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

FORM 10-Q

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

For the quarterly period ended September 30, 2015

☐ **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT**

Commission File Number: 000-52956

QUANTUM MATERIALS CORP.
(Exact name of Registrant as specified in its charter)

Nevada	**20-8195578**
(State or other jurisdiction of incorporation)	(IRS Employer Identification No.)

3055 Hunter Road
San Marcos, TX 78666
(Address of principal executive offices)

214-701-8779
(Registrant's telephone number)

Check whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 checkmark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the 12 preceding months (or such shorter period that the registrant was required to submit and post such file). Yes ☒ No ☐

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of ''accelerated filer and large accelerated filer'' in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer ☐	Accelerated Filer ☐
Non-Accelerated Filer ☐	Smaller Reporting Company ☒

As of November 9, 2015, there were 319,737,045 shares of common stock, $0.001 par value per share, outstanding.

QUANTUM MATERIALS CORP.

Table of Cont ents

QUANTUM MATERIALS CORP.
CONSOLIDATED BALANCE SHEETS

	September 30, 2015 (unaudited)	June 30, 2015
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 542,595	$ 673,839
Restricted cash	—	65,330
Prepaid expenses and other current assets	418,696	258,391
TOTAL CURRENT ASSETS	961,291	997,560
PROPERTY AND EQUIPMENT, net of accumulated depreciation of $84,024 and $63,615	790,779	776,039
LICENSES AND PATENTS, net of accumulated amortization of $46,344 and $36,707	146,399	156,036
TOTAL ASSETS	$ 1,898,469	$ 1,929,635
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 547,309	$ 364,797
Accrued salaries	667,274	577,027
Deferred revenue	225,000	—
TOTAL CURRENT LIABILITIES	1,439,583	941,824
CONVERTIBLE DEBENTURE, net of current portion and unamortized discount	301,025	258,838
TOTAL LIABILITIES	1,740,608	1,200,662
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Common stock, $.001 par value, authorized 400,000,000 shares, 312,488,760 and 307,097,420 issued and outstanding at September 30, 2015 and June 30, 2015, respectively	312,489	307,097
Additional paid-in capital	24,389,622	24,099,177
Accumulated deficit	(24,544,250)	(23,677,301)
TOTAL STOCKHOLDERS' EQUITY	157,861	728,973
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,898,469	$ 1,929,635

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

QUANTUM MATERIALS CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014
	(unaudited)	
OPERATING EXPENSES		
General and administrative	$ 897,894	$ 431,135
Research and development	90,331	31,390
TOTAL OPERATING EXPENSES	988,225	462,525
LOSS FROM OPERATIONS	(988,225)	(462,525)
OTHER (INCOME) EXPENSE		
Change in fair value of derivative liabilities	—	(563,547)
Gain on settlement	(174,568)	—
Beneficial conversion expense	—	171,976
Interest expense, net	11,105	12,736
Accretion of debt discount	42,187	11,948
TOTAL OTHER INCOME	(121,276)	(366,887)
NET LOSS	$ (866,949)	$ (95,638)
LOSS PER COMMON SHARE		
Basic and Diluted	$ (0.00)	$ (0.00)
WEIGHTED AVERAGE SHARES OUTSTANDING		
Basic and Diluted	307,812,314	257,609,341

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

QUANTUM MATERIALS CORP.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balances at June 30, 2015	307,097,420	$ 307,097	$ 24,099,177	$ (23,677,301)	$ 728,973
Common stock issued for warrant and option exercises	3,629,640	3,630	74,370	—	78,000
Common stock issued for services	2,400,000	2,400	237,600	—	240,000
Cancellation of shares	(638,300)	(638)	(252,930)	—	(253,568)
Stock-based compensation	—	—	231,405	—	231,405
Net loss	—	—	—	(866,949)	(866,949)
Balances at September 30, 2015	312,488,760	$ 312,489	$ 24,389,622	$ (24,544,250)	$ 157,861

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

QUANTUM MATERIALS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended September 30, 2015	2014
	(unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (866,949)	$ (95,638)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	30,046	12,385
Stock-based compensation	231,405	—
Stock issued for services	8,743	—
Stock issued for interest	—	12,778
Gain on settlement	(174,568)	—
Beneficial conversion feature	—	171,976
Change in fair value of derivative liability	—	(563,547)
Accretion of debt discount	42,187	11,948
Effects of changes in operating assets and liabilities:		
Prepaid expenses and other current assets	70,952	(100,200)
Accounts payable and accrued expenses	182,512	(49,478)
Accrued salaries	11,247	(18,416)
Deferred revenue	225,000	—
NET CASH USED IN OPERATING ACTIVITIES	(239,425)	(618,192)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(35,149)	(52,541)
Purchase of license and patents	—	(137,743)
Change in restricted cash investments	65,330	64,865
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	30,181	(125,419)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common stock	78,000	611,069
Proceeds from issuance of convertible debenture	—	375,050
NET CASH PROVIDED BY FINANCING ACTIVITIES	78,000	986,119
NET (DECREASE) INCREASE IN CASH	(131,244)	242,508
CASH AND CASH EQUIVALENTS, beginning of period	673,839	120,501
CASH AND CASH EQUIVALENTS, end of period	$ 542,595	$ 363,009

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

QUANTUM MATERIALS CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 — BASIS OF PRESENTATION

General

The accompanying consolidated financial statements include the accounts of Quantum Materials Corp. and its wholly owned subsidiary, Solterra Renewable Technologies, Inc. (collectively referred to as the “Company”).

The consolidated financial statements of the Company as of and for the three months ended September 30, 2015 are unaudited and have been prepared on the same basis as the audited consolidated financial statements as of and for the year ended June 30, 2015. The year-end balance sheet data was derived from audited consolidated financial statements, but does not include all disclosures required by accounting principles generally accepted in the U.S. In the opinion of management, the accompanying unaudited financial information includes all adjustments necessary for a fair presentation of the interim financial information. Operating results for the interim periods are not necessarily indicative of the results of any subsequent periods. Certain information in the footnote disclosures normally included in annual consolidated financial statements prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) has been condensed or omitted for the interim periods presented under the United States Securities and Exchange Commission (“SEC”) rules and regulations. As such, these interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto contained in the Company’s Annual Report on Form 10-K for the year ended June 30, 2015. Certain amounts in the prior year consolidated financial statements have been reclassified to conform to the classifications of the current year consolidated financial statements.

Nature of Operations

The Company is a nanotechnology company specializing in the design, development, production and supply of quantum dots, including tetrapod quantum dots, a high performance variant of quantum dots, and highly uniform nanoparticles, using its patented automated continuous flow production process. Quantum dots and nanoparticles are expected to be increasingly utilized in a range of applications in the life sciences, television and display, solid state lighting, solar energy, battery, security ink, and sensor sectors of the market. Key uncertainties and risks to the Company include, but are not limited to, if and how quickly various industries adopt and fully embrace quantum dot technology and technological changes, including those developed by our competitors, rendering our technology uncompetitive or obsolete.

Going Concern

The Company recorded losses from continuing operations in the current period presented and has a history of losses. The ability of the Company to continue as a going concern is dependent upon its ability to reverse negative operating trends, obtain revenues from operations, raise additional capital, and/or obtain debt financing.

In conjunction with anticipated revenue streams, management is currently negotiating equity financing, the proceeds from which would be used to settle outstanding debts, to finance operations, and for general corporate purposes. However, there can be no assurance that the Company will be able to raise capital, obtain debt financing, or improve operating results sufficiently to continue as a going concern.

The accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary if the Company is unable to continue as a going concern.

NOTE 2 — PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	September 30, 2015 (unaudited)	June 30, 2015
Furniture and fixtures	$ 1,625	$ 1,625
Computers and software	11,447	11,447
Machinery and equipment	861,731	826,582
	874,803	839,654
Less: accumulated depreciation	84,024	63,615
Total property and equipment, net	$ 790,779	$ 776,039

Depreciation expense for the three months ended September 30, 2015 and 2014 was $20,409 and $7,339, respectively.

NOTE 3 — LICENSES AND PATENTS

Licenses and patents consisted of the following:

	September 30, 2015 (unaudited)	June 30, 2015
William Marsh Rice University	$ 40,000	$ 40,000
University of Arizona	15,000	15,000
Bayer acquired patents	137,743	137,743
	192,743	192,743
Less: accumulated amortization	46,344	36,707
Total licenses and patents, net	$ 146,399	$ 156,036

Amortization expense for the three months ended September 30, 2015 and 2014 was $9,637 and $5,046, respectively.

NOTE 4 — FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company follows ASU 2011-04 *"Fair Value Measurement"* as it relates to financial assets and financial liabilities, which defines fair value, establishes a framework for measuring fair value under GAAP and expands disclosures about fair value measurements. The provisions of this standard apply to other accounting pronouncements that require or permit fair value measurements.

This guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Hierarchical levels, as defined in this guidance and directly related to the amount of subjectivity associated with the inputs to fair valuations of these assets and liabilities are as follows:

Level 1 — Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 — Inputs that are both significant to the fair value measurement and unobservable.

The reported fair values for financial instruments that use Level 2 and Level 3 inputs to determine fair value are based on a variety of factors and assumptions. Accordingly, certain fair values may not represent actual values of the financial instruments that could have been realized as of September 30, 2015 or that will be realized in the future and do not include expenses that could be incurred in an actual sale or settlement.

The carrying amounts of cash and cash equivalents and accounts payable approximate their fair value due to the short maturity of those instruments.

Convertible Debentures

The Company measured the estimated fair value of the convertible debentures using significant other observable inputs, representative of a Level 2 fair value measurement, including the interest and conversion rates for the instruments. The following table sets forth the fair value of the Company's convertible debentures as of September 30, 2015 and June 30, 2015:

	September 30, 2015 (unaudited)		June 30, 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Convertible debentures issued September 18, 2014	$ 25,050	$ 28,390	$ 25,050	$ 31,730
Convertible debentures issued January 15, 2015	$ 500,000	$ 1,416,667	$ 500,000	$ 1,583,333

Derivative Liabilities

The Company has evaluated the application of ASC 815, " *Derivatives and Hedging",* to the Convertible Debenture issued November 4, 2008. Based on the guidance in ASC 815, the Company concluded these instruments were required to be accounted for as derivatives as of July 1, 2009 due to the down round protection feature on the conversion price and the exercise price. The Company records the fair value of these derivatives on its consolidated balance sheets at fair value with changes in the values of these derivatives reflected in the consolidated statements of operations as "Change in fair value of derivative liabilities." These derivative instruments are not designated as hedging instruments under ASC 815. At June 30, 2014, all of the Company's derivative liabilities were categorized as Level 3 fair value assets. During the three months ended September 30, 2014, the Company recognized a gain of $563,547 and is included in the statements of operations as change in fair value of derivative liabilities. Due to the conversion of the notes, at June 30, 2015 all of the Company's derivative liabilities have been realized.

Level 3 Valuation Techniques

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable. Level 3 financial liabilities consist of the derivative liabilities for which there is no current market for these securities such that the determination of fair value requires significant judgment or estimation. At the date of the original transaction, the Company valued the convertible debenture that contains down round provisions using a lattice model, with the assistance of a valuation consultant, for which management understands the methodologies.

This model incorporated transaction details such as the Company's stock price, contractual terms, maturity, risk free rates, as well as assumptions about future financings, volatility, and holder behavior. Using assumptions, consistent with the original valuation, the Company has subsequently used the Black-Scholes model for calculating the fair value.

The Company is not a party to any hedge arrangements, commodity swap agreements or any other derivative financial instruments other than described above.

NOTE 5 — CONVERTIBLE DEBENTURES

The following table sets forth activity associated with the convertible debentures:

	September 30, 2015 (unaudited)	June 30, 2015
Convertible debentures issued November 4, 2008	$ —	$ 500,000
Convertible debentures issued February 6, 2014	—	400,000
Convertible debentures issued September 18, 2014	25,050	500,050
Convertible debentures issued November 25, 2014	—	350,000
Convertible debentures issued January 15, 2015	500,000	500,000
	525,050	2,250,050
Less: amount converted to shares	—	1,725,000
Total convertible debentures outstanding	525,050	525,050
Less: unamortized discount	224,025	266,212
	301,025	258,838
Less: current portion	—	—
Total convertible debentures, net of current portion	$ 301,025	$ 258,838

November 2008 Convertible Debenture

On November 4, 2008, the Company entered into a Securities Purchase Agreement, Debenture, Security Agreement, Subsidiary Guarantee Agreement, Registration Rights Agreement, Escrow Agreement, Stock Pledge Agreement and other related transactional documents (the "Transaction Documents") to obtain $1,500,000 in gross proceeds from three non-affiliated parties (collectively hereinafter referred to as the "Debenture Holders") in exchange for 3,525,000 restricted shares of common stock of the Company (the "Restricted Shares") and Debentures in the principal amount aggregating $1,500,000. Each Debenture originally had a term of three years maturing on

November 4, 2011 bearing interest at the rate of 8% per annum and is pre-payable by the Company at any time without penalty, subject to the Debenture Holders' conversion rights. In 2011, the Company obtained a one year extension of the maturity date of the Debentures through November 4, 2014. In partial consideration of such a loan extension, the Company agreed to issue to the Debenture Holders warrants to purchase an aggregate of 2,000,000 shares of common stock exercisable at $0.10 per share. These Warrants contain cashless exercise provisions in the event that there is no current registration statement filed. The maturity date was extended to November 4, 2014 in June 2013 and the conversion price per share was lowered to $0.06 per share.

On June 30, 2014, $1,000,000 of the Debentures were converted into 16,666,667 common shares. The remaining $500,000 was converted at $0.06 per share into 8,333,333 of common shares at the due date November 4, 2014. The Company recorded the conversion at the fair market value of the shares at the date of conversion, off-set by the reduction of the derivative liability.

For the three months ended September 30, 2015 and 2014 the Company recognized interest expense of $0 and $12,778, respectively.

As of September 30 and June 30, 2015, $0 of principal was outstanding.

February 2014 Convertible Debenture

On February 6, 2014, the Company entered into a Securities Purchase Agreement, Debenture and Escrow Agreement to obtain $400,000 in gross proceeds from two non-affiliated parties (collectively hereinafter referred to as the "Debenture Holders"). The Debentures have a term of two years maturing on January 31, 2016 and bear interest at the rate of 8% per annum. The Debentures are pre-payable by the Company at any time without penalty. The Debenture Holders have the right of conversion at a conversion price of $0.04 per share at any date. The Debenture Holders received 5,000,000 common stock warrants exercisable at $0.06 per share through December 31, 2016. The debt is secured by a security interest in certain microreactor equipment. Pursuant to the Securities Purchase Agreement, the investor has certain preferential rights to fund a second microreactor at a cost of up to $650,000. Such rights were exercised as described under the January 2015 Convertible Debenture below.

In accounting for the above convertible debentures, the Company allocated the fair value of the warrants to the proceeds received in the amount of $95,603, recorded as debt discount.

In January 2015, the holders of the $400,000 convertible debenture converted into 10,000,000 shares of common stock. As of September 30 and June 30, 2015, $0 of principal was outstanding.

September 2014 Convertible Debenture

Between September 16, 2014 and October 28, 2014, the Company entered into Convertible Debenture Agreements to obtain a total of $500,050 in gross proceeds from five non-affiliated parties (collectively hereinafter referred to as the "Debenture Holders"). The Debentures have terms of five years maturing between September 16, 2019 and October 30, 2019. The Debentures bear interest at the rate of 6% per annum and are pre-payable by the Company at any time without penalty. The Debenture Holders have the right of conversion at a conversion price of $0.15 per share at any date, and will receive an equal number of warrants having a strike price of $0.30 per share and a term of five years.

In accounting for the above convertible debentures, the Company allocated the fair value of the warrants to the proceeds received in the amount of $203,074, recorded as debt discount. The debt discount is amortized using the effective interest rate method over the life of the loan, five years, and the Company has recognized $0 and $11,948 of accretion expense for the three months ended September 30, 2015 and 2014, respectively. During the three months ended September 30, 2015 and 2014, the Company recognized a beneficial conversion expense of $0 and $171,976 and interest expense of $384 and $0, respectively.

In October 2014, $350,000 of the Debentures were converted into 2,333,333 shares of common stock and an equal number of warrants and in December 2014, $125,000 of the Debentures were converted into 833,334 shares of common stock and an equal number of warrants. As of September 30 and June 30, 2015, $25,050 of principal was outstanding.

November 2014 Convertible Debenture

On November 25, 2014, the Company entered into a Convertible Debenture Agreement which would allow the Company to borrow up to a total of $500,000 in gross proceeds from a non-affiliated party. The Debenture has a term of five years maturing on November 25, 2019 and bears interest at the rate of 6% per annum and is pre-payable by the Company at any time without penalty. As of June 30, 2015 the debenture holder funded five times between December 2014 and April 2015 for total proceeds to the Company of $350,000. The first three fundings of $50,000 each have the right of conversion at a conversion price of $0.15 per share at any date, and will receive an equal number of warrants having a strike price of $0.30 per share and a term of two years. The fourth funding of $50,000 has the right of conversion at a conversion price of $0.12 per share at any date, and will receive an equal number of warrants having a strike price of $0.24 per share and a term of two years. The fifth funding of $150,000 has the right of conversion at a conversion price of $0.10 per share at any date, and will receive an equal number of warrants having a strike price of $0.20 per share and a term of two years. In January 2015 $100,000 was converted into 666,667 of common stock and in April 2015 $250,000 was converted into 2,250,000 of common stock.

As of September 30 and June 30, 2015, $0 of principal was outstanding.

On September 18, 2015, the Company notified the debenture holder that per the terms of the debenture, the debenture was deemed cancelled.

January 2015 Convertible Debenture

On January 15, 2015, the Company entered into Convertible Debenture Agreements to obtain $500,000 in gross proceeds from two non-affiliated parties (collectively hereinafter referred to as the “Debenture Holders”). The Debentures have a term of two years maturing on January 15, 2017 and bear interest at the rate of 8% per annum. The debentures are pre-payable by the Company at any time without penalty. The Debenture Holders have the right of conversion at a conversion price of $0.06 per share at any date. The Debenture Holders received 6,250,000 common stock warrants exercisable at $0.06 per share through January 15, 2017. The debt is secured by a security interest in certain microreactor equipment. The Agreement also provides for the investors to have the right to appoint one member to the Company’s Board of Directors in the event that any one of the aforementioned debentures are converted into common stock of the Company.

In accounting for the convertible debentures, the Company allocated the fair value of the warrants to the proceeds received in the amount of $348,105, recorded as debt discount and is amortized using the effective interest rate method over the life of the loan, two years. During the three months ended September 30, 2015 and 2014, the Company recognized $42,187 and $0 of accretion expense, respectively. As of September 30 and June 30, 2015, $500,000 of principal was outstanding.

NOTE 6 — DEFERRED REVENUE

During the three months ended September 30, 2015, the Company recorded $225,000 of deferred revenue. This represents full payment pursuant to the previously announced funded development agreement with Nitto Denko Corporation (the “Agreement”). The Agreement does not require specific deliverables by the Company, however it does place certain restrictions on the Company’s ability to communicate with a limited number of specifically named businesses during the four month term of the Agreement. Management does not believe that the restrictions have a material negative affect on the Company’s business prospects.

NOTE 7 — EQUITY TRANSACTIONS

Common Stock

During the three months ended September 30, 2015, investors exercised options and warrants to purchase 3,629,640 shares of common stock for cash proceeds of $78,000. Included were cashless exercises of 3,325,000 options and 400,000 warrants that resulted in the issuance of 2,146,629 and 183,010 shares of common stock, respectively.

During the three months ended September 30, 2015, the Company granted 2,400,000 shares of common stock to consultants at the fair market value of $240,000. This was recognized as a prepaid asset and will be amortized to expense over the life of the agreement.

During the three months ended September 30, 2015, the Company cancelled 638,300 shares of common stock. See Note 13.

Stock Warrants

A summary of activity of the Company's stock warrants for the three months ended September 30, 2015 is presented below:

	Weighted Average Exercise Price	Number of Warrants	Weighted Average Remaining Contractual Term in Years	Weighted Average Grant Date Fair Value
Balance as of June 30, 2015	$ 0.09	48,284,833		$ 0.13
Expired	0.05	(1,187,500)		0.07
Granted	0.06	694,444		0.11
Exercised	0.07	(1,700,001)		0.08
Cancelled	—	—		—
Balance as of September 30, 2015	$ 0.09	46,091,776	1.14	$ 0.13
Vested and exercisable as of September 30, 2015	$ 0.09	46,091,776	1.14	$ 0.13

During the three months ended September 30, 2015, 400,000 warrants were exercised in a cashless transaction that resulted in the issuance of 183,010 shares of common stock.

Outstanding warrants at September 30, 2015 expire during the period October 2015 to November 2019 and have exercise prices ranging from $0.04 to $0.30.

NOTE 8 — STOCK-BASED COMPENSATION

The Company follows ASC 718 *"Compensation — Stock Compensation"* for share-based payments which requires all stock-based payments, including stock options, to be recognized as an operating expense over the vesting period, based on their grant date fair values.

In October 2009 the Board of Directors authorized the approval of a stock option plan covering 7,500,000 shares of common stock, which was increased to 10,000,000 shares in December 2009 and approved by stockholders in January 2010. The Plan provides for the direct issuance of common stock and the grant of incentive and non-incentive stock options. As of September 30, 2015, 9,200,000 options have been granted, with terms ranging from five to ten years, and 250,000 have been cancelled.

In January 2013 the Board of Directors authorized the approval of a stock option plan covering 20,000,000 shares of common stock, which was increased to 60,000,000 shares in March 2013 and approved by stockholders in March 2013. The Plan provides for the direct issuance of common stock and the grant of incentive and non-incentive stock options. As of September 30, 2015, 60,703,473 options have been granted, with terms ranging from five to ten years, 3,325,000 have been exercised and 8,403,225 have been cancelled.

In March 2012 3,500,000 stock options with a term of five years, were granted outside of the 2009 and 2013 stock option plans. In May and September 2015, 2,000,000 and 1,000,000 stock options, respectively, with terms of ten years, were granted outside of the 2009 and 2013 stock option plans.

Incentive Stock Options: The Company estimates the fair value of each stock option on the date of grant using the Black-Scholes-Merton valuation model. The volatility is based on expected volatility over the expected life of sixty months. As the Company has not historically declared dividends, the dividend yield used in the calculation is zero. Actual value realized, if any, is dependent on the future performance of the Company's common stock and overall stock market conditions. There is no assurance the value realized by an optionee will be at or near the value estimated by the Black-Scholes-Merton model.

The Company did not grant any stock options during the three months ended September 30, 2014. The following assumptions were used for the three months ended September 30, 2015:

	Three Months Ended September 30, 2015
Expected volatility	148.50%
Expected dividend yield	—
Risk-free interest rates	1.44%
Expected term (in years)	5.0

The computation of expected volatility during the three months ended September 30, 2015 was based on the historical volatility. Historical volatility was calculated from historical data for the time approximately equal to the expected term of the option award starting from the grant date. The risk-free interest rate assumption is based upon the U.S. Treasury yield curve in effect at the time of grant for the period corresponding with the expected life of the option.

A summary of the activity of the Company's stock options for the three months ended September 30, 2015 is presented below:

	Weighted Average Exercise Price	Number of Optioned Shares	Weighted Average Remaining Contractual Term in Years	Weighted Average Optioned Grant Date Fair Value	Aggregate Intrinsic Value
Balance as of June 30, 2015	0.07	67,737,748		0.10	$ 8,357,574
Expired	—	—		—	
Granted	0.17	1,000,000		0.18	
Exercised	0.06	(3,325,000)		0.06	
Cancelled	0.06	(987,500)		0.13	
Balance as of September 30, 2015	$ 0.07	64,425,248	4.83	$ 0.11	$ 6,543,444
Vested and exercisable as of September 30, 2015	$ 0.06	47,125,248	4.10	$ 0.09	$ 5,402,444

Outstanding options at September 30, 2015 expire during the period March 2017 to September 2025 and have exercise prices ranging from $0.03 to $0.17.

Compensation expense associated with stock options of $178,474 and $0 for the three months ended September 30, 2015 and 2014, respectively, was included in general and administrative expenses in the consolidated statements of operations. At September 30, 2015, the Company had 17,300,000 shares of nonvested stock option awards. The total cost of nonvested stock option awards which the Company had not yet recognized was $2,066,272 at September 30, 2015. Such amounts are expected to be recognized over a period of 2.75 years.

Restricted Stock: To encourage retention and performance, the Company granted certain employees restricted shares of common stock with a fair value per share determined in accordance with conventional valuation techniques, including but not limited to, arm's length transactions, net book value or multiples of comparable company earnings before interest, taxes, depreciation and amortization, as applicable. Generally, the stock vests over a 3 year period. A summary of the activity of the Company's restricted stock awards for the three months ended September 30, 2015 is presented below:

	Number of Nonvested Restricted Share Awards	Weighted Average Grant Date Fair Value
Nonvested restricted shares outstanding at June 30, 2015	1,500,000	$ 0.42
Granted	—	—
Vested	(500,000)	0.42
Forfeited	—	—
Nonvested restricted shares outstanding at September 30, 2015	1,000,000	$ 0.42

Compensation expense associated with restricted stock of $52,931 and $0 for the three months ended September 30, 2015 and 2014, respectively, was included in general and administrative expenses in the consolidated statements of operations. The total cost of nonvested stock awards which the Company had not yet recognized was $375,699 at September 30, 2015. This amount is expected to be recognized over a period of two years.

Agreements with Officers and Employees: In September 2015, the Company's officers and certain employees owning options to purchase 57,979,414 shares of the Company's common stock entered into an agreement with the Company that such persons cannot exercise their options and the Company does not have to reserve for the issuance of shares of common stock underlying their options until the earlier of August 1, 2016 or the Company having unreserved shares sufficient for all outstanding options to be exercised. This could happen through an increase in authorized common shares, the cancellation of outstanding convertible notes or warrants, or a shareholder approved reverse stock split.

NOTE 9 — LOSS PER SHARE

The Company follows ASC 260, *"Earnings Per Share",* for share-based payments that are considered to be participating securities within the definition provided by the standard. All share-based payment awards that contained non-forfeitable rights to dividends, whether paid or unpaid, were designated as participating securities and included in the computation of earnings per share ("EPS").

The following table sets forth the computation of basic and diluted loss per share:

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014
	(unaudited)	(unaudited)
Net loss	$ (866,949)	$ (95,638)
Weighted average common shares outstanding:		
Basic and Diluted	307,812,314	257,609,341
Basic and diluted loss per share	$ (0.00)	$ (0.00)

For the three months ended September 30, 2015 and 2014, 46,091,776 and 37,552,348 stock warrants, respectively, were excluded from diluted earnings per share because they are considered anti-dilutive.

For the three months ended September 30, 2015 and 2014, 64,425,248 and 59,103,473 stock options, respectively, were excluded from diluted earnings per share because they are considered anti-dilutive.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Agreement with Rice University

On August 20, 2008, Solterra entered into a License Agreement with Rice University (the “Solterra Rice License Agreement”). In August 2013, Solterra entered into an amended License Agreement and Quantum Materials Corp. (“QMC”) entered into a new License Agreement with Rice (“QMC Rice License Agreement”, and together with the Solterra Rice License Agreement, the “Rice License Agreements”).

The initial agreement between each of QMC and Solterra with Rice requires the payment of certain patent fees to Rice and for QMC and Solterra to acquire additional funding and to meet certain milestones by specific dates. QMC, Solterra and Rice recently established new milestones for QMC and Solterra to achieve in the months and years ahead pursuant to the respective Rice License Agreements, the failure of which could lead to the termination of such Rice License Agreements. Pursuant to the Solterra Rice License Agreement, Rice is entitled to receive, during the term, certain royalties of adjusted gross sales (as defined therein) ranging from 2% to 4% for photovoltaic cells and 7.5% of adjusted gross sales for QDs sold in electronic and medical applications. Additionally, minimum royalties payable under the Solterra Rice License Agreement include $100,000 due January 1, 2016, $356,250 due January 1, 2017, $1,453,500 due January 1, 2018, $3,153,600 due January 1, 2019 and each January 1 of every year thereafter, subject to adjustments for changes in the consumer pricing index. Pursuant to the QMC Rice License Agreement, Rice is entitled to receive, during the term, a royalty of 7.5% of adjusted gross sales for QDs sold in electronic and medical applications. Additionally, minimum royalties payable under the QMC Rice License Agreement include $29,450 paid January 1, 2015, $117,000 due January 1, 2016, $292,500 due January 1, 2017, $585,000 due January 1, 2018 and each January 1 of every year thereafter, subject to adjustments for changes in the consumer pricing index. The respective terms of the Rice License Agreements are to expire on the expiration date of Rice’s rights in its intellectual property and the Licensee’s rights are worldwide. The Rice License Agreements require the payment of a success fee of $700,000 to Rice in the event a Liquidity Event (as define therein) such as the sale of a majority of QMC’s or Solterra’s shares in a merger or consolidation with another entity or in the case of a sale, lease, transfer or other disposition of all or substantially all of the Company’s assets. The respective Rice License Agreements, as amended, provide for termination of each agreement in certain circumstances, including the event that the Company or Solterra is determined to be insolvent (as defined therein).

Agreement with University of Arizona

Solterra has entered into an exclusive Patent License Agreement with the University of Arizona (“UA”) on March 21, 2006. Pursuant to UA License Agreement, as amended, Solterra is obligated to pay minimum annual royalties of $50,000 by December 31, 2015, $125,000 by June 30, 2016 and $200,000 on each June 30th thereafter, subject to adjustments for increases in the consumer price index. Royalties based on net sales are 2% of net sales of licensed products for non-display electronic component applications and 2.5% of net sales of licensed products for printed electronic displays. The UA License Agreement may be terminated by UA in the event that Solterra is in breach of any provision of the agreement and said breach continues for 60 days after receiving written notice. The UA License Agreement will also automatically terminate if Solterra becomes insolvent or unable to pay its debts as they become due.

Agreement with Texas State University

The Company entered into a Service Agreement with Texas State University (“TSU”) by which the Company occupies certain office and lab space at TSU’s STAR Park (Science Technology and Advanced Research) Facility. The agreement is month-to-month and can be terminated with 30-days written notice of either party.

NOTE 11 — INCOME TAX

The Company follows ASC 740 *"Income Taxes"* regarding the accounting for deferred tax assets and liabilities. Under the asset and liability method required by this guidance, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A deferred tax asset will be reduced by a valuation allowance when, based on the Company's estimates, it is more likely than not that a portion of those assets will not be realized in a future period.

The Company assesses the likelihood that deferred tax assets will be recovered from the existing deferred tax liabilities or future taxable income. To the extent the Company believes that recovery will not meet the more likely than not threshold, it establishes a valuation allowance. The Company has recorded valuation allowances in the U.S. for its net deferred tax assets since management believes it is more likely than not that these assets will not be realized because future taxable income necessary to utilize these losses cannot be established or projected.

The effective income tax rate for the three months ended September 30, 2015 and 2014 was 0%. The Company's effective income tax rate differs from the federal statutory rate primarily due to non-deductible expenses and valuation allowances.

NOTE 12 — SUPPLEMENTAL CASH FLOW INFORMATION

The following is supplemental cash flow information:

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014
	(unaudited)	(unaudited)
Cash paid for interest	$ —	$ —
Cash paid for income taxes	$ —	$ —

The following is supplemental disclosure of non-cash investing and financing activities:

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014
	(unaudited)	(unaudited)
Allocated value of warrants issued with convertible debentures	$ —	$ 203,074
Prepaid expense paid in shares of common stock	$ 231,257	$ —

NOTE 13 — TRANSACTIONS WITH AFFILIATED PARTY

During the three months ended September 30, 2015, the Company's former CFO surrendered 638,300 shares of common stock and options to purchase an additional 987,500 shares in exchange for the cancellation of indebtedness to the Company aggregating $79,000. As a result of this surrender, the Company recorded a gain of $174,568 which is presented in the consolidated statements of operations as Gain on Settlement.

NOTE 14 - SUBSEQUENT EVENTS

In November 2015, certain officers and employees converted accrued salaries of $409,667 into 6,827,778 warrants to purchase the Company's common stock. The warrants are exercisable at $0.06 per share for a period of two years.

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

This Form 10-Q contains "forward-looking statements" relating to us which represent our current expectations or beliefs, including statements concerning our operations, performance, financial condition and growth. For this purpose, any statement contained in this report that are not statements of historical fact are forward-looking statements. Without limiting the generality of the foregoing, words such as "may", "anticipation", "intend", "could", "estimate", or "continue" or the negative or other comparable terminology are intended to identify forward-looking statements.

Statements contained herein that are not historical facts are forward-looking statements as that term is defined by the Private Securities Litigation Reform Act of 1995. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, the forward-looking statements are subject to risks and uncertainties that could cause actual results to differ from those projected. The Company cautions investors that any forward-looking statements made by the Company are not guarantees of future performance and those actual results may differ materially from those in the forward-looking statements. Such risks and uncertainties include, without limitation: well-established competitors who have substantially greater financial resources and longer operating histories, regulatory delays or denials, ability to compete as a start-up company in a highly competitive market, and access to sources of capital.

The following discussion should be read in conjunction with the Company's risk factors, consolidated financial statements and notes thereto included elsewhere in this Form 10-Q and our Form 10-K filed October 14, 2015 for the fiscal year ended June 30, 2015. Except for the historical information contained herein, the discussion in this Form 10-Q contains certain forward looking statements that involve risks and uncertainties, such as statements of the Company's plans, objectives, expectations and intentions. The cautionary statements made in this Form 10-Q should be read as being applicable to all related forward-looking statements wherever they appear herein. The Company's actual results could differ materially from those discussed here.

The financial information furnished herein has not been audited by an independent accountant; however, in the opinion of management, all adjustments (only consisting of normal recurring accruals) necessary for a fair presentation of the results of operations for the period ended September 30, 2015 have been included.

Business Overview

Quantum Materials Corp. (OTCQB:QTMM) ("QMC") is a nanotechnology company specializing in the design, development, production and supply of nanomaterials, including quantum dots ("QDs"), tetrapod quantum dots ("TQDs"), and other nanoparticles for a range of applications in televisions, displays and other optoelectronics, photovoltaics, solid state lighting, life sciences, security ink, battery, and sensor sectors of the market. Solterra Renewable Technologies, Inc. is a wholly-owned operating subsidiary of QMC that is focused on the photovoltaic (solar cell) market ("Solterra").

QDs are nanoscale semiconductor crystals typically between 10 and 100 atoms in diameter. Approximately 10,000 would fit across the diameter of a human hair. Their small size makes it possible for them to exhibit certain quantum mechanical properties. QDs emit either photons or electrons when excited. In the case of photons, the wavelength (color) of light emitted varies depending on the size of the quantum dot. As such, the photonic emissions can be tuned by the creation of QDs of different sizes. Their unique properties as highly efficient, next generation semiconductors have led to the use of QDs in a range of electronic and other applications in the biomedical, display, and lighting industries. QDs also have applications in solar cells, where their characteristics enable conversion of light energy into electricity with the potential for significantly higher efficiencies and lower costs than existing technologies, thereby creating the opportunity for a step change in the solar energy industry through the use of QDs in printed photovoltaic cells.

QDs were first discovered in the early 1980s and the industry has developed to the point where QDs are now being used in an increasing range of applications, including the television and display industries, the light emitting diode (“LED”) lighting (also known as solid-state lighting) industry, and the biomedical industry. LG, Samsung, and other companies, have recently launched new televisions using QDs to enhance the picture color quality and power efficiency. A number of major lighting companies are developing product applications using QDs to create a more natural light for LEDs. The biomedical industry is using QDs in diagnostic and therapeutic applications; and such applications are being developed to print highly efficient photovoltaic solar cells in mass quantities at a low cost.

A key challenge for the quantum dot industry has been and may continue to be its ability to scale up production volumes sufficiently to meet growing demand for QDs while maintaining product quality and consistency and reducing the overall costs of supply to stimulate new applications. QDs remain an extremely expensive commodity. A number of recent market research reports have forecasted rapid growth in the QD market including “Quantum Dot Market by Product (Display, Medical Devices, Batteries, Solar Cells, Sensors, and Others), Material, Application (Healthcare, Consumer, Defense, and Industry), and Geography - Forecast up to 2020” published by MarketsandMarkets in January 2015 which states “The quantum dot market is estimated to reach $4,704.86 million by 2020, at a CAGR of 63.61% from 2014 to 2020.” Also published in January 2015, Touch Display Research forecasts that “the quantum dot display and lighting component market will surpass $2 billion by 2016 and reach $10.6 billion by 2025.”

The Company recently acquired several patents and patent applications in five diverse sets of patent families from Bayer Technology Services GmbH, the global technological backbone and major innovation driver for Bayer AG of Leverkusen, Germany (the “Bayer Patents”). The Bayer Patents acquired provide broad intellectual property protection for advances the Company has achieved in economical high-volume QD manufacturing. In addition, the Bayer Patents cover volume production technology for heavy metal-free QDs and nanoparticles; increasing quantum yields; heavy metal-free QDs; and hybrid organic quantum dot solar cell (“QDSC”) production as well as a surface modification process for increased efficiency of high performance solar cells and printed electronics.

In addition to the Bayer Patents, the Company has a worldwide exclusive license from William Marsh Rice University (“Rice”) to a patented chemical process that permits it to produce high performance TQDs using a lower cost and environmentally friendly solvent for greater manufacturing flexibility. The Company has developed proprietary equipment that allows it to mass produce consistent quantities of QDs and TQDs in a continuous process at lower capital costs than other existing processes. It also has the exclusive license to a patented screen printing technique for manufacture of OLEDs. The Company believes that these intellectual properties and proprietary technologies position the Company to become a leader in the overall nanomaterials and quantum dot industry, and a preferred supplier of high performance QDs and TQDs to an expanding range of applications.

Plan of Operation

The Company currently operates from a leased facility, the Wet Lab, in San Marcos, Texas at the Star Park Technology Center, an extension of Texas State University. This location provides the Company with convenient access to university faculty and specialized laboratory facilities that can support joint research and development efforts with Texas State University. Located 30 miles south of Austin, Texas, this location is also in close proximity to a number of leading companies in the electronics, lighting, solar, and life sciences markets.

The Company has established commercial-scale continuous manufacturing equipment at the Wet Lab and now has the capacity to produce more than two metric tons (2,000kg) per year of nanomaterials for supply to its customers. Management believes that the production capacity of the Wet Lab is similar to, or greater than its largest competitors' operating factories which are much larger and require significantly larger capital expenditures. This efficiency is the direct result of the Company's patented continuous flow process and proprietary manufacturing equipment. While the Company plans to work extensively with its current provider of equipment, the Company owns all rights to the designs and intellectual property resulting from the development project, and could contract with one or more other competent suppliers of equipment, if necessary.

Revenues in the Company's fiscal 2016 are expected to be modest initially and will be dependent upon the Company generating purchase orders from potential customers currently under non-disclosure agreements ("NDAs') and evaluating the Company's technology. As part of this strategy, the Company has engaged in discussions with numerous target customers and has signed a number of NDAs and sample supply agreements ("Sample Agreements") to increase the probability of receiving firm orders from one or more of these entities.

The Company's marketing strategy is to engage in joint ventures or other strategic arrangements with manufacturers, distributors, and others to jointly develop applications using its patented continuous production process. Such joint collaborations will involve the Company working closely with its industry counterparts to optimize the performance of the Company's materials in each application or device and to use the results from product development and testing to further enhance product specifications. As of September 30, 2015, the Company has entered into a joint development agreement with a major display panel manufacturer and a funded product development agreement with a leading global optical film manufacturer, Nitto Denko Corporation; however, the Company has not entered into any formal commercial supply agreements, joint ventures, or licensing agreements.

These collaborations will support the Company's internal research and development activities which will continue to be a primary part of the Company's business. The principal revenue streams for the Company are expected to be from (i) sales of QDs and other nanomaterials, (ii) royalties from sales of products and components by third parties incorporating the Company's products, (iii) milestone payments under joint development arrangements with product developers and manufacturers, and (iv) sublicensing fees where the Company engages in sublicensing arrangements for its technology.

The Company's ongoing research and development functions are considered key to maintaining and enhancing its competitive position in the growing nanomaterials and quantum dot market. Nanomaterials and quantum dot technology continue to evolve, with new discoveries and refinements being made on an ongoing basis. The Company intends to be at the forefront of technological development, and will focus a significant part of its efforts on this, as it has done historically. Continuing R&D activities at the Wet Lab and the Company's collaboration with Texas State University, Rice University, University of Arizona, and the numerous other research centers and departments with which the Company has relationships will be important aspects of the Company's strategy.

Solterra plans to utilize QMC's patented low-cost, high-volume quantum dot production combined with TQD technology licensed from Rice to commercialize quantum dot solar cells at a fraction of the cost of current silicon based solar cells.

The business of the Company is subject to various types of government regulations, including restrictions on the chemical composition of nanomaterials used in life sciences and other sensitive applications, and regulation of hazardous materials used in or produced by the manufacture or use of QDs. Management believes that the patented (owned and licensed) processes and proprietary manufacturing equipment employed allow the Company to comply with current regulations by producing nanomaterials and by using environmentally friendly solvents, which are nevertheless contained and recycled in the production process. However, new regulations or requirements may develop that could adversely affect the Company or its products in the future.

Liquidity and Capital Resources

At September 30, 2015 we had a working capital deficit of $478,292, with total current assets and liabilities of $961,291 and $1,439,583, respectively. Included in the liabilities is $667,274 that is owed to our officers, directors and employees for services rendered and accrued through September 30, 2015. Also included in the liabilities is $225,000 of deferred revenue associated with a funded product development agreement with a leading global optical film manufacturer, Nitto Denko Corporation. As a result, we have relied on financing through the issuance of common stock and convertible debentures as well as advances from a director and shareholder and employees' wages being partially or fully accrued but not paid.

As of September 30, 2015, we have cash and cash equivalent assets of $542,595 and continue to incur losses in operations. Over the past five years we have relied on sales of common stock to support operations and on various universities performing work and providing U.S. licensing rights under business agreements in which we have at times been in arrears in payments as well as employees and consultants agreeing to defer payment of wages and fees owed to them and/or converting such wages and fees into securities of the Company. It may become necessary to seek additional financing in the future. If we are unable to achieve the financing necessary to continue our plan of operations, our stockholders may lose their entire investment in the Company.

The following table summarizes the net cash provided by (used in) operating, investing and financing activities for the periods indicated:

	September 30, 2015	September 30, 2014
Operating activities	$ (239,425)	$ (618,192)
Investing activities	$ 30,181	$ (125,419)
Financing activities	$ 78,000	$ 986,119

Operating Activities. Net cash used in operating activities was $239,425 for the three months ended September 30, 2015 compared to $618,192 for the same period of 2014, a decrease of $378,767. The decrease was primarily driven by increases in accounts payable and accrued expenses, accrued salaries and deferred revenue.

Investing Activities. Net cash provided by investing activities was $30,181 for the three months ended September 30, 2015 compared to net cash used in investing activities of $125,419 for the same period of 2014, a net increase in cash of $155,600. During the three months ended September 30, 2014, we purchased certain patents from Bayer AG for $137,743. There were no such purchases during the three months ended September 30, 2015 and we also received $65,330 of restricted cash that was made available for use.

Financing Activities. Net cash provided by financing activities was $78,000 for the three months ended September 30, 2015 compared to $986,119 for the same period of 2014, a decrease of $908,119. The decrease is due fewer sales of common stock and no proceeds from convertible debentures.

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes we will be able to meet our obligations and continue our operations for the next fiscal year. Realization values may be substantially different from carrying values as shown and these consolidated financial statements do not give effect to adjustments that would be necessary to reflect the carrying value and classification of assets and liabilities should we be unable to continue as a going concern. At September 30, 2015, we have not yet achieved profitable operations, have a working capital deficit of $478,292 and expect to incur further losses in the development of the business, all of which casts substantial doubt about our ability to continue as a going concern.

Our ability to continue as a going concern is dependent upon our ability to generate future profitable operations and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. We continue to explore available financing options, including, without limitation, the sale of equity, debt borrowing and/or the receipt of product licensing fees and royalties. We can provide no assurances that future financing, if needed, will be obtained on terms satisfactory to us, if at all. Further, we can provide no assurances that one or more mutually acceptable licensing agreement(s) will be entered into on terms satisfactory to us, if at all. In this respect, see Note 1 in our notes to the consolidated financial statements for additional information as to the possibility that we may not be able to continue as a going concern.

Results of Operations

Three Months Ended September 30, 2015 Compared to Three Months Ended September 30, 2014

General and administrative expenses

During the three months ended September 30, 2015 the Company incurred $897,894 of general and administrative expenses, an increase of $466,759 from the $431,135 recorded for the three months ended September 30, 2014. The increase in general and administrative expenses was primarily due to an increase in stock-based compensation of $231,405, an increase in legal and audit fees of $108,968, and an increase in other professional fees of $94,651.

Included in general and administrative expenses for the three months ended September 30, 2015 was compensation of $262,649, legal and audit of $135,006, other professional fees of $128,001, travel expense of $25,841, corporate expense of $84,946 and stock based compensation of $231,405. Included in general and administrative expenses for the three months ended September 30, 2014 was compensation of $229,374, legal and audit of $26,038, other professional fees of $33,350, travel expense of $42,878 and corporate expense of $87,109.

Research and development expenses

During the three months ended September 30, 2015 the Company incurred $90,331 of research and development expenses, an increase of $58,941 from the $31,390 recorded for the three months ended September 30, 2014. The primary reason for the increase are costs associated with a sponsored research agreement the Company has in place with Texas State University.

Change in fair value of derivative liabilities

This amount relates to the change in value of the derivative liabilities. The change recorded in the three months ended September 30, 2014 was a decrease of $563,547, decreasing the fair value of embedded conversion feature liability from $1,871,337 at June 30, 2014 to $1,307,790 at September 30, 2014. There was no change recorded during the three months ended September 30, 2015 due to the conversion of the debenture during the year ended June 30, 2015, resulting in the derivative liability being written down to $0.

Gain on settlement

During the three months ended September 30, 2015, the Company's former CFO surrendered 638,300 shares of common stock and options to purchase an additional 987,500 shares in exchange for the cancellation of indebtedness to the Company aggregating $79,000. As a result of this surrender, the Company recorded a gain on settlement of $174,568.

Beneficial conversion feature on convertible debenture

The beneficial conversion expense for the three months ended September 30, 2015 was $0 compared to $171,976 during the three months ended September 30, 2014. During the three months ended September 30, 2015 the Company did not enter into any convertible debenture agreements, whereas in the three months ended September 30, 2014, the company entered into convertible debenture agreements that contained beneficial conversion features. See Note 5.

Interest expense

Interest expense recorded for the three months ended September 30, 2015 was $11,105 compared to $12,736 in the three months ended September 30, 2014.

Interest expense recorded in the three months ended September 30, 2015 relates to the 8% interest associated with the $500,000 convertible debentures issued in January 2015 and the 6% interest associated with the $25,050 convertible debenture issued in September 2014.

According to the provisions of the Convertible Debenture agreements, the Company may elect to issue shares of the Company's common stock to pay accrued interest on the debentures. In the three months ended September 30, 2015 and 2014, the Company issued zero and 52,154 shares of common stock, respectively, to pay $0 and $12,778 of accrued interest payable, respectively.

Accretion of debt discount

During the three months ended September 30, 2015 the Company recorded $42,187 of accretion of debt discount expense, an increase of $30,239 from the $11,948 recorded for the three months ended September 30, 2014. The increase is related to the debt discount recorded on the January 2015 convertible debentures.

Results of Operations

The following table sets forth our consolidated results of operations for the periods indicated:

	Three Months Ended September 30,	
	2015	2014
Statement of Operations Information:		
General and administrative	$ 897,894	$ 431,135
Research and development	90,331	31,390
Change in fair value of derivative liabilities	—	(563,547)
Interest expense, net	11,105	12,736
Accretion of debt discount	42,187	11,948
Other (income) expense, net (1)	(174,568)	171,976

(1) Includes gain on settlement and beneficial conversion expense

Off-balance sheet arrangements

We have no off-balance sheet arrangements including arrangements that would affect our liquidity, capital resources, market risk support and credit risk support or other benefits.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

Item 4. Controls and Procedures

The Company maintains disclosure controls and procedures designed to provide reasonable assurance that material information required to be disclosed by us in the reports we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that the 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. We performed an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on their evaluation, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures are not effective at September 30, 2015.

We do not expect that our disclosure controls and procedures will prevent all errors and all instances of fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits must be considered relative to their costs. Because of the inherent limitations in all disclosure controls and procedures, no evaluation of disclosure controls and procedures can provide absolute assurance that we have detected all our control deficiencies and instances of fraud, if any. The design of disclosure controls and procedures also is based partly on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Changes in Internal Control over Financial Reporting

During the three month ended September 30, 2015, management has taken steps to remedy the significant deficiency disclosed in our Form 10-K for the year ended June 30, 2015 which includes risk assessment, internal control, and documenting financial processes. Management will continue a systematic process to document the existing financial processes, risk assessment and internal controls. In addition, resources permitting, we also plan to recruit additional experienced professionals to further augment and upgrade our accounting and finance staff and have identified several candidates.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

The Company is not subject to any material legal proceedings.

Item 1A. Risk Factors

As a Smaller Reporting Company as defined Rule 12b-2 of the Exchange Act and in item 10(f)(1) of Regulation S-K, we are electing scaled disclosure reporting obligations and therefore are not required to provide the information requested by this Item 1A.

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

From July 1, 2015 to September 30, 2015, we had the following sales of unregistered common stock.

Date of Sale	Title of Security	Number Sold	Consideration Received and Description of Underwriting or Other Discounts to Market Price or Convertible Security Afforded to Purchases	Exemption from Registration Claimed	If Option, Warrant or Convertible Security, Terms of Exercise or Conversion
September 2015	Common Stock Warrants	694,444	Issuance of stock warrants	Section 4(2); and/or Rule 506	Warrants exercisable at $0.04 to $0.10 per share through January 9, 2018
August 2015	Common Stock	1,050,000	Shares issued for warrants exercised; $63,000 cash received; no commissions paid	Section 4(2); and/or Rule 506	Not applicable
August 2015	Common Stock	183,010	Shares issued for warrants in cashless exercise; no commissions paid	Section 4(2); and/or Rule 506	Not applicable
September 2015	Common Stock	250,001	Shares issued for warrants exercised; $15,000 cash received; no commissions paid	Section 4(2); and/or Rule 506	Not applicable
September 2015	Common Stock	2,400,000	Shares issued for services; no commissions paid	Section 4(2); and/or Rule 506	Not applicable
September 2015	Common Stock	2,146,629	Shares issued for options in cashless exercise; no commissions paid	Section 4(2); and/or Rule 506	Not applicable
September 2015	Common Stock Options	1,000,000	Issuance of stock options	Section 4(2); and/or Rule 506	Options exercisable at $0.17 per share through September 22, 2025

From July 1, 2014 to September 30, 2014, we had the following sales of unregistered common stock.

Date of Sale	Title of Security	Number Sold	Consideration Received and Description of Underwriting or Other Discounts to Market Price or Convertible Security Afforded to Purchases	Exemption from Registration Claimed	If Option, Warrant or Convertible Security, Terms of Exercise or Conversion
July 2014	Common Stock	766,667	Shares issued for warrants exercised; $46,000 cash received; no commissions paid	Section 4(2); and/or Rule 506	Not applicable
August 2014	Common Stock	582,034	$119,070 cash received; no commissions paid	Section 4(2); and/or Rule 506	Not applicable
August 2014	Common Stock	100,000	Shares issued for warrants exercised; $8,000 cash received; no commissions paid	Section 4(2); and/or Rule 506	Not applicable
September 2014	Common Stock	2,511,811	$355,375 cash received; no commissions paid	Section 4(2); and/or Rule 506	Not applicable
September 2014	Common Stock	1,387,500	Shares issued for warrants exercised; $82,625 cash received; no commissions paid	Section 4(2); and/or Rule 506	Not applicable
September 2014	Common Stock	52,154	Shares issued in exchange for $12,778 of interest; no commissions paid	Section 4(2); and/or Rule 506	Not applicable

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits (items indicated by an (*) are filed herewith)

The following exhibits are all previously filed in connection with our Form 8-K filed November 10, 2008, unless otherwise noted.

2.1	Agreement and Plan of Merger and Reorganization, dated as of October 15, 2008, by and among Quantum Materials Corp., Solterra Renewable Technologies, Inc., the shareholders of Solterra and Greg Chapman, as Indemnitor.
3.1	Articles of Incorporation. (Incorporated by reference to Form SB-2 Registration Statement filed October 5, 2007)
3.2	2010 Amendment to Articles of Incorporation — incorporated by reference to the Form 10K for the fiscal year ended June 30, 2014
3.3	2013 Amendment to Articles of Incorporation — incorporated by reference to the Form 10K for the fiscal year ended June 30, 2014
3.4	By-Laws. (Incorporated by reference to Form SB-2 Registration Statement filed October 5, 2007)
4.1	Form of Securities Purchase Agreement dated as of November 4, 2008.
4.2	Form of Security Agreement dated November 4, 2008.
4.3	Form of Subsidiary Guarantee dated November 4, 2008.

4.4	Form of Stock Pledge Agreement dated November 4, 2008.
4.5	Form of Debenture— MKM Opportunity Master Fund, Ltd.
4.6	Form of Debenture.— MKM SP1, LLC
4.7	Form of Debenture— Steven Posner Irrevocable Trust u/t/a Dated 06/17/65.
4.8	Form of Escrow Agreement
4.9	Form of Amended Waiver and Consent.
4.10	Form of Registration Rights Agreement.
4.11	Standstill Agreement dated June 1, 2009. (Incorporated by reference to Form 8-K filed June 9, 2009)
4.12	Amended Standstill Agreement dated June 1, 2009. (Incorporated by reference to Form 10-K filed for the year ended June 30, 2009.)
4.13	Extension of Standstill Agreement dated October 29, 2009. (Incorporated by reference to Form 10-K filed for the year ended June 30, 2009.)
4.14	Form of Securities Purchase Agreement dated January 31, 2014
4.15	Form of Debenture issued on January 31, 2014
10.1	License Agreement by and between William Marsh Rice University and Solterra Renewable Technologies, Inc. dated August 20, 2008.
10.2	Letter dated October 2, 2008 from Rice University amending the License Agreement contained in Exhibit 10.1
10.3	Agreement with Arizona State University executed by ASU on October 8, 2008 and executed by Solterra on September 18, 2008.
10.4	Letters dated November 5, 2009 and November 5, 2009 amending Rice University Agreement. (Incorporated by reference to Form 10-K filed for the year ended June 30, 2009.)
10.5	Consulting Agreement between Steven Posner, Oceanus Capital and The issuer. (Incorporated by reference to Form 10-K filed for the year ended June 30, 2009.)
10.6	Consulting Agreement between Sound Capital Inc. and the issuer dated November 12, 2009 (Incorporated by reference to the Registrant's Form 10-Q for the quarter ended September 30, 2009)
10.7	License Agreement between The University of Arizona and the issuer dated July 2009. (Incorporated by reference to the Registrant's Form 10-Q for the quarter ended September 30, 2009).
10.8	Letter dated December 16, 2010 from Rice University amending the License Agreement contained in Exhibit 10.1 (Incorporated by reference to the Registrant's Form 10-K for its fiscal year ended June 30, 2010.)
10.9	Amendment to Exclusive Patent License Agreement between University of Arizona and Solterra Renewable Technologies (i.e. amendment to exhibit 10.7). (Incorporated by reference to the Registrant's Form 10-K for its fiscal year ended June 30, 2010 filed on February 14, 2011.)

10.10	Amended License Agreement by and between William Marsh Rice University and Solterra Renewable Technologies, Inc. (Incorporated by reference to Form 8-K dated September 19, 2013)
10.11	License Agreement by and between William Marsh Rice University and Quantum Materials Corp. (Incorporated by reference to Form 8-K dated September 19, 2013)
10.12	Second Amendment to Issuer's Agreement with University of Arizona. (Incorporated by reference to Form 10-K for the fiscal year ended June 30, 2012)
10.13	Employment Agreement — Stephen Squires. (Incorporated by reference to Form 8-K filed January 23, 2013)
10.14	Employment Agreement — David Doderer (Incorporated by reference to Form 8-K filed January 23, 2013)
10.15	Employment Agreement - Craig Lindberg (Incorporated by reference to Form 8-K filed June 17, 2015)
10.16	Agreement with Christopher Benjamin, former officer/director *
21.1	Subsidiaries of Registrant listing state of incorporation (Incorporated by reference to Form 10-K for fiscal year ended June 30, 2011)
31(a)	Rule 13a-14(a) Certification — Principal Executive Officer *
31(b)	Rule 13a-14(a) Certification — Principal Financial Officer *
32(a)	Section 1350 Certification — Principal Executive Officer *
32(b)	Section 1350 Certification — Principal Financial Officer *
99.1	2009 Employee Benefit and Consulting Services Compensation Plan (Incorporated by reference to the Registrant's Form 10-K for its fiscal year ended June 30, 2014 filed on September 29, 2014.)
99.2	2013 Employee Benefit and Consulting Services Compensation Plan (Incorporated by reference to the Registrant's Form 10-K for its fiscal year ended June 30, 2014 filed on September 29, 2014.)
101.INS	XBRL Instance Document *
101.SCH	Document, XBRL Taxonomy Extension *
101.CAL	Calculation Linkbase, XBRL Taxonomy Extension Definition *
101.DEF	Linkbase, XBRL Taxonomy Extension Labels *
101.LAB	Linkbase, XBRL Taxonomy Extension *
101.PRE	Presentation Linkbase *

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.

QUANTUM MATERIALS CORP.

Date: November 13, 2015	/s/ Stephen Squires Stephen Squires, Principal Executive Officer
Date: November 13, 2015	/s/ Craig Lindberg Craig Lindberg, Principal Financial Officer

Exhibit 10.16

REPAYMENT AGREEMENT

THIS REPAYMENT AGREEMENT (this " **Agreement** ") is entered into and effective as of this 17th day of September, 2015 (the " **Effective Date** "), by and between Quantum Materials Corp., a Nevada corporation (" **Quantum** "), and Chris Benjamin (" **Benjamin** ").

WHEREAS **,** Benjamin has a book value of liability owed to Quantum in the amount of $79,000 (" **Obligation** ");

WHEREAS, Quantum is willing to extinguish such Obligation and to forego pursuit of penalties otherwise due on the Obligation subject to Benjamin's compliance with the terms of this Agreement.

NOW, THEREFORE , in consideration of the mutual obligations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals . The above recitals are true and correct and are hereby incorporated herein by reference.

2. Acknowledgment of Obligation . Benjamin expressly acknowledges and agrees that he owes the Obligation to Quantum and hereby waives any and all claims, rights of offset or otherwise, relating to payment of the Obligation and in no event shall he dispute the same.

3. Payment . Benjamin shall pay Quantum as follows for the extinguishment of the Obligation:

(a) Eighty-two thousand nine hundred and seventy-nine dollars ($82,979) in cash, by redeeming 638,300 shares of common stock of Quantum (" **Shares** ") back to Quantum's treasury at a price of $0.13 per Share;

(b) 500,000 options issued on March 29, 2013 and expiring on March 29, 2023 with an exercise price of $0.05 per Share shall be surrendered to Quantum; and

(c) 487,500 options issued on June 6, 2014 and expiring on June 6, 2019 with an exercise price of $0.08 per Share shall be surrendered to Quantum (collectively, the " **Repayment Amount** ").

Payment of the Repayment Amount shall be made by Benjamin contemporaneously with the execution and delivery of this Agreement. Benjamin shall surrender a stock certificate currently held for 1,000,000 Shares and Quantum shall reissue Benjamin a stock certificate for 361,700 Shares ("Remaining Shares"). Such Remaining Shares shall be restricted from sale for a period of six (6) months unless Shares reach a price of $0.30 per Share.

4. Amendment to Consulting Agreement . The parties hereby agree that Quantum shall have the right, at any time on or after December 31, 2015, to (i) terminate the existing Consulting Agreement between the parties or (ii) convert the existing term of the Consulting Agreement to month-to-month term.

5. Notices. All notices, requests, demands or other communications required or permitted by this Agreement shall be in writing and effective when received, and delivery shall be made personally or by registered or certified mail, return receipt requested, postage prepaid, or overnight nationally-recognized courier, addressed as follows:

If to Quantum:	Quantum Materials Corp. 3055 Hunter Road San Marcos, TX 78666 Attn: Chief Financial Officer
If to Benjamin:	Chris Benjamin

6. Further Assurances. The parties hereto will execute and deliver such further instruments and do such further acts and things as may be reasonably required to carry out the intent and purposes of this Agreement.

7. Amendments. This Agreement may be amended only by an instrument in writing, executed by all of the parties hereto.

8. Choice of Law. This Agreement shall be construed and interpreted and the rights of the parties shall be determined in accordance with and governed by the laws of the State of Texas, without regard to conflicts of laws principles.

9. Submission to Jurisdiction. Subject to the dispute resolution procedures set forth in this Agreement, each of the parties submits to the jurisdiction of any state or federal court sitting in Harris County, Texas, in any action or proceeding arising out of or relating to this Agreement and agrees that all claims in respect of the action or proceeding may be heard and determined in any such court. Each party also agrees not to bring any action or proceeding arising out of or relating to this Agreement (exclusive of any action seeking equitable remedies) in any other court. Each of the parties waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other party with respect thereto. Each party agrees that a final judgment in any action or proceeding so brought shall be conclusive and may be enforced by suit on the judgment or in any other manner provided by law or in equity.

10. WAIVER OF JURY TRIAL. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, AFTER CAREFUL CONSIDERATION AND AN OPPORTUNITY TO SEEK LEGAL ADVICE, WAIVE THEIR RIGHT TO HAVE A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF OR IN ANY WAY CONNECTED WITH ANY OF THE PROVISIONS OF OR MATTERS RELATED TO THIS AGREEMENT.

11. Attorneys' Fees. If any party hereto brings an action to enforce the terms hereof or to declare rights hereunder, the prevailing party or parties shall be entitled to receive from the non-prevailing party, the prevailing party's or parties' costs and reasonable attorneys' and paralegals' fees, through all trials and appeals and all settlement and collection proceedings.

12. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto, with respect to the subject matter hereof, and supersedes and replaces any and all prior or other agreements, negotiations, understandings, inducements, conditions or representations, expressed or implied, oral or written, between the parties hereto with respect to the subject matter hereof.

13. Binding Effect; No Assignment. This Agreement shall be binding upon the parties hereto, their heirs, personal representatives, executors, administrators, successors and permissible assigns. No party may assign or transfer its interests herein, or delegate its duties hereunder, without the written consent of the other parties.

14. Invalid Provisions. The invalidity or unenforceability of a particular section, provision, paragraph, subparagraph, sentence or term of this Agreement shall not affect the other sections, provisions, paragraphs, subparagraphs, sentences or terms hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions, sections, subparagraphs, sentences or terms were omitted.

15. Waiver. No waiver of any provision of this Agreement shall be effective unless it is in writing and signed by all of the parties hereto, and any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver.

16. Interpretation. Whenever the context hereof shall so require or admit, the singular shall include the plural and the masculine gender shall include the feminine and neuter gender and visa versa.

17. Headings. The headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

18. Construction. By the execution hereof, each party acknowledges and agrees having had the opportunity to review, negotiate and approve all of the provisions of this Agreement, to the terms hereof, and the parties waive the normal rule of construction that any ambiguities in this Agreement shall be construed against the party that drafted the Agreement.

[Signature page follows.]

IN WITNESS WHEREOF , the parties hereto have executed this Agreement as of the Effective Date.

Quantum:

Quantum Materials Corp.,
a Nevada corporation

By: /s/ Stephen Squires
Name: Stephen Squires
Title: President and CEO

Benjamin:

/s/ Christopher Benjamin
Chris Benjamin

EXHIBIT 31(a)

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Stephen Squires, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Quantum Materials Corp.;

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 (if any) 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)) 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 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 reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

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

November 13, 2015	**/s/ STEPHEN SQUIRES**
	Stephen Squires, Principal Executive Officer

EXHIBIT 31(b)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Craig Lindberg, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Quantum Materials Corp.;

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 (if any) 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)) 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 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 reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

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

November 13, 2015

/s/ CRAIG LINDBERG
Craig Lindberg, Principal Financial Officer

EXHIBIT 32(a)

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18U.S.C. SECTION 1350

In connection with the Quarterly Report of Quantum Materials Corp., (the "Company") on Form 10-Q for the period ending September 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen Squires, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to ss.906 of the Sarbanes-Oxley Act, that:

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

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

By: /s/ **STEPHEN SQUIRES**
Stephen Squires
Principal Executive Officer
November 13, 2015

EXHIBIT 32(b)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18U.S.C. SECTION 1350**

In connection with the Quarterly Report of Quantum Materials Corp. (the "Company") on Form 10-Q for the period ending September 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Craig Lindberg, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to ss.906 of the Sarbanes-Oxley Act, that:

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

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

By: /s/ **CRAIG LINDBERG**
Craig Lindberg,
Principal Financial Officer
November 13, 2015