non-cash financing activities:		
Reclassify fair value of debt derivative at payoff of note payable	$ 262,271	$ -
Note payable issued in settlement of sub-licensing fees	$ -	$ 900,000
Note payable and common stock issuable to acquire intellectual property	$ -	$ 1,132,000

See the accompanying notes to the unaudited condensed consolidated financial statements

BIOCORRX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2016
(unaudited)

NOTE 1 – BUSINESS

BioCorRx Inc., through its wholly owned subsidiary Fresh Start Private, Inc., distributes and licenses the BioCorRx Recovery Program for alcoholism and opioid addiction treatment that empowers patients to succeed in their overall recovery. We offer a unique treatment philosophy that combines medical intervention and a counseling/coaching program that is administered by specialized life coaches/counselors.

On January 7, 2014, the Company changed its name from Fresh Start Private Management, Inc. to BioCorRx Inc. In addition, effective February 20, 2014, the Company's quotation symbol on the Over-the-Counter Bulletin Board was changed from CEYY to BICX.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Interim Financial Statements

The following (a) condensed consolidated balance sheet as of December 31, 2015, which has been derived from audited financial statements, and (b) the unaudited condensed consolidated interim financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete 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 nine months ended September 30, 2016 are not necessarily indicative of results that may be expected for the year ending December 31, 2016. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2015 included in the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission ("SEC") on April 14, 2016.

Basis of Presentation:

On July 28, 2016, the Company formed BioCorRx Pharmaceuticals, Inc., a wholly owned subsidiary and Nevada Corporation, for the purpose of developing certain business lines. As of September 30, 2016, there were no significant assets or liabilities in BioCorRx Pharmaceuticals, Inc., or operations since its formation.

The condensed consolidated financial statements include the accounts of BioCorRx Inc. and its wholly owned subsidiaries, Fresh Start Private, Inc. and BioCorRx Pharmaceuticals, Inc. (hereafter referred to as the "Company" or "BioCorRx"). All significant intercompany balances and transactions have been eliminated in consolidation.

Revenue Recognition

The Company generates revenue from services and product sales. Revenue is recognized in accordance with Accounting Standards Codification subtopic 605-10, Revenue Recognition ("ASC 605-10") which requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services have been rendered; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management's judgments regarding the fixed nature of the selling prices of the services delivered and the collectability of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related revenue are recorded. The Company defers any revenue for which the services has not been performed or is subject to refund until such time that the Company and the customer jointly determine that the services has been performed or no refund will be required.

BIOCORRX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2016
(unaudited)

The Company licenses proprietary products and protocols to customers under licensing agreements that allow those customers to utilize the products and protocols in services they provide to their customers. The timing and amount of revenue recognized from license agreements depends upon a variety of factors, including the specific terms of each agreement. Such agreements are reviewed for multiple elements. Multiple elements can include amounts related to initial non-refundable license fees for the use of the Company's products and protocols and additional royalties on covered services.

Revenue is only recognized after all of the following criteria are met: (1) written agreements have been executed; (2) delivery of products or intellectual property rights has occurred; (3) fees are fixed or determinable; and (4) collectability of fees is reasonably assured.

Under these license agreements, the Company receives an initial non-refundable license fee and in some cases, additional running royalties. Generally, the Company defers recognition of non-refundable upfront fees if it has continuing performance obligations without which the right, product or service conveyed in conjunction with the non-refundable fee has no utility to the licensee that is separate and independent of its performance under the other elements of the arrangement. License fees collected from Licensees but not yet recognized as income are recorded as deferred revenue and amortized as income earned over the expected economic life of the related contract.

Use of Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include assumptions used in the fair value of stock-based compensation, derivative and warrant liabilities, the fair value of other equity and debt instruments and allowance for doubtful accounts.

Concentrations of Credit Risk

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk, consist primarily of cash and cash equivalents. The Company places its cash and temporary cash investments with credit quality institutions. At times, such amounts may be in excess of the FDIC insurance limit. At September 30, 2016 and 2015, deposits in excess of FDIC limits were $80,625 and $-0-, respectively.

Accounts Receivable

Accounts receivable are recorded at original invoice amount less an allowance for uncollectible accounts that management believes will be adequate to absorb estimated losses on existing balances. Management estimates the allowance based on collectability of accounts receivable and prior bad debt experience. Accounts receivable balances are written off upon management's determination that such accounts are uncollectible. Recoveries of accounts receivable previously written off are recorded when received. Management believes that credit risks on accounts receivable will not be material to the financial position of the Company or results of operations. The allowance for doubtful accounts was $53,250 and $44,500 as of September 30, 2016 and December 31, 2015, respectively.

BIOCORRX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2016
(unaudited)

Fair Value of Financial Instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of September 30, 2016 and December 31, 2015. The respective carrying value of certain financial instruments approximated their fair values. These financial instruments include cash, stock based compensation and notes payable. The fair value of the Company's convertible securities is based on management estimates and reasonably approximates their book value.

See Footnote 9 and 11 for derivative liabilities and Footnote 12 and 13 for stock based compensation and other equity instruments.

Restricted Cash

The Company is required to maintain in its bank accounts at all times no less than 10% of the outstanding principle of its convertible debt issued June 10, 2016. The amount held may be reduced upon noteholder approval. The Cash held must be unrestricted and not subject to any liens. As of September 30, 2016, the Company's restricted cash balance of $250,000 was classified as other assets in the accompanying balance sheet.

Long-Lived Assets

The Company follows FASB ASC 360-10-15-3, "Impairment or Disposal of Long-lived Assets," which established a "primary asset" approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for a long-lived asset to be held and used. Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

Net Income (loss) Per Share

The Company accounts for net income (loss) per share in accordance with Accounting Standards Codification subtopic 260-10, Earnings Per Share ("ASC 260-10"), which requires presentation of basic and diluted earnings per share ("EPS") on the face of the statement of operations for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS.

Basic net income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during each period. It excludes the dilutive effects of any potentially issuable common shares.

Diluted net loss share is calculated by including any potentially dilutive share issuances in the denominator. As of September 30, 2016 and 2015, potentially dilutive shares issuances were comprised of convertible notes, warrants and stock options.

BIOCORRX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2016
(unaudited)

The following potentially dilutive securities have been excluded from the computations of weighted average shares outstanding as of September 30, 2016 and 2015, as they would be anti-dilutive:

	September 30,	
	2016	**2015**
Shares underlying options outstanding	47,850,000	13,850,000
Shares underlying warrants outstanding	2,630,000	2,630,000
Shares underlying convertible notes outstanding	131,250,000	1,833,333
	181,730,000	18,313,333

Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred. The Company charged to operations $60,034 and $198,778 as advertising costs for the three and nine months ended September 30, 2016 and $1,825 and $54,202 for the three and nine months ended September 30, 2015, respectively.

Derivative Instrument Liability

The Company accounts for derivative instruments in accordance with ASC 815, which establishes accounting and reporting standards for derivative instruments and hedging activities, including certain derivative instruments embedded in other financial instruments or contracts and requires recognition of all derivatives on the balance sheet at fair value, regardless of hedging relationship designation. Accounting for changes in fair value of the derivative instruments depends on whether the derivatives qualify as hedge relationships and the types of relationships designated are based on the exposures hedged. At September 30, 2016 and December 31, 2015, the Company did not have any derivative instruments that were designated as hedges.

At September 30, 2016 and December 31, 2015, the Company had outstanding convertible notes and warrants that contained embedded derivatives. These embedded derivatives include certain conversion features and reset provisions. (See Note 9 and Note 11).

Stock Based Compensation

Share-based compensation issued to employees is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period. The Company measures the fair value of the share-based compensation issued to non-employees using the stock price observed in the arms-length private placement transaction nearest the measurement date (for stock transactions) or the fair value of the award (for non-stock transactions), which were considered to be more reliably determinable measures of fair value than the value of the services being rendered. The measurement date is the earlier of (1) the date at which commitment for performance by the counterparty to earn the equity instruments is reached, or (2) the date at which the counterparty's performance is complete.

As of September 30, 2016, there were 47,850,000 stock options outstanding, of which 18,975,000 were vested and exercisable, respectively. As of September 30, 2015, there were 13,850,000 stock options outstanding with all vested and exercisable, respectively.

BIOCORRX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2016
(unaudited)

Income Taxes

Income tax provisions or benefits for interim periods are computed based on the Company's estimated annual effective tax rate. Based on the Company's historical losses and its expectation of continuation of losses for the foreseeable future, the Company has determined that it is not more likely than not that deferred tax assets will be realized and, accordingly, has provided a full valuation allowance. As the Company anticipates or anticipated that its net deferred tax assets at December 31, 2015 and 2014 would be fully offset by a valuation allowance, there is no federal or state income tax benefit for the three and six months ended September 30, 2016 and 2015 related to losses incurred during such periods.

Recent Accounting Pronouncements

There are various updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to a have a material impact on the Company's financial position, results of operations or cash flows.

NOTE 3 – GOING CONCERN AND MANAGEMENT'S LIQUIDITY PLANS

As of September 30, 2016, the Company had cash of $80,625 and working capital deficit of $1,584,783. During the nine months ended September 30, 2016, the Company used net cash in operating activities of $1,618,596. The Company has not yet generated any significant revenues, and has incurred net losses since inception. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

During the nine months ended September 30, 2016, the Company raised $2,264,448 in cash proceeds the issuance of convertible notes and notes payable. The Company believes that its current cash on hand will be sufficient to fund its projected operating requirements through December 2016.

The Company's primary source of operating funds since inception has been from proceeds from private placements of convertible and other debt. The Company intends to raise additional capital through private placements of debt and equity securities, but there can be no assurance that these funds will be available on terms acceptable to the Company, or will be sufficient to enable the Company to fully complete its development activities or sustain operations. If the Company is unable to raise sufficient additional funds, it will have to develop and implement a plan to further extend payables, reduce overhead, or scale back its current business plan until sufficient additional capital is raised to support further operations. There can be no assurance that such a plan will be successful.

Accordingly, the accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"), which contemplate continuation of the Company as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the financial statements do not necessarily purport to represent realizable or settlement values. The consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty.

BIOCORRX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2016
(unaudited)

NOTE 4 – PROPERTY AND EQUIPMENT

The Company's property and equipment at September 30, 2016 and December 31, 2015:

	September 30, 2016	December 31, 2015
Office equipment	$ 34,234	$ 15,137
Computer equipment	2,574	2,574
Leasehold improvements	-	20,014
	36,808	37,725
Less accumulated depreciation	(13,116)	(33,825)
	$ 23,692	$ 3,900

Depreciation expense charged to operations amounted to $1,433 and $2,801, respectively, for the three and nine months ended September 30, 2016; and $608 and $1,720, respectively, for the three and nine months ended September 30, 2015.

NOTE 5 – INTELLECTUAL PROPERTY/ LICENSING RIGHTS

On June 30, 2015, the Company acquired the complete rights, title and interest in the Naltrexone Implant Formulation used specifically in the BioCorRx Recovery Program for an aggregate purchase price of $1,132,000 comprised of an obligation to pay $1,000,000 over 14 months starting October 1, 2015 and 3,000,000 of the Company's common stock at the market value of $0.044 per share as of the date of the agreement. The Company estimated a useful life of 10 years.

On March 31, 2016, the parties agreed to terminate the above described acquisition and to cancel any and all obligations assumed under the agreement. In connection with the cancellation, the Company recorded a loss on termination of licensing agreement of $132,804.

On January 26, 2016, the Company entered into an asset purchase agreement to acquire intellectual and contractual rights for all of North America with the option for Central and South America for Naltrexone Implants formulas created by the Seller for 24 months upon receipt of the intellectual property for a fee of $55,648. The Company, within the first 12 months has the right to purchase perpetual rights for above territories for a one-time fee, financed over 5 years. The rights are amortized over the 24 month contract life. For the three and nine months ended September 30, 2016, amortization was $18,905.

On July 28, 2016, the Company and Therakine, Ltd., an Irish private company limited by shares ("Therakine"), entered into a Development, Commercialization and License Agreement (the "Agreement"). Therakine has know-how and patents related to sustained release drug delivery technology (the "Technology"). Pursuant to the Agreement, Therakine granted the Company an exclusive license to utilize the Technology in developing injectable naltrexone products to treat patients suffering addiction to opioids, methamphetamines, cocaine, or alcohol. The Company is permitted to sell on a worldwide basis the products that utilize the Technology. The Agreement expires when the Company's last valid claim to Therakine's patents expires. Upon expiration of the Agreement, the licenses granted will become irrevocable and fully paid up.

The Company agreed to pay, in return for the license to the Technology, up to $2,750,000 in milestone payments and royalties ranging from 5% to 12% of net sales of products that use the Technology. The Company is also required to pay a percentage of any sublicense income it receives related to products that use the Technology. In the event Therakine enters into a license agreement with a third party for products unrelated to injectable naltrexone that use the Technology, Therakine will pay the Company a percentage of its income from these products. As of September 30, 2016, the Company has paid the initial $125,000.

BIOCORRX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2016
(unaudited)

NOTE 6 – DEFERRED REVENUE

In 2014 and 2015, the Company granted license and sub-license agreements for various regions or States in the United States allowing the licensee to market, distribute and sell solely in the defined license territory, as defined, the products provided by the Company. The agreements are granted for a defined period or perpetual and are effective as long as annual milestones are achieved.

Terms for payments for licensee agreements vary from full cash payment to defined terms. In cases where license or sub-license fees are uncollected or deferred; the Company nets those uncollected fees with the deferred revenue for balance sheet presentation.

The Company amortizes license fees over the shorter of the economic life of the related contract life or contract terms for each licensee. The remaining unamortized aggregate balance of deferred revenue as of September 30, 2016 and December 31, 2015 was $1,155,362 and $1,480,286, respectively.

NOTE 7 – SETTLEMENT PAYABLE

On March 9, 2016, Jorge Andrade (former Company's Chief Executive Officer) and Terranautical Global Investments, Inc. filed with the Eighth Judicial District Court in Clark County, Nevada a lawsuit claiming unpaid compensation, bonuses and previous loans in aggregate of $316,000 plus accrued interest and damages.

On March 21, 2016, the Plaintiff and the Company entered into a settlement agreement whereby the Company agreed to settle for a cash payment of $250,000 due December 16, 2016. At March 21, 2016, the Company reclassified $195,845 accounts payable and $54,155 notes payable, related party to settlement payable in the accompanying balance sheet.

NOTE 8 – NOTES PAYABLE

On July 7, 2014, the Company issued unsecured promissory notes in aggregate of $545,218 in settlement of previously issued convertible debentures dated April 3, 2013 and related accrued interest. The promissory notes include monthly payments of principal and interest, at 12% per annum, of $10,658 beginning August 15, 2014 through July 15, 2016 with the remaining unpaid balance due on or before July 15, 2016. The balance as of September 30 31, 2016 and December 31, 2015 was $172,748 and $518,660, respectively. The notes are currently in default.

On March 15, 2016, the Company issued a secured promissory note for $360,000 due 90 days from the date of issuance. Proceeds received were $300,000, net of Original Issuance Discount ("OID") of $60,000. The promissory note is secured by all accounts, all proceeds and all accessions for rents, profits and products. On June 10, 2016, in connection with the issuance of a secured convertible note, the outstanding balance was settled in full. During the nine months ended September 30, 2016, the Company amortized $60,000 of the OID to interest expense.

NOTE 9 – CONVERTIBLE NOTES PAYABLE AND DERIVATIVE LIABILITIES

Iconic Holdings, LLC

On February 1, 2016**,** the Company issued to Iconic Holdings, LLC a $88,000 Convertible Promissory Note. The proceeds from the Iconic note provides was up to an aggregate of $79,200 in net proceeds after taking into consideration an Original Issue Discount ("OID") of $8,800. The maturity date is one year from the date of issuance.

The Company, at its sole discretion, has an option to repay the Iconic note within 90 days of the effective date at a rate of 110% of unpaid principal or 135% from 91-180 days of effective date. After 180 days, the note may not be prepaid without the consent of the holder.

The Note is convertible after 180 days into shares of the Company's common stock at a conversion price equal to 60% discount to the lowest closing price of the common stock for the 10 trading days immediately prior the conversion date.

The Company has identified the embedded derivatives related to the above described note. These embedded derivatives included certain conversion features. The accounting treatment of derivative financial instruments requires that the Company record fair value of the derivatives as of the inception date of the Notes and to fair value as of each subsequent reporting date.

At inception, the Company determined the aggregate fair value of $96,170 of embedded derivatives. The fair value of the embedded derivatives was determined using the Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%; (2) expected volatility of 150.09%, (3) weighted average risk-free interest rate of 0.47%, (4) expected life of 1.00 year, and (5) estimated fair value of the Company's common stock of $0.0121 per share.

The determined fair value of the debt derivatives of $96,170 was charged as a debt discount up to the net proceeds of the note with the remainder of $21,722 charged to current period operations as non-cash interest expense.

On June 2, 2016, the Iconic Holdings, LLC note was paid in full.

BICX Holding Company LLC

On June 10, 2016, the Company issued to BICX Holding Company, LLC a $2,500,000 senior secured convertible promissory note due June 10, 2019 and bearing interest at 8% per annum due annually beginning June 10, 2018.

Under the terms of the note, the note holder may, at any time, convert the unpaid principal of the note, or any portion thereof, into shares of the Company's common stock at an initial conversion price equal to 25% of the Company's total authorized common stock, determined at $0.019 per share at the date of issuance. In addition, the note contains certain anti-dilution provisions, as defined.

The Company is required to maintain a cash balance of 10% of the outstanding principal amount at all times, unrestricted and lien free.

The note holder has the right, until December 10, 2016, to purchase another convertible note from the Company in a principal amount of up to $2,500,000 for a total aggregate purchase price of $5,000,000. Based on the percentage of the maximum purchase price the note holder invests, they will receive another convertible note for a pro rata percentage the Company's total authorized common stock (up to another 26% of the Company's total authorized common stock, for a total of 51%, if the note holder invests the maximum purchase price). If the note holder does not exercise the right to pay the maximum purchase price, the note holder will pay the Company a break-up fee equal to 5% of the remaining balance of the maximum purchase price.

The note is secured by all of assets of the Company and is ranked senior to all of the Company's debt currently outstanding or hereafter, unless prohibited by law.

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The Company has identified the embedded derivatives related to the above described note. These embedded derivatives included certain conversion and reset features. The accounting treatment of derivative financial instruments requires that the Company record fair value of the derivatives as of the inception date of the Notes and to fair value as of each subsequent reporting date.

At inception, the Company determined the aggregate fair value of $2,225,907 of embedded derivatives. The fair value of the embedded derivatives was determined using the Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%; (2) expected volatility of 164.06%, (3) weighted average risk-free interest rate of 0.73%, (4) expected life of 3.00 years, and (5) estimated fair value of the Company's common stock of $0.0201 per share.

The determined fair value of the debt derivatives of $2,225,907 was charged as a debt discount.

During the nine months ended September 30, 2016, the Company paid off an aggregate of $211,500 of the previously issued convertible notes. At the date of payoff, the Company marked to market the fair value of the debt derivatives and determined a fair value of $262,271 and transferred to equity. The fair value of the embedded derivatives was determined using Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 147.99% to 164.09%, (3) weighted average risk-free interest rate of 0.48% to 0.99%, (4) expected life of 0.67 to 1.70 years, and (5) estimated fair value of the Company's common stock of $0.017 to $0.027 per share.

At September 30, 2016, the Company marked to market the fair value of the debt derivatives and determined a fair value of $4,561,258. The Company recorded a loss from change in fair value of debt derivatives of $1,861,840 and $3,330,920 for the three and nine months ended September 30, 2016. The fair value of the embedded derivatives was determined using Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 170.16%, (3) weighted average risk-free interest rate of 0.88%, (4) expected life of 2.69 years, and (5) estimated fair value of the Company's common stock of $0.039 per share.

The charge of the amortization of debt discounts and costs for the three and nine months ended September 30, 2016 was $187,017, and $412,510; and $69,905 and $83,185 for the three and nine months ended September 30, 2015, respectively, which was accounted for as interest expense.

NOTE 10 – NOTES PAYABLE-RELATED PARTY

As of September 30, 2016 and December 31, 2015, the Company received advances from Kent Emry current President of the Company, Scott Carley, and Neil Muller, former President of the Company as loans from related parties. The loans are payable on demand and without interest. In addition, the Company has issued unsecured, non-interest bearing demand notes to related parties. The balance outstanding as of September 30, 2016 and December 31, 2015 were $47,980 and $109,135, respectively. (See Note 7-Settlement Payable)

On January 22, 2013, the Company issued a unsecured promissory note payable for $200,000 due January 1, 2018, with a stated interest rate of 12% per annum beginning three months from issuance; payable monthly. Principal payments are due starting February 1, 2015 at $6,650 per month. The lender has an option to convert the note to licensing rights for the State of Oregon. The Company currently is in default of the required interest payments initially due starting April 22, 2013. During the year ended December 31, 2014, the Company has paid $36,390 principal and accrued interest towards the promissory note.

In connection with the issuance of the above described promissory note, the Company issued 950,000 (as amended) of its common stock on March 31, 2014.

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The Company recorded a debt discount of $11,250 based on the fair value of the Company's common stock at the issuance date of the promissory note. The discount is amortized ratably over the term on the notes. The note holder subsequently became an officer of the Company. The balance outstanding as of September 30, 2016 and December 31, 2015 was $163,610, with unamortized debt discount of $1,402 and $3,110, respectively.

NOTE 11 – WARRANT LIABILITY

The Company issued warrants in conjunction with the issuance of certain convertible debentures. These warrants contain certain reset provisions. Therefore, in accordance with ASC 815-40, the Company reclassified the fair value of the warrant from equity to a liability at the date of issuance. Subsequent to the initial issuance date, the Company is required to adjust to fair value the warrant as an adjustment to current period operations.

At September 30, 2016, the fair value of the 1,155,000 warrants containing certain reset provisions were determined using the Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 171.16%, (3) weighted average risk-free interest rate of 0.77%, (4) expected life of 1.51 years, and (5) estimated fair value of the Company's common stock of $0.039 per share.

The Company recorded a loss from change in fair value of warrant liability of debt derivatives of $15,391 and $13,352 for the three and nine months ended September 30, 2016, respectively.

At September 30, 2016, the warrant liability valued at $36,097, the Company believes an event under the contract that would create an obligation to settle in cash or other current assets is remote and has classified the obligation as a long term liability.

NOTE 12 – STOCKHOLDERS' DEFICIT

Effective July 5, 2016, the Company amended its articles of incorporation to increase the authorized shares of capital stock of the Company from two hundred million (200,000,000) shares of common stock, and eighty thousand (80,000) shares of preferred stock, both $.001 par value respectively, to five hundred twenty five million (525,000,000) shares common stock ($0.001 par value), and six hundred thousand (600,000) shares of preferred stock (no par value), respectively.

Preferred stock

The Company is authorized to issue 600,000 shares of preferred stock with no par value. As of September 30, 2016 and December 31, 2015, the Company had 80,000 shares of preferred stock issued and outstanding.

Common stock

The Company is authorized to issue 525,000,000 shares of common stock with par value $.001 per share. As of September 30, 2016 and December 31, 2015, the Company had 169,094,501 shares and 164,144,501 shares of common stock issued and outstanding.

In February 2016, the Company issued an aggregate of 1,250,000 shares of its common stock for services rendered valued at $25,000 based on the underlying market value of the common stock at the date of issuance.

In July 2016, the Company issued an aggregate of 3,700,000 shares of its common stock for services rendered valued at $101,090 based on the underlying market value of the common stock at the date of issuance.

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NOTE 13 – STOCK OPTIONS AND WARRANTS

Options

Option valuation models require the input of highly subjective assumptions. The fair value of stock-based payment awards was estimated using the Black-Scholes option model with a volatility figure derived from using the Company's historical stock prices. The Company accounts for the expected life of options based on the contractual life of options for non-employees. For employees, the Company accounts for the expected life of options in accordance with the "simplified" method, which is used for "plain-vanilla" options, as defined in the accounting standards codification.

The risk-free interest rate was determined from the implied yields of U.S. Treasury zero-coupon bonds with a remaining life consistent with the expected term of the options.

In addition, the Company is required to estimate the expected forfeiture rate and only recognize expense for those shares expected to vest. In estimating the Company's forfeiture rate, the Company analyzed its historical forfeiture rate, the remaining lives of unvested options, and the number of vested options as a percentage of total options outstanding. If the Company's actual forfeiture rate is materially different from its estimate, or if the Company reevaluates the forfeiture rate in the future, the stock-based compensation expense could be significantly different from what the Company has recorded in the current period.

The Company estimated forfeitures related to option grants at a weighted average annual rate of 0% per year, as the Company does not yet have adequate historical data, for options granted during the nine months ended September 30, 2016 and 2015.

The following assumptions were used in determining the fair value of employee and vesting non-employee options during the nine months ended September 30, 2016:

	September 30, 2016
Risk-free interest rate	1.13%
Dividend yield	0%
Stock price volatility	163.82%
Expected life	5.75 years
Weighted average grant date fair value	$ 0.019

On June 17, 2016, the Company awarded options to purchase an aggregate of 33,000,000 shares of common stock to key officers of the Company. These options vest monthly over 24 months and have a term of 10 years. The options have an exercise price of $0.0201 per share. The options had an aggregate grant date fair value of $628,283.

On June 17, 2016, the Company extended the term of previously granted options in aggregate of 13,500,000 initially expiring from November 2019 to July 2020 by five years to November 2024 to July 2025. The change in fair value of $53,858 was determined using the Black Scholes option model and charged to current to operations during the nine months ended September 30, 2016.

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The following assumptions were used in determining the change in fair value of extended options during the nine months ended September 30, 2016:

	September 30, 2016
Risk-free interest rate	0.083 % to 1.62%
Dividend yield	0%
Stock price volatility	163.82%
Expected life	3.42 to 9.10 years

The following table summarizes the stock option activity for the nine months ended September 30, 2016:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2016	14,850,000	$ 0.09	4.4	$ -
Grants	33,000,000	0.2	10.0	-
Exercised	-			
Expired	-		-	-
Outstanding at September 30, 2016	47,850,000	$ 0.04	9.4	$ 623,700
Exercisable at September 30, 2016	18,975,000	$ 0.08	8.1	$ 77,963

The aggregate intrinsic value in the preceding tables represents the total pretax intrinsic value, based on options with an exercise price less than the Company's stock price of $0.039 as of September 30, 2016, which would have been received by the option holders had those option holders exercised their options as of that date.

The following table presents information related to stock options at September 30, 2016:

Options Outstanding			Options Exercisable
Exercise Price	Number of Options	Weighted Average Remaining Life In Years	Exercisable Number of Options
$ 0.01-0.025	33,000,000	9.75	4,125,000
0.0251-0.05	3,500,000	8.85	3,500,000
0.051 and up	11,350,000	7.55	11,350,000
	47,850,000	9.15	18,975,000

The stock-based compensation expense related to option grants was $78,535 and $104,713 during the three and nine months ended September 30, 2016, and $142,193 and $143,448 during the three and nine months ended September 30, 2015.

As of September 30, 2016, stock-based compensation related to options of $523,568 remains unamortized and is expected to be amortized over the weighted average remaining period of 1.67 years.

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Warrants:

The following table summarizes the changes in warrants outstanding and the related prices for the shares of the Company's common stock:

Warrants Outstanding			Warrants Exercisable		
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Remaining Contractual Life (Years)
$ 0.25	1,475,000	2.15	$ 0.25	1,475,000	2.44
1.00	1,155,000	1.76	1.00	1,155,000	2.01
$ 0.58	2,630,000	2.00	$ 0.58	2,630,000	2.25

	Number of Shares	Weighted Average Exercise Price Per Share
Outstanding at December 31, 2015	2,630,000	$ 0.58
Issued	-	-
Exercised	-	-
Canceled	-	-
Outstanding at September 30, 2016	2,630,000	$ 0.58

NOTE 14 – RELATED PARTY TRANSACTIONS

The Company has an arrangement with Premier Aftercare Recovery Service, ("PARS"). PARS is a Company controlled by Neil Muller, a shareholder of the Company and prior officer of the Company, that provides consulting services to the Company. There is no formal agreement between the parties and the amount of remuneration is $14,583 per month. During the three and nine months ended September 30, 2016, the Company incurred $-0-, and during three and nine months ended September 30, 2015, the Company incurred $29,167 and $100,000, respectively, as consulting fees and expense reimbursements. As of September 30, 2016 and December 31, 2015, there was an unpaid balance of $64,638 and $154,638, respectively.

The Company has an arrangement with Felix Financial Enterprises ("FFE"). FFE is a Company controlled by Lourdes Felix, an officer of the Company, that provides consulting services to the Company. Until June 17, 2016, there was no formal agreement between the parties and the amount of remuneration is $14,583 per month. During the three and nine months ended September 30, 2016, the Company incurred $40,000 and $126,756, respectively, and during the three and nine months ended September 30, 2015, the Company incurred $43,750 and $114,583, respectively, as consulting fees. As of September 30, 2016 and December 31, 2015, there was an unpaid balance of $91,465 and $191,013, respectively.

On June 17, 2016, the Company entered into an executive service contract with Felix Financial Enterprises LLC to provide consulting services. The agreement is an at will agreement and provides for a base salary of $160,000 per year, 11,200,000 stock options, extended previously issued options and auto allowance.

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The Company has an arrangement with Brady Granier, an officer of the Company. Until June 17, 2016 there was no formal agreement between the parties and the amount of remuneration is $14,583 per month. For the three and nine months ended September 30, 2016, the Company incurred $43,750 and $131,250 , respectively and during the three and nine months ended September 30, 2015, the Company incurred $43,750 and $114,583, respectively, as consulting fees. As of September 30, 2016 and December 31, 2015, there was an unpaid balance of $64,481 and $137,045, respectively.

On June 17, 2016, the Company entered into an executive service contract with Brady Granier as the Company's President and Chief Executive Officer. The agreement is an at will agreement and provides for a base salary of $175,000 per year, 10,600,000 stock options, extended previously issued options and auto allowance.

The Company has an arrangement with Kent Emry, an officer of the Company. There is no formal agreement between the parties and the amount of remuneration is $6,250 per month. For the three and nine months ended September 30, 2016 the Company incurred $-0- and $33,558, respectively , and during the three and nine months ended September 30, 2015, the Company incurred $6,250, as consulting fees. As of September 30, 2016 and December 31, 2015, there was an unpaid balance of $80,433 and $53,125, respectively.

On June 17, 2016, the Company entered into an executive service contract with Tom Welch as the Company's Vice President of Operations. The agreement is an at will agreement and provides for a base salary of $140,000 per year, 11,200,000 stock options, extended previously issued options and auto allowance.

The above related parties are compensated as independent contractors and are subject to the Internal Revenue Service regulations and applicable state law guidelines regarding independent contractor classification. These regulations and guidelines are subject to judicial and agency interpretation, and it could be determined that the independent contractor classification is inapplicable.

NOTE 15 – CONCENTRATIONS

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk, consist primarily of cash, cash equivalents and trade receivables. The Company places its cash and temporary cash investments with high credit quality institutions. At times, such investments may be in excess of the FDIC insurance limit.

The Company's revenues earned from sale of products and services for the three months ended September 30, 2016 included 13%, 34%, 24% and 26% (aggregate of 97%) from four customers of the Company's total revenues.

The Company's revenues earned from sale of products and services for the nine months ended September 30, 2016 included 14% and 17% (aggregate of 31%) from two customers of the Company's total revenues.

The Company's revenues earned from sale of products and services for the three months ended September 30, 2015 included 21%, 10%, 29%, 10%, 10% and 10% (aggregate of 90%) from six customers of the Company's total revenues.

The Company's revenues earned from sale of products and services for the nine months ended September 30, 2015 included 14%, 24%, 10% and 16% (aggregate of 64%) from four customers of the Company's total revenues.

Three customers accounted for 27%, 11% and 18% (aggregate of 56%) of the Company's total accounts receivable at September 30, 2016 and two customers accounted for 49% and 20% of the Company's total accounts receivable at December 31, 2015.

The Company relies on Trinity Rx as its sole supplier of its Naltrexone implant.

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NOTE 16 – FAIR VALUE MEASUREMENTS

ASC 825-10 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance. ASC 825-10 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 825-10 establishes three levels of inputs that may be used to measure fair value:

Level 1 — Quoted prices in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 — Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities.

Items recorded or measured at fair value on a recurring basis in the accompanying consolidated financial statements consisted of the following items as of September 30, 2016:

	Level 1	Level 2	Level 3	Total
Derivative liability	$ -	$ -	$ 4,561,258	$ 4,561,258
Warrant liability			36,097	36,097
Total	$ -	$ -	$ 4,597,355	$ 4,597,355

Items recorded or measured at fair value on a recurring basis in the accompanying consolidated financial statements consisted of the following items as of December 31, 2015:

	Level 1	Level 2	Level 3	Total
Derivative liability	$ -	$ -	$ 170,531	$ 170,531
Warrant liability			22,746	22,746
Total	$ -	$ -	$ 193,277	$ 193,277

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The table below sets forth a summary of changes in the fair value of the Company's Level 3 financial liabilities from December 31, 2015 through September 30, 2016:

	Debt Derivative Liability	Warrant Liability
Balance, December 31, 2015	$ 170,531	22,746
Transfers in (out):		
Initial fair value of debt derivative at note issuance	2,322,077	-
Fair value of debt derivative at note extinguishment transferred to equity	(262,271)	-
Mark-to-market at September 30, 2016:		
Embedded derivative	2,330,921	13,351
Balance, September 30, 2016	$ 4,561,258	$ 36,097

NOTE 17 – COMMITMENTS AND CONTINGENCIES

Operating leases

On March 9, 2016, the Company entered into a lease amendment and expansion agreement, whereby the Company agreed to lease office space in Anaheim, California, commencing July 1, 2016 and expiring on June 30, 2019.

As of September 30, 2016, future minimum lease payments for office space are as follows:

Three months ended December 31, 2016	$ 12,636
Year ended December 31, 2017	51,330
Year ended December 31, 2018	52,903
Year ended December 31, 2019	26,844
	$ 143,713

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Rent expense charged to operations, which differs from rent paid due to rent credits and to increasing amounts of base rent, is calculated by allocating total rental payments on a straight-line basis over the term of the lease.

Royalty agreement

On July 28, 2016, the Company and Therakine, Ltd. entered into a Development, Commercialization and License Agreement. Pursuant to the Agreement, Therakine granted the Company an exclusive license to treat patients suffering addiction to opioids, methamphetamines, cocaine, or alcohol. The Company is permitted to sell on a worldwide basis the products that utilize the Technology. The Agreement expires when the Company's last valid claim to Therakine's patents expires. Upon expiration of the Agreement, the licenses granted will become irrevocable and fully paid up.

The Company agreed to pay, in return for the license to the Technology, up to $2,750,000 in milestone payments and royalties ranging from 5% to 12% of net sales of products that use the Technology. The Company is also required to pay a percentage of any sublicense income it receives related to products that use the Technology. In the event Therakine enters into a license agreement with a third party for products unrelated to injectable naltrexone that use the Technology, Therakine will pay the Company a percentage of its income from these products. As of September 30, 2016, the Company has paid the initial $125,000. (See Note 5)

NOTE 18 – SUBSEQUENT EVENTS

Financing and stock issuance

On October 21, 2016, The Company issued two 8% convertible promissory notes in the aggregate principal amount of $220,000. In addition to the note transactions, by October 20, 2016, the Company issued 400,000 shares of the Company's restricted common stock to each investor for a total of 800,000 shares as inducement shares. The inducement shares will be increased by 150,000 shares for each investor if the closing price of the Company's common stock falls below $0.025 prior to the Company paying back the notes or the complete conversion of the notes into shares of the Company's common stock.

The notes mature on April 21, 2017. The maturity date is extendable at the option of each Investor as long as no event of default has occurred. Under the terms of the notes, each Investors may, on or after the maturity date, convert the unpaid principal of their Note into shares of the Company's common stock. The conversion price is 60% of the lowest trade that occurs during the twenty-five (25) trading days immediately preceding the conversion date.

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

This Management's Discussion and Analysis of Financial Condition and Results of Operations includes a number of forward-looking statements that reflect Management's current views with respect to future events and financial performance. You can identify these statements by forward-looking words such as "may" "will," "expect," "anticipate," "believe," "estimate" and "continue," or similar words. Those statements include statements regarding the intent, belief or current expectations of us and members of its management team as well as the assumptions on which such statements are based. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risk and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements.

Readers are urged to carefully review and consider the various disclosures made by us in this report and in our other reports filed with the Securities and Exchange Commission. Important factors currently known to us could cause actual results to differ materially from those in forward-looking statements. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes in the future operating results over time. We believe that its assumptions are based upon reasonable data derived from and known about our business and operations and the business and operations of the Company. No assurances are made that actual results of operations or the results of our future activities will not differ materially from its assumptions. Factors that could cause differences include, but are not limited to, expected market demand for the Company's services, fluctuations in pricing for materials, and competition.

Business Overview

We are an addiction rehabilitation service company and developer of the BioCorRx Recovery Program headquartered in Anaheim, California. We were established in January 2010 and currently operating in Anaheim, California. The Company's current treatment program is called the BioCorRx Recovery Program. On January 7, 2014 we changed our name to BioCorRx Inc. to take advantage of unique branding of our BioCorRx Recovery Program and to look to acquire other addiction programs and healthcare related products and services. We operate within the *Specialty Hospitals, Expert Psychiatric* industry, specifically within the industry subsets of *Addiction Rehabilitation Hospital*.

The BioCorRx Recovery Program is an addiction treatment protocol comprised of multiple parts: (1) an implant, administered by a licensed physician, of a proprietary compounded formulation of the medication, Naltrexone (implanted under the skin) (the "Implant") which can reduce alcohol and opioid cravings and certain effects over a period of time which typically is several months and longer than other means of administration of Naltrexone such as oral and injectable forms; and (2) uniquely and specifically structured, intensive one on one substance abuse disorder life coaching/counseling programs developed by BioCorRx Inc. (the "Counseling Program").

BioCorRx Inc. has been granted an exclusive license to the proprietary implant by its developer. The license allows BioCorRx to license to physicians and medical groups experienced in treating alcoholism and opioid addiction dependency the right to order the proprietary implant from the compounding pharmacies that have been licensed and trained to make the implant by its developer. It also allows BioCorRx to sub-license the implant access to territories in the U.S. and abroad.

BioCorRx is not a licensed health care provider and does not provide health care services to patients. BioCorRx does not operate substance abuse clinics. BioCorRx makes the BioCorRx Recovery Program available to health care providers to utilize when the health care provider determines it is medically appropriate and indicated for his or her patients. Any physician or licensed alcohol addiction treatment provider is solely responsible for treatment options prescribed or recommended to his or her patients. At all times, such providers retain complete and exclusive authority, responsibility, supervision and control over their medical practice, their patients, the treatment that their patients receive and any decision to prescribe the implant to any of the provider's patients.

BioCorRx does not condition its license to health care providers accessing the implant on their making available the Counseling Program to the providers' patients although BioCorRx certainly encourages that providers do so.

BioCorRx has issued several license and distribution agreements to several unrelated third parties involving the establishment of alcoholism and opioid addiction rehabilitation and treatment centers and creating certain addiction rehabilitation programs. The Company has substantially expanded its operations since 2013 through the licensing and distribution opportunities of its BioCorRx Recovery Program. There are over 15 licensed providers throughout California, Arizona, Utah, Georgia, Virginia, Oregon, Nebraska, Oklahoma, Louisiana, Tennessee, Nevada, Wisconsin and Pennsylvania that offer the BioCorRxÒ Recovery Program. The company's current focus will continue on wider distribution across the United States, branding of the BioCorRx Recovery Program and acquisition of healthcare related products and services. The Company is committed to continuing to provide excellent rehabilitation products and services to healthcare providers nationwide as it expands the distribution of the BioCorRx Recovery Program to a network of independent licensed clinics.

Results of Operations

The following table summarizes changes in selected operating indicators of the Company, illustrating the relationship of various income and expense items to net sales for the respective periods presented (components may not add or subtract to totals due to rounding):

Three Months ended September 30, 2016 Compared with Three Months ended September 30, 2015

Three months ended September 30,

	2016	2015
Net Revenues	$ 167,598	$ 118,192
Total Operating Expenses	(684,966)	(624,518)
Net Interest Expense	(214,192)	(164,742)
(Loss) gain on change in derivative liability	(1,877,231)	(26,403)
Net loss	$(2,608,791)	$ (697,471)

Revenues

Sales for the three months ended September 30, 2016 were $167,598 compared with $118,192 for the three months ended September 30, 2015, reflecting an increase of 42%.

The increase in revenue is directly related to the increased number of patients treated at licensed clinics and BioCorRx Recovery Program distribution.

Total Operating Expenses

Total operating expenses for the three months ended September 30, 2016 and 2015 were $684,966 and $624,518, respectively, reflecting an increase of $60,448. The primary reasons for the increase in 2016 were due that we incurred increases in service provider costs as compared to 2015 and increase due to non-cash amortization of licensing agreement.

In addition, comparing the three months ended September 30, 2016 to September 30, 2015, consulting and investor relations fees increased from $167,512 to $312,014, accounting and legal fees decreased from $82,985 to $57,149, advertising increased from $1,825 to $60,034, and rent increased from $4,875 to $13,040. In addition, we incurred $85,311 as stock based compensation in 2016 compared to $251,037 in 2015.

Gain (loss) on change in Fair Value of Derivative Liability

As of September 30, 2016, we had outstanding convertible debt and warrants with variable conversion provisions that had the possibility of exceeding our common shares authorized when considering the number of possible shares that may be issuable to satisfy settlement provision of this note. As such, we are required to determine the fair value of this derivative and mark to market each reporting period. For the three months ended September 30, 2016, we incurred a $1,877,231 loss on change in fair value of our derivative liabilities compared to $26,403 loss in the same period, last year.

Interest Expense

Interest expense for the three months ended September 30, 2016 and 2015 were $214,192 and $164,742, respectively, the increase is due to debt discount amortization, a non-cash interest charge.

Net Loss

For the three months ended September 30, 2016, the Company experienced a net loss of $2,608,791 compared with a net loss of $697,471 for the three months ended September 30, 2015. The increase in net loss is primarily due to the loss on change in fair value of derivative liabilities.

Nine Months ended September 30, 2016 Compared with Nine Months ended September 30, 2015

Nine months ended September 30,

	2016	2015
Net Revenues	$ 585,923	$ 851,437
Total Operating Expenses	(1,850,239)	(5,273,171)
Net Interest Expense	(602,551)	(327,396)
(Loss) gain on change in derivative liability	(2,344,272)	77,765
Net loss	$(4,211,139)	$(4,671,365)

Revenues

Sales for the nine months ended September 30, 2016 were $585,923 compared with $851,437 for the nine months ended September 30, 2015, reflecting a decrease of 31%.

The decrease in revenue is directly related to the reduced number of patients treated at licensed clinics and BioCorRx Recovery Program distribution.

Total Operating Expenses

Total operating expenses for the nine months ended September 30, 2016 and 2015 were $1,850,239 and $5,273,171 reflecting a decrease of $3,422,932. The primary reasons for the decrease in 2016 were due to the fact that we incurred in 2015 i) the termination of our Naltrexone implant licensing agreement and replacing the rights with an acquisition agreement and ii) a loss on settlement of sub-licensing agreements, for charges of $3,639,694 and $118,027, respectively.

In addition, comparing the nine months ended September 30, 2016 to September 30, 2015, consulting and investor relations fees increased from $402,517 to $655,290, accounting and legal fees increased from $110,212 to $243,953, advertising increased from $54,202 to $198,778, and rent increased from $11,952 to $22,362. In addition, we incurred $287,617 as stock based compensation in 2016 compared to $396,971 in 2015.

Gain (loss) on change in Fair Value of Derivative Liability

As of September 30, 2016, we had outstanding convertible debt and warrants with variable conversion provisions that had the possibility of exceeding our common shares authorized when considering the number of possible shares that may be issuable to satisfy settlement provision of this note. As such, we are required to determine the fair value of this derivative and mark to market each reporting period. For the nine months ended September 30, 2016, we incurred a $2,344,272 loss on change in fair value of our derivative liabilities compared to $77,765 gain in the same period, last year.

Interest Expense

Interest expense for the nine months ended September 30, 2016 and 2015 were $602,551 and $327,396, respectively, the increase is due to debt discount amortization, a non-cash interest charge.

Net Loss

For the nine months ended September 30, 2016, the Company experienced loss of $4,211,139 compared with a net loss of $4,671,365 for the nine months ended September 30, 2015. The decrease in net loss is primarily due to the decrease in total operating expenses in 2016, net with increase in loss on change in fair value of derivative liabilities.

Liquidity and Capital Resources

As of September 30, 2016, we had cash of approximately $80,625. The following table provides a summary of our net cash flows from operating, investing, and financing activities.

Nine months ended September 30,

	2016	2015
Net cash used in operating activities	$(1,618,596)	$ (504,532)
Net cash used in investing activities	(220,875)	-
Net cash provided by financing activities	1,700,036	460,081
Net decrease in cash	(139,435)	(44,451)
Cash, beginning of period	220,060	53,120
Cash, end of period	$ 80,625	$ 8,669

On June 10, 2016, the Company issued to BICX Holding Company, LLC a $2,500,000 senior secured convertible promissory note due June 10, 2019 and bearing interest at 8% per annum due annually beginning June 10, 2018.

Under the terms of the note, the note holder may, at any time, convert the unpaid principal of the note, or any portion thereof, into shares of the Company's common stock at an initial conversion price equal to 25% of the Company's total authorized common stock, determined at $0.019 per share at the date of issuance. In addition, the note contains certain anti-dilution provisions, as defined.

The Company is required to maintain a cash balance of 10% of the outstanding principal amount at all times, unrestricted and lien free.

The note holder has the right, until December 10, 2016, to purchase another convertible note from the Company in a principal amount of up to $2,500,000 for a total aggregate purchase price of $5,000,000. Based on the percentage of the maximum purchase price the note holder invests, they will receive another convertible note for a pro rata percentage the Company's total authorized common stock (up to another 26% of the Company's total authorized common stock, for a total of 51%, if the note holder invests the maximum purchase price). If the note holder does not exercise the right to pay the maximum purchase price, the note holder will pay the Company a break-up fee equal to 5% of the remaining balance of the maximum purchase price.

The note is secured by all of assets of the Company and is ranked senior to all of the Company's debt currently outstanding or hereafter, unless prohibited by law.

Currently we have no material commitments for capital expenditures as of September 30, 2016. We historically sought and continue to seek financing from private sources to move our business plan forward. In order to satisfy the financial commitments, we had relied upon private party financing that has inherent risks in terms of availability and adequacy of funding.

For the next twelve months, we anticipate that we will need to supplement our revenues with additional capital investment or debt to ensure that we will have adequate cash to provide the minimum operating cash requirements to continue as a going concern. . There can be no guarantee or assurance that we can raise adequate capital from outside sources. If we are unable to raise funds when required or on acceptable terms, we have to significantly scale back, or discontinue our operations.

Net Cash Flow From Operating Activities

Net Cash used in operating activities was $1,618,596 for the nine months ended September 30, 2016 compared to $504,532 used in operating activities the nine months ended September 30, 2015. The increase was primarily due to the increased operating costs and expenses incurred in 2016 along with a net decrease in operating liabilities of $438,698.

Net Cash Flow From Investing Activities

Net cash used in investing activities increased by $220,875 for the nine months ended September 30, 2016 compared to the nine months ended September 30, 2015 primarily due to payments for intellectual property, purchase of equipment and lease deposit in 2016.

Net Cash Flow From Financing Activities

Net cash provided by financing activities increased by $1,239,955, from $460,081 provided by financing activities for the nine months ended September 30, 2015 to $1,700,036 cash provided by financing activities for the nine months ended September 30, 2016. The increase is primarily from $2,264,448 received from issuance of convertible note, net with repayments of notes payable of $564,412 as compared to $400,000 and $148,000 from advances and issuance of notes, respectively, net with $87,919 repayments of notes payable in 2015.

Going Concern

The Company's financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern. This contemplates the realization of assets and the liquidation of liabilities in the normal course of business. As of September 30, 2016 and December 31, 2015, the Company has a working capital deficit of $1,584,783 and $3,443,284, and an accumulated deficit of $17,442,022 and $13,230,883. We will be dependent upon the raising of additional capital through placement of our common stock in order to implement the Company's business plan or by using outside financing. There can be no assurance that the Company will be successful in these situations in order to continue as a going concern. The Company is funding its operations by additional borrowings and some shareholder advances.

Off Balance Sheet Arrangements

We do not have any off balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, sales or expenses, results of operations, liquidity or capital expenditures, or capital resources that are material to an investment in our securities.

Critical Accounting Policies

Use of Estimates and Assumptions

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include assumptions used in the fair value of stock-based compensation, derivative and warrant liabilities, the fair value of other equity and debt instruments and allowance for doubtful accounts.

Revenue Recognition

We generate revenue from services and product sales. Revenue is recognized in accordance with Accounting Standards Codification subtopic 605-10, Revenue Recognition ("ASC 605-10") which requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services have been rendered; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management's judgments regarding the fixed nature of the selling prices of the services delivered and the collectability of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related revenue are recorded. We defer any revenue for which the services have not been performed or is subject to refund until such time that the we and the customer jointly determine that the services has been performed or no refund will be required.

We license proprietary products and protocols to customers under licensing agreements that allow those customers to utilize the products and protocols in services they provide to their customers. The timing and amount of revenue recognized from license agreements depends upon a variety of factors, including the specific terms of each agreement. Such agreements are reviewed for multiple elements. Multiple elements can include amounts related to initial non-refundable license fees for the use of our products and protocols and additional royalties on covered services.

Revenue is only recognized after all of the following criteria are met: (1) written agreements have been executed; (2) delivery of product or intellectual property rights has occurred; (3) fees are fixed or determinable; and (4) collectability of fees is reasonably assured.

Under these license agreements, we receive an initial non-refundable license fee and in some cases, additional running royalties. Generally, we defer recognition of non-refundable upfront fees if it has continuing performance obligations without which the right, product or service conveyed in conjunction with the non-refundable fee has no utility to the licensee that is separate and independent of its performance under the other elements of the arrangement. License fees collected from Licensees but not yet recognized as income are recorded as deferred revenue and amortized as income earned over the expected economic life of the related contract.

Deferred Revenue

We, from time to time, collect initial license fees when license agreements are signed and become effective. License fees collected from Licensees but not yet recognized as income are recorded as deferred revenue and amortized as income earned over the economic life of the related contract.

Derivative Financial Instruments

We account for derivative instruments in accordance with ASC 815, which establishes accounting and reporting standards for derivative instruments and hedging activities, including certain derivative instruments embedded in other financial instruments or contracts and requires recognition of all derivatives on the balance sheet at fair value, regardless of hedging relationship designation. Accounting for changes in fair value of the derivative instruments depends on whether the derivatives qualify as hedge relationships and the types of relationships designated are based on the exposures hedged. At September 30, 2016 and December 31, 2015, we did not have any derivative instruments that were designated as hedges.

At September 30, 2016 and December 31, 2015, we had outstanding convertible notes and warrants that contained embedded derivatives. These embedded derivatives include certain conversion features and reset provisions.

Stock-Based Compensation

Share-based compensation issued to employees is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period. The Company measures the fair value of the share-based compensation issued to non-employees using the stock price observed in the arms-length private placement transaction nearest the measurement date (for stock transactions) or the fair value of the award (for non-stock transactions), which were considered to be more reliably determinable measures of fair value than the value of the services being rendered. The measurement date is the earlier of (1) the date at which commitment for performance by the counterparty to earn the equity instruments is reached, or (2) the date at which the counterparty's performance is complete.

Recent Accounting Pronouncements

There are various updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to a have a material impact on the Company's financial position, results of operations or cash flows.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required under Regulation S-K for "smaller reporting companies."

ITEM 4. CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Exchange Act. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on management's evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as a result of the material weaknesses described below, as of September 30, 2016, our disclosure controls and procedures are not designed at a reasonable assurance level and are ineffective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The material weaknesses, which relate to internal control over financial reporting, that were identified are:

(b) We did not have sufficient personnel in our accounting and financial reporting functions. As a result we were not able to achieve adequate segregation of duties and were not able to provide for adequate reviewing of the financial statements. This control deficiency, which is pervasive in nature, results in a reasonable possibility that material misstatements of the financial statements will not be prevented or detected on a timely basis.

Management believes that hiring additional knowledgeable personnel with technical accounting expertise will remedy the following material weaknesses: A lack of sufficient personnel in our accounting and financial reporting functions to achieve adequate segregation of duties.

Management believes that the hiring of additional personnel who have the technical expertise and knowledge with the non-routine or technical issues we have encountered in the past will result in both proper recording of these transactions and a much more knowledgeable finance department as a whole. Due to the fact that our accounting staff consists of a Chief Financial Officer, additional personnel will also ensure the proper segregation of duties and provide more checks and balances within the department. Additional personnel will also provide the cross training needed to support us if personnel turnover issues within the department occur. We believe this will eliminate or greatly decrease any control and procedure issues we may encounter in the future.

We will continue to monitor and evaluate the effectiveness of our disclosure controls and procedures and our internal controls over financial reporting on an ongoing basis and are committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

(c) Changes in internal control over financial reporting.

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a-15 or 15d-15 under the Exchange Act that occurred during the quarter ended September 30, 2016 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

From time to time, we may be engaged in various lawsuits and legal proceedings in the ordinary course of our business. Except as described below, we are currently not aware of any legal proceedings the ultimate outcome of which, in our judgment based on information currently available, would have a material adverse effect on our business, financial condition or results of operations. We are currently not a party to any material legal proceedings or claims not previously disclosed on Form 8-K.

ITEM 1A. RISK FACTORS

Not required under Regulation S-K for "smaller reporting companies."

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

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

Not Applicable.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference Form	Filed or Furnished Exhibit	Filing Date	Herewith
3.1	Bylaws Amendment.	8-K	3.2	05/20/2016	
10.1	Termination of Asset Purchase Agreement	8-K	10.1	04/18/2016	
10.2	8% Senior Secured Convertible Promissory Note, dated June 10, 2016, issued by the Company to BICX Holding Company LLC.	8-K	10.1	06/21/2016	
10.3	Senior Secured Convertible Note Purchase Agreement by and among the Company and BICX Holding Company LLC, dated June 10, 2016.	8-K	10.2	06/21/2016	
10.4	Security Agreement by and among the Company and BICX Holding Company LLC, dated June 10, 2016.	8-K	10.3	06/21/2016	
10.5	Executive Service Agreement by and between the Company and Brady Granier, dated June 17, 2016.	8-K	10.4	06/21/2016	
10.6	Executive Service Agreement by and between the Company and Lourdes Felix, dated June 17, 2016.	8-K	10.5	06/21/2016	
10.7	Executive Service Agreement by and between the Company and Tom Welch, dated June 17, 2016.	8-K	10.6	06/21/2016	
31.01	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				☒
31.02	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				☒
32.01*	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				☒
32.02*	Certifications of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				☒
101.INS	XBRL Instance.				☒
101.XSD	XBRL Schema.				☒
101.PRE	XBRL Presentation.				☒
101.CAL	XBRL Calculation.				☒
101.DEF	XBRL Definition.				☒
101.LAB	XBRL Label.				☒

* In accordance with SEC Release 33-8238, Exhibits 32.01 and 32.02 are being furnished and not filed.

SIGNATURES

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

	BIOCORRX INC.
Date: November 17, 2016	By: */s/ Brady Granier* Brady Granier President and Chief Executive Officer
Date: November 17, 2016	By: */s/ Lourdes Felix* Lourdes Felix Chief Financial Officer and Chief Operating Officer

EXHIBIT 31.01

CERTIFICATION

I, Brady Granier, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioCorRx Inc..;

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

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

4. 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;

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

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

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonable 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 controls over financial reporting.

Date: November 17, 2016

By: */s/ Brady Grainer*
Brady Grainer
President and Chief Executive Officer

EXHIBIT 31.02

CERTIFICATION

I, Lourdes Felix, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioCorRx Inc..;

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

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

4. 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;

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

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

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonable 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 controls over financial reporting.

Date: November 17, 2016

By: */s/ Lourdes Felix*
Lourdes Felix
Chief Financial Officer and Director

EXHIBIT 32.01

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Brady Grainer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of BioCorRx Inc. on Form 10-Q for the quarter ended September 30, 2016 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of BioCorRx Inc.

Date: November 17, 2016

By: */s/ Brady Grainer*
Brady Grainer
President and Chief Executive Officer

EXHIBIT 32.02

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

I, Lourdes Felix, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of BioCorRx Inc. on Form 10-Q for the quarter ended September 30, 2016 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of BioCorRx Inc.

Date: November 17, 2016

By: */s/ Lourdes Felix*
Lourdes Felix
Chief Financial Officer and Director