

Cohen Grassroots Research, Inc.

Excellence – Quality

www.cohengrassroots.com

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April 8, 2015



Symbol	PZOO
Exchange	OTC PINK
Current Price	\$0.007
52 Week High/ Low	\$0.065/\$0.004
Average Volume (30 days)	12,339,700
Shares Outstanding (in mn)	219.73
Current Market Cap (in \$ mn)	\$1.63
Float (as a % of shares out.)	85.39%

Source: Yahoo Finance



Cohen Price Index Target

\$0.075

Please Read Disclaimer on Page 47

PAZOO COMMON STOCK IS UNDERVALUED



INVESTMENT THESIS

Pazoo, Inc. (**OTC QB: PZOO**) is a health and wellness company headquartered in Whippany, New Jersey. The Company has two primary business platforms: a health and wellness web portal, Pazoo.com and medical marijuana testing labs across various locations in the United States. Both venues are high margin businesses.

The web portal Pazoo.com retails total health and wellness products. It also delivers content for holistic well-being of people and their pets in the form of media, blogs, videos and other vehicles. Pazoo.com has a competitive edge over other health and wellness portals as it is the only website with comprehensive health and wellness products and information for both people and pets. Pazoo, Inc. owns a 40% equity stake in MA & Associates, a marijuana lab testing facility in the State of Nevada. Pazoo also owns a 100% controlling interest in Harris Lee, LLC.; a company formed to set up testing labs throughout the USA and possibly Canada.

The state of Nevada mandates stringent testing of marijuana for impurities and other compounds before it is supplied to dispensaries. MA & Associates has partnered with Steep Hill Labs, the worldwide leader in marijuana testing. With operations slated to begin June 2015 at the Las Vegas facility, MA & Associates is positioned to be the number one testing facility for marijuana in the state of Nevada. Harris Lee is setting up a laboratory in Oregon and expects the unit to be fully functional by September 2015. Harris Lee has also acquired the right to operate the revenue generating Steep Hill Labs laboratory in Colorado from Front Range, the current licensee in Colorado

With the legalization of marijuana being legislated in many other states, marijuana testing will become a crucial and required necessity before marijuana is marketed. This industry demand places Pazoo, Inc in an ideal position to supply required services nationwide. Marijuana testing labs are a high margin business.

The e-commerce industry is poised to reach \$1.7 trillion globally in 2015 according eMarketer. The U.S. and Canada will contribute about one-third of this demand. With this massive market expansion in the e-commerce industry, Pazoo.com is primed to generate significant online sales and advertising revenue. ArcView market research report suggests that the legal marijuana industry was valued at approximately \$2.7 billion in 2014 from \$1.5 billion in 2013. The legal marijuana market is expected to grow to \$11 billion in the next five years. Twenty-seven states have legalized marijuana use in some form. With more states expected to authorize the use of marijuana, these numbers could be even higher. The Company's value is derived from strategic alliances with other companies to expand both the web portal and its marijuana testing business. Pazoo's business model can be scaled to take advantage of the growing global opportunity in the medical marijuana space especially through its association with Step Hill Labs.

In the past few months, the Pazoo share price has fallen significantly. While there has been continuing good news regarding the Company's business development, the significant share dilution, that is expected to continue, due conversions of convertible securities has increased investor concerns. However, the slide in share price provides an extremely attractive investment opportunity. Further, if the management is able to control the dilution by paying off the notes, it will have a strong positive effect on the Company's stock price.

Our conservative estimates forecast revenues to grow from \$4.92 million in December 31, 2015 to approximately \$26.57 million by FYE 2020. Based on these projections and provided that the Company raises \$5.0 million in capital over the next 12 months, the Cohen Target Price is 974.8% higher than the current price.

Note, the revision in our target price is due to the change and increase in the outstanding number of shares. The fundamental financial forecasts (profit & loss and balance sheet forecasts) have not changed. However, due to the increase in number of shares due to conversion of notes, we have lowered our per share price target.

Going forward, we expect significant growth in share price due to the current discount at which this stock is currently trading. With fundamentals completely intact and improving with and regularly announced positive developments, the stock is expected to perform well in the near term and mid-term.



SALES AND MARGINS ANALYSIS

all figures in \$ million; unless otherwise mentioned	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F	2020 F
Revenues	0.1	0.1	4.9	10.3	15.5	20.1	24.2	26.6
% growth		100.0%	4820.0%	109.8%	50.1%	30.0%	20.0%	10.0%
EBITDA	(0.5)	(2.2)	1.0	4.5	7.9	10.8	13.4	14.8
EBIT Margin	-1080.0%	-2170.0%	20.5%	43.5%	50.9%	53.6%	55.5%	55.6%
Net Profit	(0.7)	(3.0)	0.1	3.3	3.9	5.4	6.8	7.5
Net Profit Margin	-1324.0%	-2989.0%	1.6%	31.9%	24.9%	27.0%	28.3%	28.2%
Earnings Per Share - Diluted	(0.01)	(0.02)	0.00	0.01	0.02	0.02	0.03	0.03
Free Cash Flow to Firm	(0.9)	(1.0)	(3.4)	1.1	1.2	4.3	5.9	7.2

THE COHEN PRICE TARGET™ SUMMARY

The Cohen Price Target is calculated by 25% equal weighting of four different valuation methodologies. We use an industry average PE, an industry average price/capital employed (P/CE), a Cohen Performance Index and the fundamentally driven Cohen DCF.

Price-to-Earnings (P/E)		in \$
Earnings Per Share 2015-2016 Average Forecast	0.01	
Expected P/E Ratio	20.00	
Discount Rate	0.71	
Price based on P/E Ratio		0.098
Price-to-Capital Employed (P/CE)		in \$
Capital Employed	0.02	
Long term P/CE Ratio	6.00	
Discount Rate	0.71	
Price based on P/CE Ratio		0.087
Cohen Discounted Cash Flow Model		in \$
Cohen DCF Value - Base Case		0.103
Cohen Performance Index		in \$
Cohen Price Performance Index Value	83.0%	
Current Stock Price	0.007	
Price based on Cohen Performance Index		0.013
Cohen Price Index Target		0.075
Current Price		0.007
Upside/ (Downside) Potential		974.8%



SUMMARY OF RECENT EVENTS

Pazoo employs GreenHouse IG, LLC as Lead Corporate Expansion and Branding Agent

The medical marijuana market has been congested with a number of players fulfilling a number of roles. Pazoo intends to create a nationwide premier marijuana testing company. Its association with Steep Hill Labs is a step towards generating trust among its audience. The website has been the first point of contact for its users. The Company has employed GreenHouse IG, LLC to give a new definition to the branding and marketing of the Pazoo label. GreenHouse will direct the expansion of the Company's out-reach in the medical marijuana industry.

As part of the first steps in rebranding, the Company website, www.pazoo.com exhibits a landing page that allows the users to visit www.cannabisking.pazoo.com. The page documents and expands Pazoo's foray into the medical marijuana industry and its focus on safety.

Pazoo files a 14C Information Statement

The Company currently has 450 million shares outstanding and approximately 400 million shares in reserve. The Company has had to raise 400 million reserve shares against the numerous convertible debt notes used to fund the development of the Nevada testing lab. This has challenged the Company to raise additional capital without increasing the number of authorized shares. However, the Company may have the option to convert these notes to common stock and cancel the reserve stock. With a reduction in debt, we expect the requirement for reserve shares for outstanding debt to go down.

Pazoo races ahead with medical marijuana laboratory expansion across the US

Pazoo's wholly owned subsidiary Harris Lee, LLC, is at the forefront of driving the medical marijuana testing expansion across the United States. It has signed a licensed agreement with Steep Hill Labs to become the exclusive marijuana testing lab in the state of Oregon. Harris Lee will pay an initial license fee and a royalty fee for every test conducted at the lab in Oregon. Also, the laboratory will be able to make use of Steep Hill's best in market testing protocols. By September 2015, the Company expects the Oregon laboratory to be fully operational.

As per the agreement, Harris Lee will also hold the right of first refusal to set up and run a medical marijuana laboratory for Steep Hill in other states. If Steep Hill does not set up a laboratory in a particular state, they are obligated to offer such a state to Harris Lee for operations. At the outset, this does not look as a particularly favorable deal for Pazoo since the Company will be paying licensing fees and royalties. However, as the number of states legalizing the use of medical marijuana increases, Pazoo will be able to leverage Steep Hill's brand and know-how to strengthen its offerings in multiple states to generate increasing revenues.

In the beginning of April 2015, Harris Lee entered into an agreement with Front Range, the Steep Hill licensee in Colorado. The agreement enables Harris Lee to purchase Steep Hill Colorado assets and operate the laboratory. The 100% ownership of the Colorado facility is expected to be completed by the end of the month of June 2015. Harris Lee will also be the owner of all the necessary permits, government approvals, equipment, licenses, and leases.



MA & Associates medical marijuana testing laboratory closing completion

Through MA & Associates, Pazoo has entered the burgeoning medical marijuana market in Nevada. MA & Associates is in the final stages of completing its marijuana testing facility in Las Vegas. Pazoo's association with Steep Hill will significantly benefit the laboratory. This state of the art facility is being constructed by All Pro Construction, a renowned contractor in Las Vegas. The advanced equipment at the laboratory will be calibrated using Steep Hill Labs's marijuana testing procedures.

Growers are expected to deliver their first product to be tested by the end of June 2015. The lab is expected to be fully functional in June 2015.

Harris Lee, LLC becomes 100% wholly-owned subsidiary of Pazoo

On January 14th, 2015, Pazoo acquired the remaining 45% stake in Harris Lee, LLC in exchange for 450,000 of Pazoo's Series B Preferred Stock. Harris Lee, LLC became a wholly-owned subsidiary of Pazoo. The Company has retained the Harris Lee management and has plans to add more personnel. The acquisition is a step in the right direction given the growing need for testing impurities and compounds in medical marijuana. The numerous inquiries to expand in Canada and other US States represent the latent demand for testing marijuana. The use of marijuana for medical purposes will require mandatory testing as is the case with current over-the-counter and prescription medicines.

MA & Associates receives contract to test proprietary marijuana grow

MA & Associates has received a two-year contract for up to 875,000 square feet of grow. MA will be the exclusive testing lab for the proprietary marijuana cultivated in the next two years with testing expected on at least 50,000 square feet of grow by March 2015. The transaction will provide credence in the eyes of a number of growers in Nevada. The Company has also received a purchase order from one of the largest growers in Nevada to test grow. MA expects that 100,000 square feet of grow will translate to approximately \$1,000,000 of revenue per year.

The association with MA & Associates, LLC in Nevada and with Harris Lee, LLC outside Nevada has given the Company a strong platform to provide comprehensive testing facilities to dispensaries, growers and consumers in and outside of Nevada. Both MA & Associates and Harris Lee, LLC are associates of Steep Hill Labs – a global leader in the marijuana analysis space. The indirect association with Steep Hill Labs will enable Pazoo to grow in the fields of marijuana analytics, consulting in cannabis safety, regulation, testing methodology, packaging and labeling, processing, regulatory management and scientific development space and in product research and development. The association will aid the Company's aim to become a leading medical testing lab in the country.

Pazoo witnesses dramatic increase in internet traffic

Pazoo had engaged MobileSeed LLC as its media team in November. Within a short period of 6 weeks, the Company has seen an increase of approximately 27% in Facebook referral traffic and a 125% increase in organic traffic. Performance evaluations and improvements in the site performance have led to users being able to access content quickly and are enjoying a more user-friendly experience. The Company had started new initiatives such as a new sub-website and targeting articles. The creation of www.justjennarose.pazoo.com has seen over 12,000 visits over a period of 9 days in February. These sub-website visit number is higher than the total visits for the month of January on the same sub-website. Targeted articles for taking care of pets in extreme weather reached more than 40,000 people in a few days. The Company currently has shifted its focus to the marijuana testing labs business.



However, the improving online traffic will enable the Company to generate substantial revenues as well as cross-sell other products on its website.

ABOUT THE COMPANY

Pazoo, Inc. is a start-up health and wellness based company headquartered in Whippany, New Jersey. Pazoo (“Pazoo”) was incorporated in Nevada on November 16, 2010 under the name “IUCSS, Inc.” The Company changed its name from IUCSS, Inc. to Pazoo on May 9, 2011. The Company has a comprehensive plan to create a strong brand in the growing medical marijuana, industrial hemp, and alternative medicine markets. It has continuously pursued new acquisitions to gain a strong footing in these sectors.

It has two main business platforms.

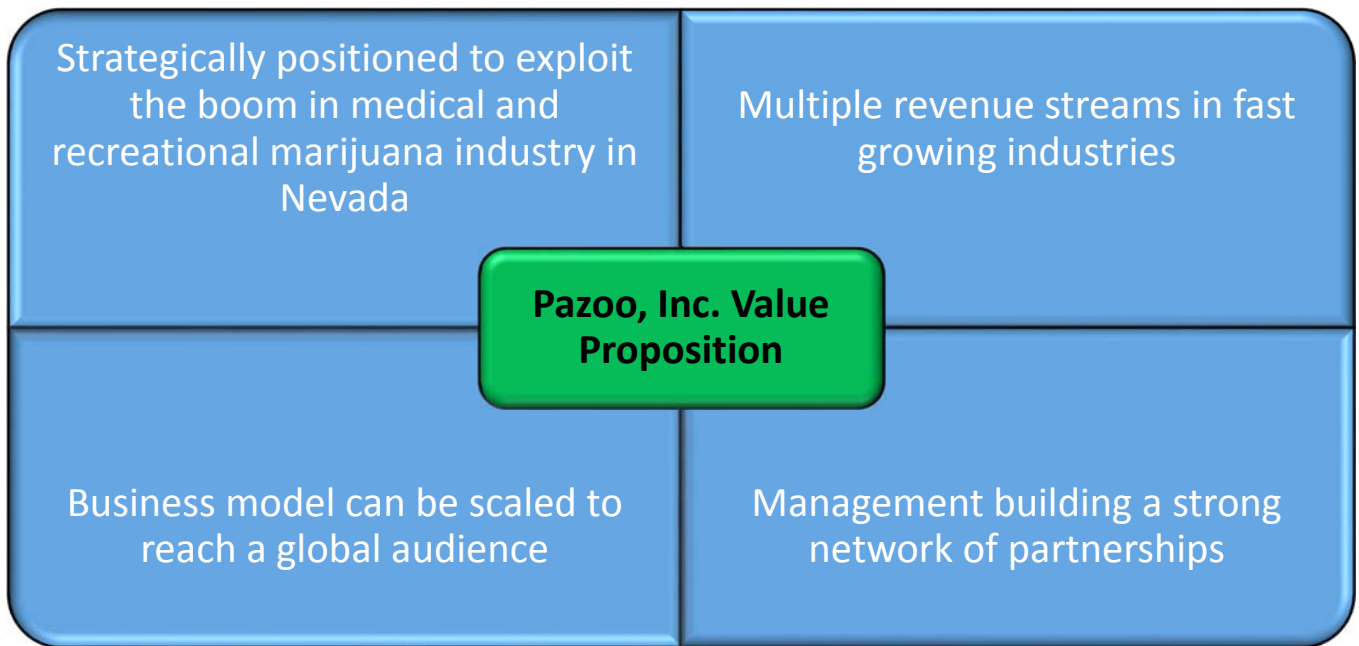
Figure 1: Pazoo Corporate Structure



Source: Cohen Grassroots Research

VALUE PROPOSITION

Figure 2: Pazoo – Value Proposition



Source: Cohen Grassroots Research



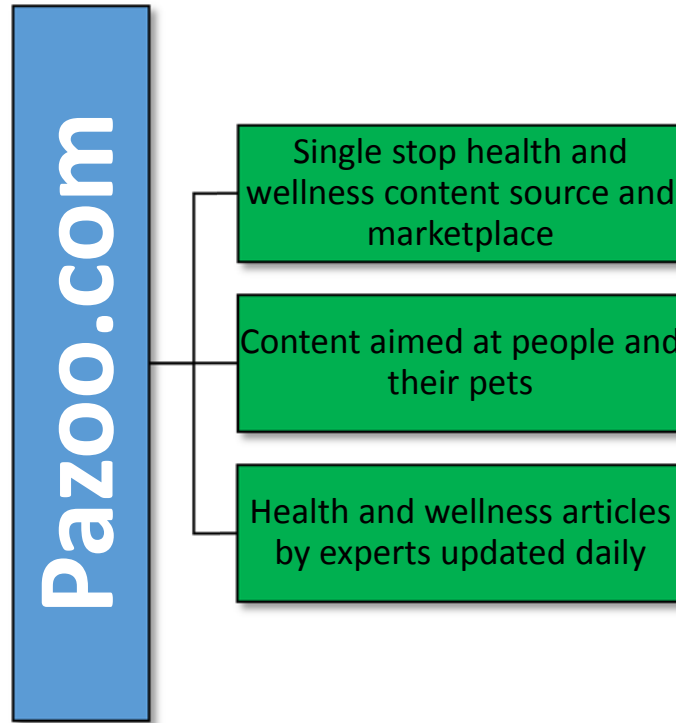
PAZOO HEALTH AND WELLNESS

The Company's website, www.Pazoo.com, supplies products, services, and information, through direct response digital and TV, retail stores. The website is an ad-supported comprehensive health and wellness portal. The website is completely content-driven for total health and well-being of people and their pets. The Company believes that people and their pets contribute to each other's well-being and happiness. The ad-supported website includes articles, blogs, videos and other media to help people maximize their aim of living fit and healthy lives. The user-friendly portal targets adults 18+ years of age. It has an array of experts delivering essential information that helps improve and enhance the living a full and enriching life for people and pets. The website's motto is helping people "Find Their Power Within". Its content is designed to be inspirational and engaging. The Company also has a dedicated team of health and wellness experts on board to assist its customers.

The website www.pazoo.com, a one-of-a-kind, comprehensive health and wellness website for both people and their pets. Pazoo.com's competitive edge lies in its being the most comprehensive health and wellness website to which over twenty-five new articles are posted every day. This allows Pazoo to have a target audience of health conscious adults, mostly between ages 25-54. This target audience of pet owners will be attracted to the website's total content. Management believes that viewers who are pet owners will be predisposed to purchasing products on pazoo.com for themselves and/or their pets because of one-stop shopping and the monetary value of vended products. Pazoo.com has also been successful in connecting with a wider audience through sub-websites that provide content on the pros and cons of medical marijuana. To maximize content absorption, Pazoo, Inc. has also launched Pazoo TV and Pazoo Radio with the motto: Healthy Living: Healthy Investing.

The path breaking web site not only targets people, but also their pets to provide for a holistic, well-rounded physical well-being. Pazoo.com achieves this by retailing health products and supplements for both people and their pets. The website's e-commerce side is given a strong endorsement by the onboard panel of wellness experts that help viewers and customers of the site with any advice and prescription for any health related problems. Management also plans to make additional investments to create online content for its health and wellness portal.

Figure 3: Pazoo.com pillars

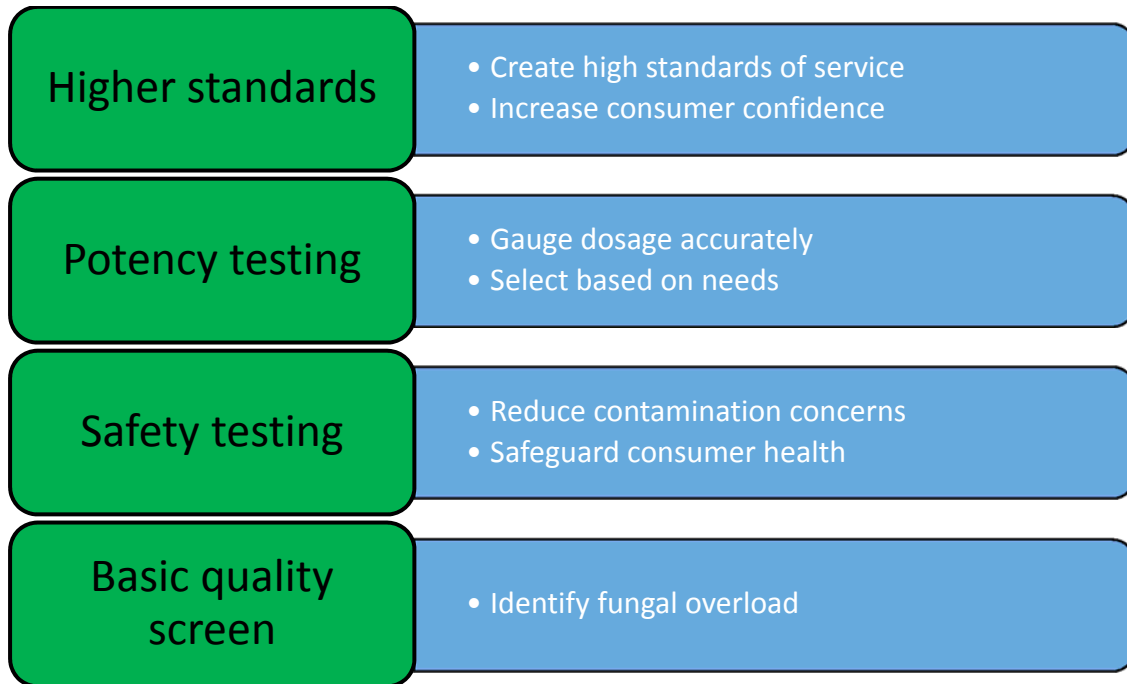


Source: Cohen Grassroots Research

PHARMACEUTICAL MARIJUANA LABORATORY TESTING

The Company’s second business model revolves around the pharmaceutical testing of marijuana. Considering the explosive growth in the medical marijuana industry, we believe management’s decision to enter this industry is a massive corporate home run. Testing has become essential for dispensaries and other caregivers providing cannabis to patients. Regulating the dosage requires an understanding of the constituents. Patients with weak immune systems are likely to suffer from side effects because of contamination of the marijuana plant. Currently the FDA does not regulate the dosage or certify the safety of the marijuana distributed to patients.

Figure 4: Benefits of Testing



Source: Cohen Grassroots Research

Through its wholly owned subsidiary, Harris Lee, LLC and a 40% stake in MA and Associates, Pazoo has established a strong footprint in the rapidly growing field of marijuana testing. Pazoo is the largest shareholder in MA & Associates and has a controlling interest on the Board.

MA & Associates received its license on November 3, 2014 and was rated as the top testing lab applicant licensed by the state of Nevada. It is the only certified testing facility in Nevada. Stringent Nevada laws on marijuana decree strict testing for impurities and compounds found in marijuana. This means that all growers of industrial hemp and medical marijuana in the state of Nevada are potential customers of MA & Associates.

MA & Associates was launched in September of 2013 to provide quality control services to the medical cannabis industry. Its key mission is to safeguard public health by delivering infrastructure and analytical services to legally authorized distributors and producers of cannabis and to regulators tracing their operations. Pazoo, Inc., in collaboration with MA & Associates, will cater to the medical cannabis industry by providing guidelines for regulation and inspection required by public health authorities for medical marijuana. The primary customer base will include all the licensed cannabis cultivators in the State of Nevada. These customers are required by law to



have their products tested before they can be supplied to the dispensaries. This is a win-win situation for Pazoo, Inc. The Company is now a conductor of mandated health and safety tests on which this expanding industry hinges.

MA does not grow or dispense marijuana. It is an independent third party testing medical marijuana facility testing for impurities and levels of various compounds found in marijuana. MA obtained a 20-year exclusive license from Steep Hill Labs, the recognized worldwide leader in marijuana testing and research, to use Steep Hill's technology for testing marijuana in the State of Nevada. The state of Nevada requires stringent testing for impurities as well as the numerous compounds found in marijuana. The license was received November 3, 2014. The property for the testing facility was purchased in June 2014 in Las Vegas and Reno. The construction of the testing facility at Las Vegas is ongoing with completion scheduled for June 2015. The testing facility is the first one in the state of Nevada. This first mover advantage has already translated into client orders.

The state of Nevada has legalized the use of medical marijuana with a very strong emphasis on checking for impurities and other compounds found in marijuana. This mandates all marijuana growers to have their product tested. This makes MA & Associates with its established cutting edge technology the logical choice for the growers. MA & Associates has additional business interests with large marijuana growers in Nevada to generate additional sources of revenue.

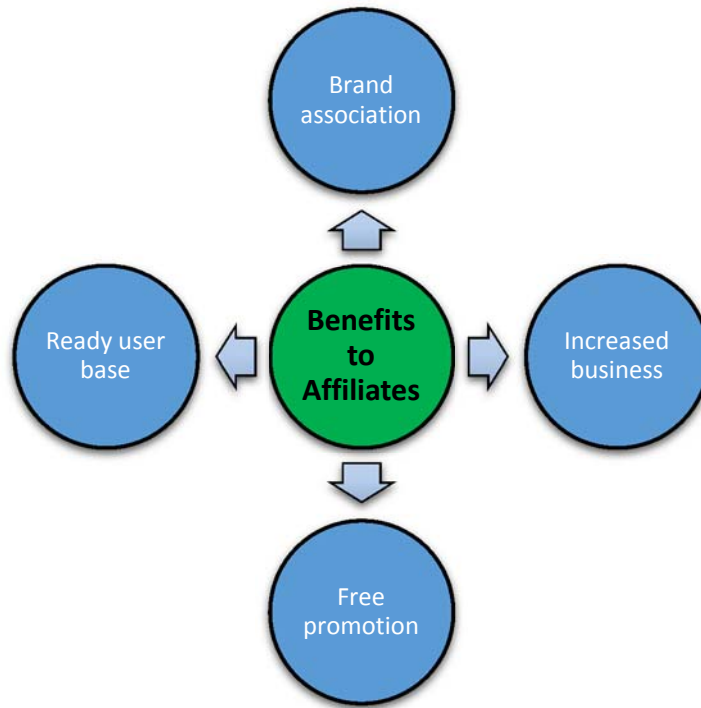
The partnership with MA and Associates has strengthened the Pazoo business model. Other states are looking at Nevada to be the model for establishing testing labs. Pazoo management has been approached with proposals to set up and expand their medical testing laboratories in other states. These plans will be given consideration once the lab facility in Las Vegas, Nevada is operational. Pazoo also has expansion plans for other states in the U.S. and Canada, both being countries with burgeoning medical markets.

Pazoo has also acquired 100% of Harris Lee, LLC, a medical marijuana testing laboratory for testing outside of Nevada. Through Harris Lee, Pazoo intends to build or acquire and operate a network of cutting-edge medical marijuana testing laboratories. With a fully operational laboratory in Colorado and a laboratory being set up in Oregon, Harris Lee will be one of the benchmarks for marijuana testing operations in the

The marijuana industry is still regulated by federal constraints because marijuana is a Scheduled I drug. While 27 states have legalized medical marijuana, there is a possibility that rescheduling will be addressed in the future. By entering the testing business, Pazoo management has made a conscious decision to abide by federal regulations and to not grow marijuana for their testing facility or be connected to any other marijuana product development.

The medical marijuana business is fragmented due to two reasons. The first reason is the fragmented nature of legalization laws in various states within the US. The second reason is immense competition between multiple players in a fragmented market to gain a piece of the highly profitable medical marijuana business. It is difficult for a single company to comply with varied legal regulations and still be able to grow its business in multiple states; and fend off competition. Such a strategy would stretch the resources of a single organization and leave it incapable of competing. Partnering with organizations that fit a company's objectives is one of the best ways to continue to grow successfully. Partnering with Steep Hill Labs, a global leader in cannabis testing and analytics has significantly benefited Pazoo. Since the business models for MA & Associates in Nevada and Harris Lee are similar to the Steep Hill Labs model, we believe the Company should be easily leverage the Steep Hill advanced technology, knowhow, experience and strong brand value for its benefit. Affiliation, especially in a fragmented medical marijuana market with a trusted name in marijuana research and analytics is a tremendous asset to the Pazoo business model.

Figure 5: Benefits of affiliation



Source: Cohen Grassroots Research

Steep Hill Labs provides research, analytics and consulting services to the medical cannabis industry. The Company was founded in 2008 as Steep Hill Medical Collective by David Lampach, Addison Demoura and Steve DeAngelo in Oakland, California. The Company has been a front runner in driving medical marijuana testing and developed the first microbiological method to test for mold and bacteria levels in marijuana used for human consumption in June 2008. Since then, the Company has catered to hundreds of businesses by providing the essential infrastructure as well as analytical services to authorized producers, distributors and regulators.

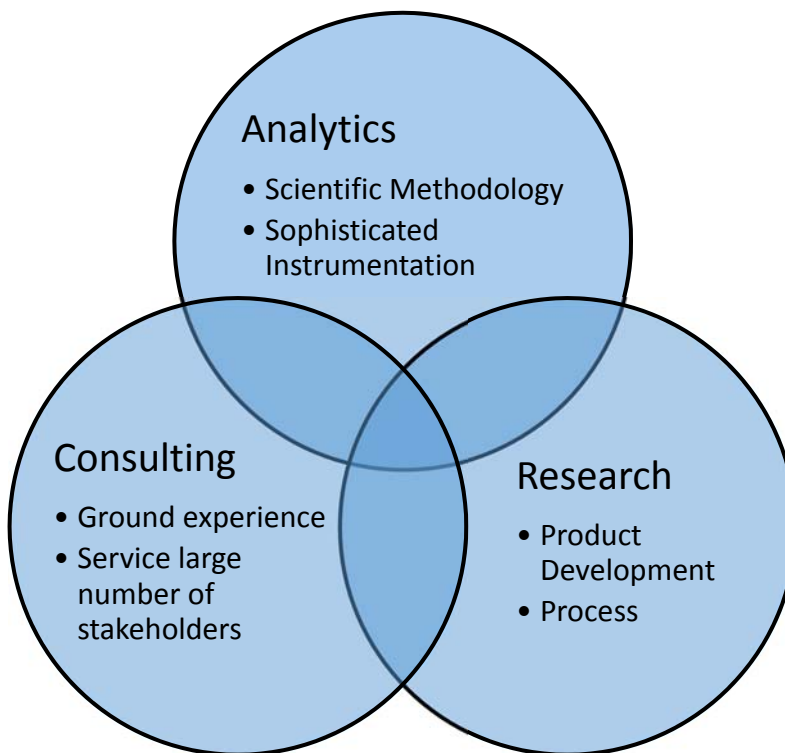
Figure 6: Steep Hill Milestones



Source: Steep Hill Labs website (www.steephilllab.com)

Staying a step ahead in the field of medical marijuana testing, the Company is one of the global leaders in the testing of marijuana and Analytics. The Company has a three-pronged focus in Analytics, Consulting, and Research.

Figure 7: Steep Hill focus areas



Source: Cohen Grassroots Research

Steep Hill Labs has built a strong team capable of using the latest methodologies and to provide a range of analytical services such as Cannabinoid and Terpenoid Profiling, Microbiological contaminant screening, Residual solvent analysis, foreign material inspection and moisture content analysis. The Company uses advanced technologies listed below to enable customers to take smart business decisions.

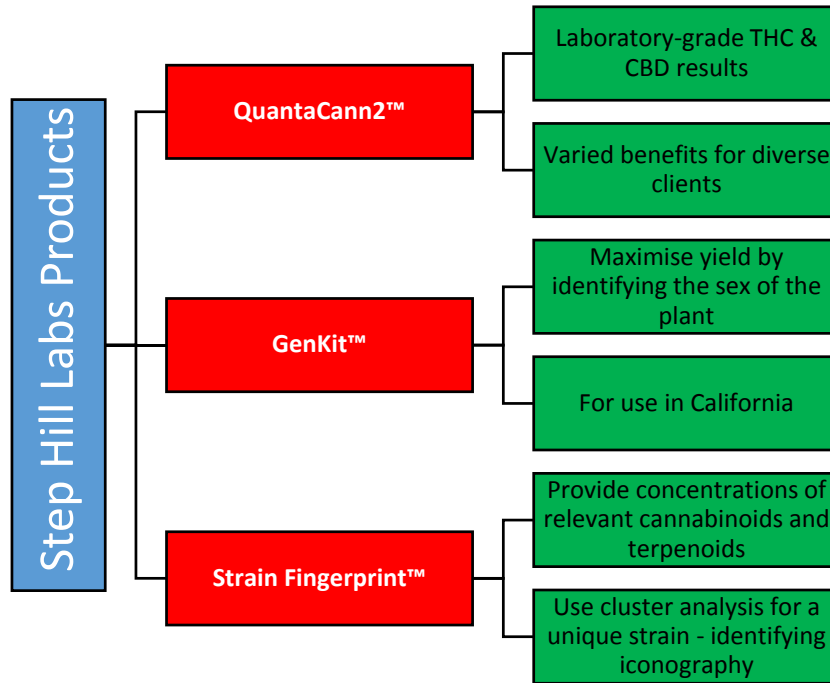
Below is the list of advanced instrumentation used by Steep Hill Labs

- Agilent 6820 LC/MS/MS
- Shimadzu LCMS
- Agilent 1100 HPLC – Multi-wavelength Detector
- Agilent 7890/5975 GC/MS
- Shimadzu 8ALC Preparative
- Near Infra-red Reflectance Spectrometer

With industry growth exploding in the recent past, the Company has become a volume leader in safety testing and quality assurance. The Company tests thousands of cannabis samples each month to build a strong base in discovering the potency of the cannabis plants. The world class research facility in Oakland, CA has enabled the Company to gain considerable experience in the issues pertaining to the medical marijuana industry. The Company has offered consulting services to shareholders such as state and local governments, businesses and consumers.

Steep Hill management inspires consumer confidence in its processes. Its Oakland and Seattle labs had signed up for the D8THC Potency Test conducted by Emerald Scientific. The test measures a lab’s proficiency at cannabinoid potency testing. The Company tested within +/- 1% of the requirements of the test. The Emerald Test will help prepare the Company for the upcoming ISO 17025 certification that tests requirements for the competence of testing and calibration laboratories. The test itself is ISO 17043 (Conformity assessment -- General requirements for proficiency testing) compliant.

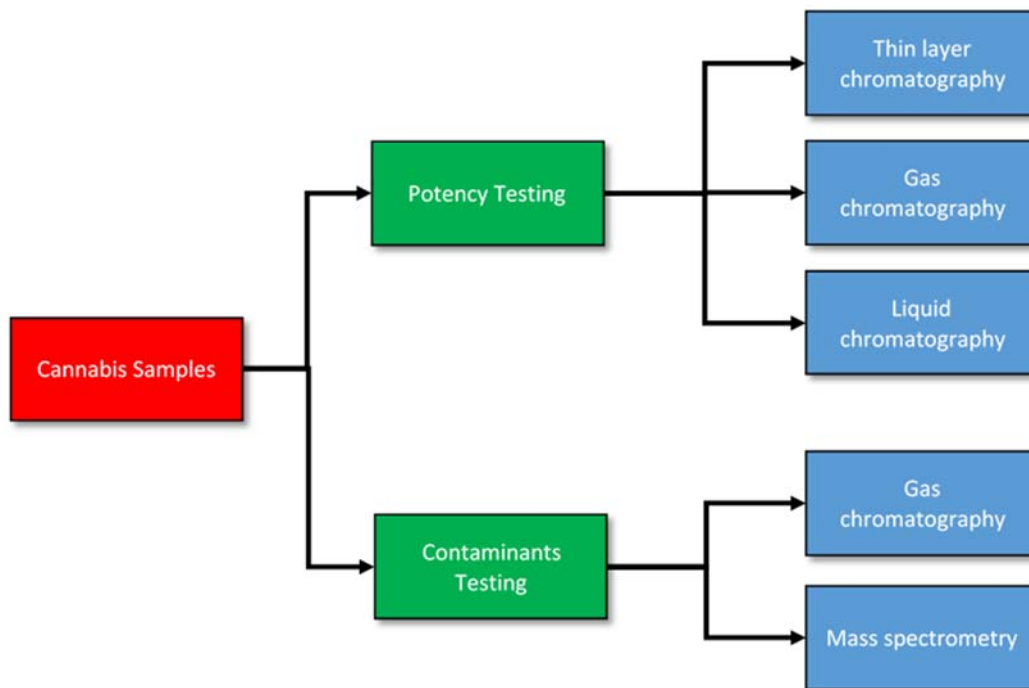
Figure 8: Steep Hill Product line



Source: Cohen Grassroots Research

The Steep Hill testing program focuses on two areas – safety screening and potency quantification. Safety screening tests examine contamination due to pathogenic molds. Pathogenic molds have a debilitating effect on the health of patients who are suffering from compromised immune systems. Potency quantification, on the other hand, provides marijuana constituent percentages. This enables the prescription of exact dosages to patients. As medical marijuana testing becomes the norm, we believe Steep Hill will include the use of patient surveys and build a database to quantify the effects of medical marijuana.

Figure 9: Steep Hill Testing Methodologies

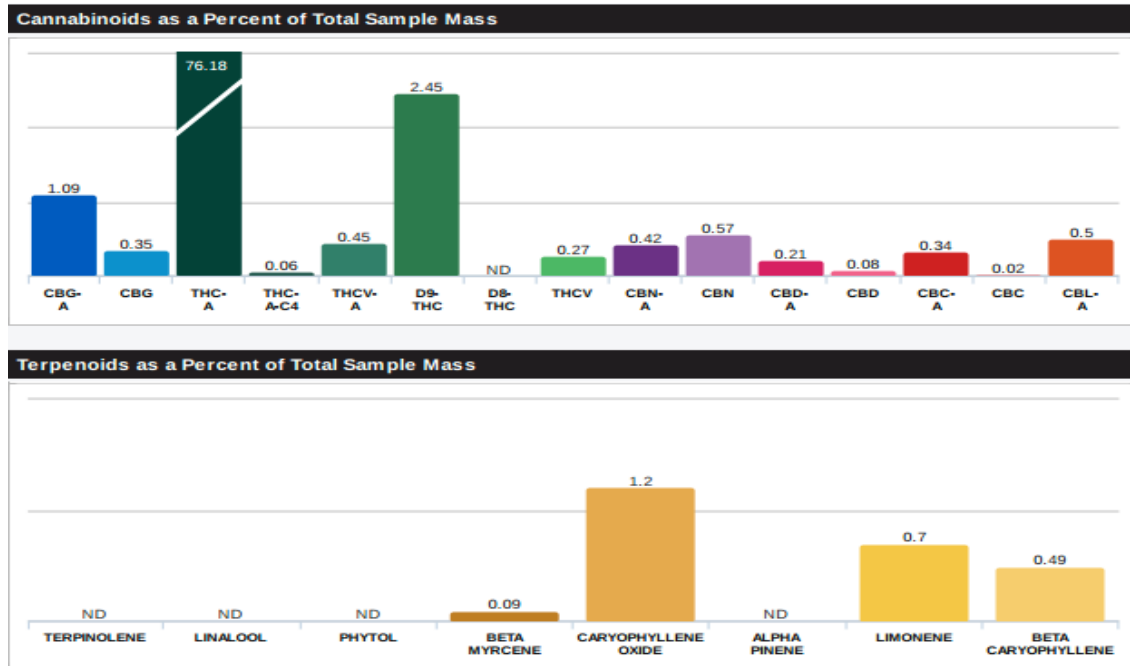


Source: Cohen Grassroots Research and Steep Hill Labs website



The Company currently tests for fifteen of the most important cannabinoids and eight terpenoids. Testing of dozens of pesticides and contaminants includes tests for less conventional pesticides that small growers use due to the lack of legalization of the growing of cannabis. The Company will be expanding the list of cannabinoids and terpenoids to be tested in the near future.

Figure 10: Steep Hill Sample Test Result



Source: Steep Hill Labs website

Four states viz Alaska, Colorado, Oregon and Washington State have legalized the recreational and medicinal use of marijuana. A total of twenty seven states have legalized the use of marijuana in some manner. Steep Hill has laboratories in Colorado and Washington that are in a prime position to take advantage of the decriminalization of the use of marijuana. California contributes to a total of 49% of the total medical marijuana market share. While Nevada currently is not high up on the list, it is considered as one of the states that is being primed for medical marijuana testing.

Figure 11: Steep Hill laboratory services across states

Laboratory Services	California	Colorado	Nevada	Washington
Cannabinoid & Terpenoid Profiling	Yes	Yes	Yes	Yes
Microbiological Screening	Yes	Yes	Yes	Yes
Pesticide Screening	Yes	Yes	Yes	
Residual Solvent Analysis	Yes	Yes	Yes	
Consulting	Yes	Yes		Yes
Certified Cannabis™	Yes	Yes	Yes	



Source: Cohen Grassroots Research and Steep Hill Labs Website

Steep Hill Labs has built a strong network of affiliates and partner organizations. The Company intends to offer safe and effective access to and for both medical and recreational use in legally regulated cannabis markets. Below is a list of Steep Hill Labs's affiliates.

Affiliates for Steep Hill Labs		Adopt A Child CBD Program
Association of Commercial Cannabis Laboratories (ACCL)	CannaMoms	California Cannabis Industry Association (CCIA)
Coalition for Cannabis Standards & Ethics (CCSE)	HIGH TIMES	Leafly
Marijuana Business Association (MJBA)	Marijuana Business Daily	Marijuana Policy Project (MPP)

<p>Medical Jane</p>	<p>National Cannabis Industry Association (NCIA)</p>	<p>O'Shaughnessy's</p>
		<p>O'Shaughnessy's</p>
<p>PAZOO</p>	<p>Project CBD</p>	<p>Weedmaps</p>
		

CURRENT AND FUTURE REVENUE SOURCES

Pazzo, Inc. has a direct response TV division, Pazzo Direct. Pazzo Direct will bring health and wellness products to the market through direct response TV and digital programs. Another venture is Pazzo Wellness, a chain of centers that will serve as training and testing ground for concepts, ideas and products. This venture will also be a platform to organize speaking engagements and interaction with Pazzo experts. Pazzo Retail, another division, will bring various health and wellness products to the retail market. It will source third party and private label products and sell them to brick and mortar retailers. Last, Pazzo Advertising is the branding and advertising arm of the company that will manage ad space on Pazzo.com.

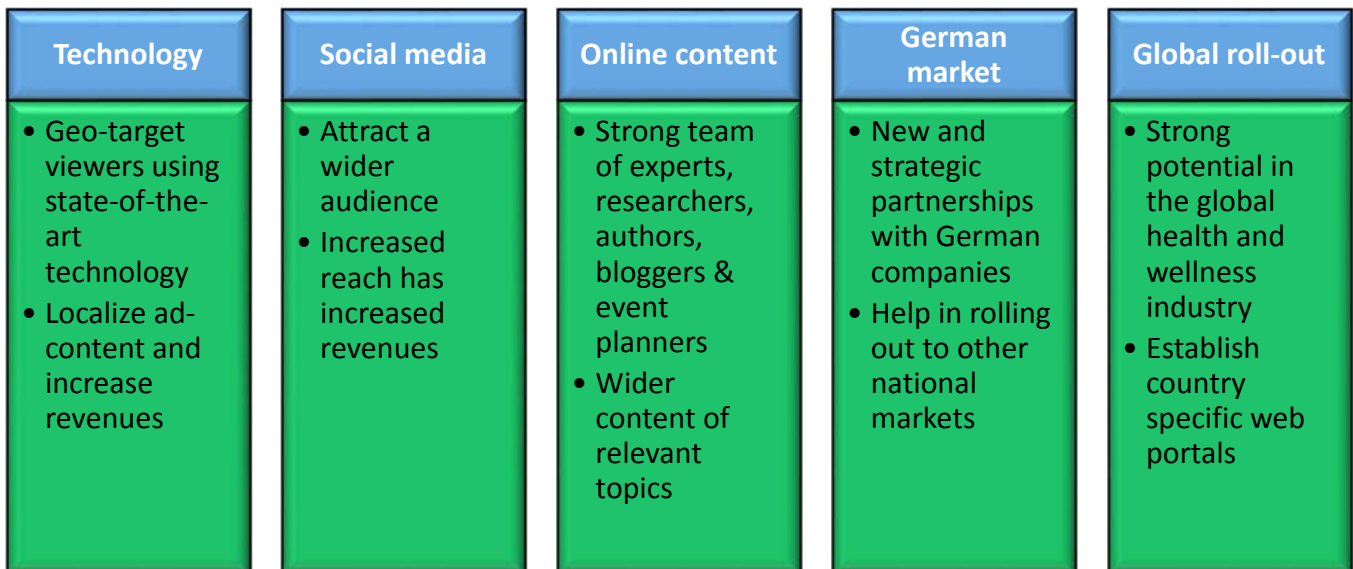
Pazzo, Inc., presently has three revenue streams that relate to and revolve around the health and wellness industry:

1. Advertising Revenue through Pazzo.com
2. E-commerce
3. Pharmaceutical Testing Facilities

1. Advertising Revenue through Pazzo.com

Pazzo.com is paid for every advertisement on the page through which a viewer browses. This implies that an increase in website traffic directly corresponds to an increased revenue. However, to extract maximum value from each visitor to the website, it is imperative that the viewer spend longer time periods on its website browsing through multiple pages with ads. This is only possible if the viewers experience is a gratifying and interesting. To ensure this experience, Pazzo.com’s main emphasis is quality content of vast content available at the click of viewer’s fingers. This paradigm is assisted by internet tracking tools and the constant improvements in the field of advertising and website analytics.

Figure 12: Generating advertising revenues



Source: Cohen Grassroots Research



Escalating viewer traffic by enhancing their Pazoo.com experience is the primary way that the website can become an industry leader. Pazoo.com intends to achieve this by supplying a considerable amount of relevant information in a user-friendly format to its viewers. In addition to traffic, building by word-of-mouth publicity, Pazoo management has developed a multi-tier strategy to drive traffic to the site including:

1. Search Engine Optimization (SEO)
2. Pay Per Click (PPC)
3. E-mail blasts
4. Affiliate links
5. Social Media such as Facebook and Twitter.

In Phase 1 of the launching exercise, SEO and Social Media were utilized as the main sources for building traffic to the website. The Company developed a plan to commence SEO activity for building traffic. This plan came into play during the launch of the Pazoo.com mini website. Pazoo signed a one-year agreement with MobileSeed LLC, a digital marketing agency, to assist in increasing Pazoo.com's online presence. Additionally, Facebook and Twitter accounts were opened in Phase 1. The creative team of Pazoo would periodically post information and offerings on Facebook and tweet this information.

The Pazoo management team can also consider testing the efficacy of PPC to generate revenue on Pazoo.com. The test benchmark for PPC is based on pre-determined conversion rates which are subject to a weighted average of sales transactions. This conversion rate will help cover the cost of PPC with the gross margin generated by the PPC sales. This in return, will also generate bottom line net profits resulting from these transactions.

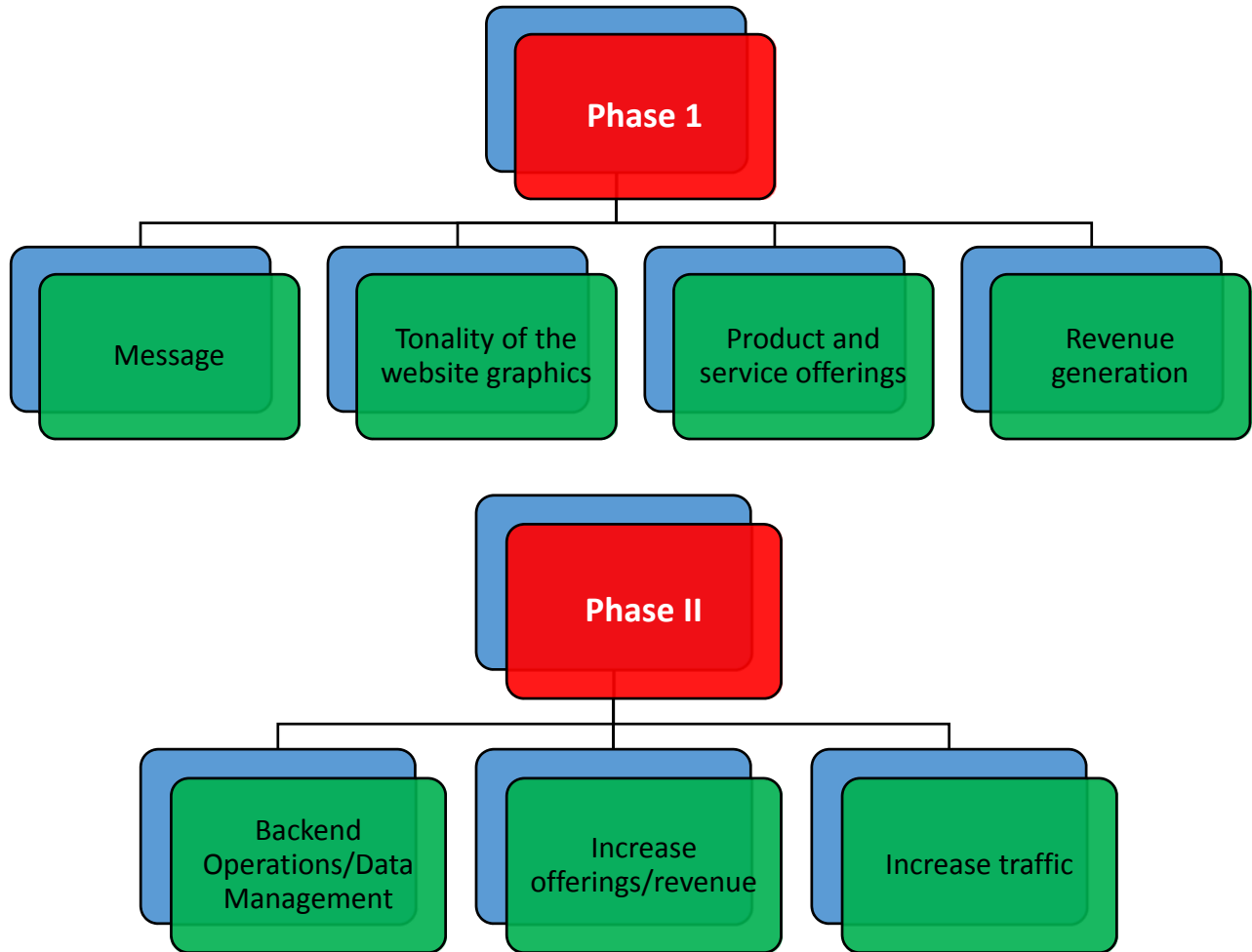
Offline traffic building will happen via marketing initiatives such as discount cards that can be given out at health and wellness events. The discount cards will be distributed by key Pazoo personnel who are networking and soliciting health and wellness professional practices.

2. E-commerce

The Pazoo management team felt that entering the online e-commerce world in a phased manner would enable it to derive maximum learning while implementation of the web portal is on. It would also help to maintain a connect with its target audience throughout the implementation. The Pazoo.com website was unveiled in two phases. The focus for the both the phases was as follows:

The e-commerce platform of Pazoo.com should also experience increased activity by viewers as the traffic on the website increases. This will add to Pazoo's revenue from advertising. To maximize the e-commerce platform's earning potential, the management team already has rolled out new measures in two phases:

Figure 13: Maximizing e-commerce revenue platform



Source: Cohen Grassroots Research

i. Phase I – Initiated in January 2012

- a. **Message:** To distinguish its website from the plethora of health and wellness websites, the marketing team developed a unique message of Pazoo.com being a dedicated website for health and wellness for both people and their pets. This message was backed by research that found that over 50% of American households have a pet.
- b. **Look, feel and tonality of the graphics:** The website was designed with visual trigger points of the target audience. These clean and contemporary graphics resonate with a warm and friendly vibe that will attract the intended audience to discover a complete health and wellness package for themselves and their pets.
- c. **Product and Service Offerings:** Management has ensured that products or services experienced with either of the offerings should leave the customer feeling enriched. Acknowledging this reality, the website is updated with new articles, blogs, and other relevant media offerings on a daily basis. The products offered on the website include high-quality healthy snacks, vitamins / supplements, health care items for both people and their pets.
- d. **Revenue generation:** To maintain a constant revenue stream, management has developed customer incentives such as everyday low prices, promotional offerings, and discounts. This entices the

customer to return to the website for further purchasing. Management has also introduced a new private label product “CellMax”.

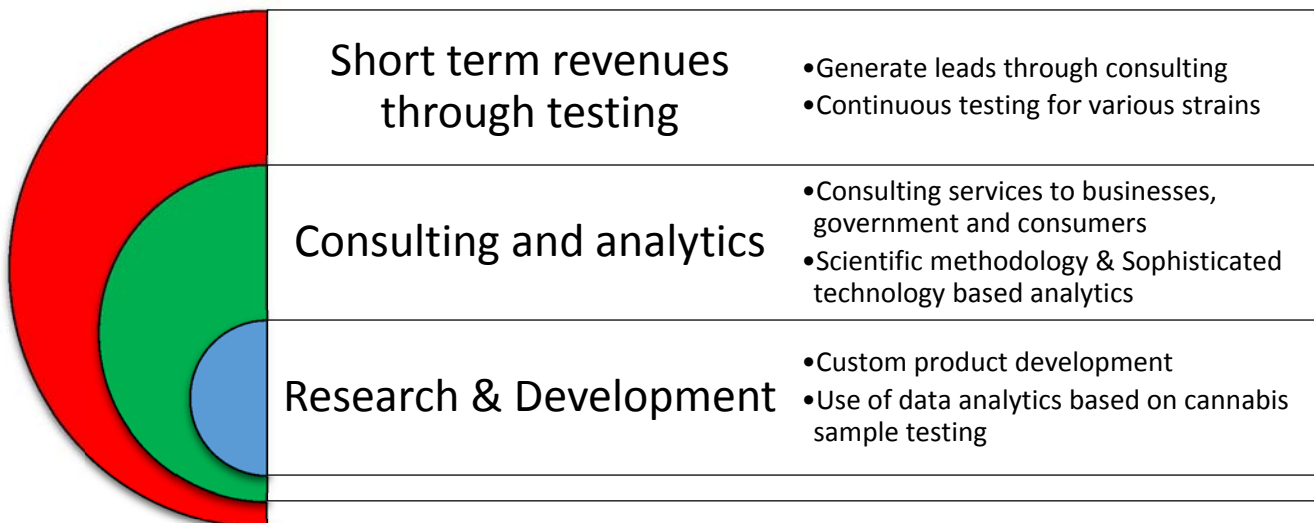
ii. Phase II - Initiated in June 2012

- a. Backend Operations / Data Management:** During the first phase, Pazoo.com relied on Amazon.com to be the third party backend provider. Management however, planned on making this an internal operation to better control the sales operation and data management. This strategy along with partnerships with third party backend providers will result in additional transactions and better consumer awareness for Pazoo.com
- b. Increase Offerings/Revenue:** In the second phase of website implementation, more products were introduced, and any underperforming products were taken off the merchandising list. The number of products that were delivered for drop shipment and consignment was also increased. Pazoo.com also made the decision to act as third party sales vehicle for other products. This product could be sold on the website by paying Pazoo, sales, and a processing fee. Pazoo also plans to increase revenue by linking with advertisers to sell ad-space on Pazoo.com. Mailings can make further additions to revenue through the directory and other email ad initiatives.
- c. Increase Traffic:** Pazoo management will deploy the SEO maximization strategy which will help Pazoo.com’s position being strengthened in Google searches. It also plans to introduce the Pay per Click model to increase ROI. Social media such as Facebook and Twitter will also be utilized to connect with a wider audience. Pazoo.com plans to connect with audiences with the aid of advertising on radio and television.

3. Pharmaceutical Testing Facilities

Over the next few years, we believe Pazoo will have a network of testing facilities throughout the USA and Canada. The pace of this growth will be augmented by the cooperation of Steep Hill Labs.

Figure 14: Revenue sources



Source: Cohen Grassroots Research



As the drive for legislation continues to grow, we expect the Company will continue to generate revenues from mandated testing such as potency and contamination testing. In the long term, we believe the advanced testing methodology which will focus on identifying unique strains and constituents, determining the longevity of the product that will drive revenues.

Collaboration with Steep Hill will be a major driver for revenue growth in the future. Currently, consulting is a relatively small contributor to revenues. Once the market matures slightly, Steep Hill's experience gained through the initial years in the industry will help the Company in product improvement as well as provide cultivation advice, yield optimization and contamination reason.

We believe research and development will be the driver for future revenues in an already crowded medical marijuana market. Product advancement through reformulation of ingredients based on data analytics will generate high margins for the Company. The Company has positioned and prepared itself for explosive revenue and earnings growth. We project this growth will accelerate through 2015, multiplying exponentially in 2017 and beyond.



VALUATION

THE COHEN PRICE TARGET™ - \$ 0.075

The Cohen Price Target™ is a dynamic and logical valuation approach that combines market-based approaches and intrinsic value methodologies. Capital raising and cash are the life blood of any micro-cap/small cap Company. Hence, the Cohen Price Target™ includes four components, 25% equal weighted that together reflect and are based on the Company's ability to raise capital for growth. The four components used in our price index are Price-to-Earnings ratio (P/E), Cohen Price-to-Capital Employed ratio (P/CE) (Both Market based valuation approaches), Cohen Discounted Cash Flow (DCF) method (Theoretically an Intrinsic Value based approach) and Cohen Price Performance Index.

Our formula for The Cohen Price Target™ is shown below.

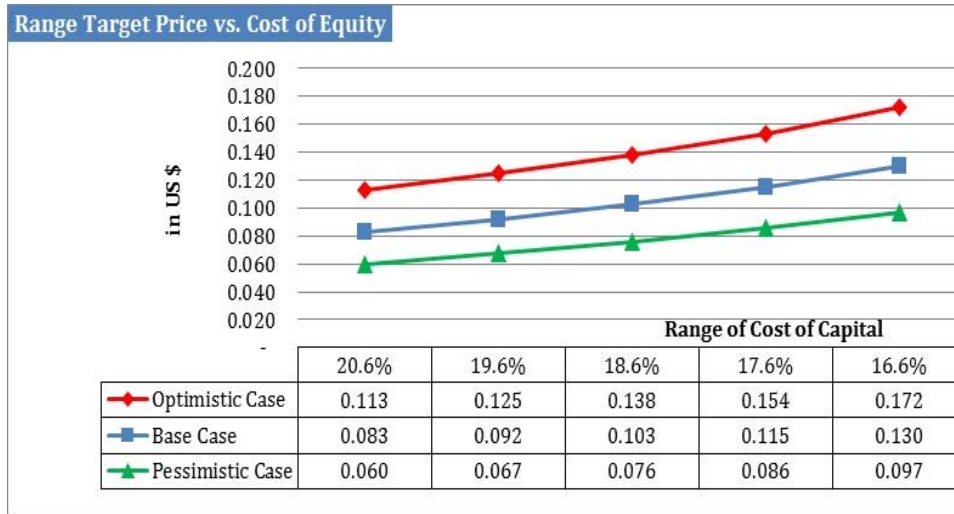
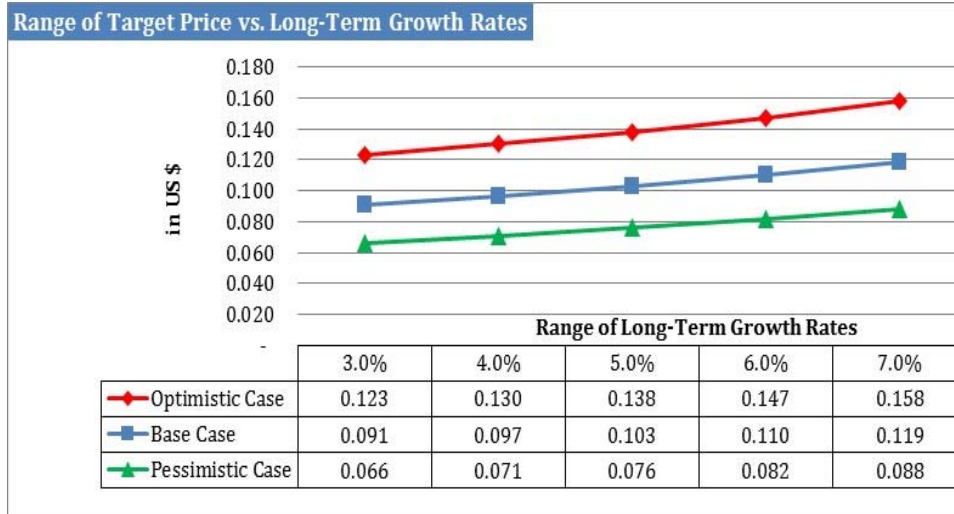
Figure 15 - The Cohen Price Target™ Formula

Price-to-Earnings (P/E)		in \$
Earnings Per Share 2015-2016 Average Forecast	0.01	
Expected P/E Ratio	20.00	
Discount Rate	0.71	
Price based on P/E Ratio		0.098
Price-to-Capital Employed (P/CE)		in \$
Capital Employed	0.02	
Long term P/CE Ratio	6.00	
Discount Rate	0.71	
Price based on P/CE Ratio		0.087
Cohen Discounted Cash Flow Model		in \$
Cohen DCF Value - Base Case		0.103
Cohen Performance Index		in \$
Cohen Price Performance Index Value	83.0%	
Current Stock Price	0.007	
Price based on Cohen Performance Index		0.013
Cohen Price Index Target		0.075
Current Price		0.007
Upside/ (Downside) Potential		974.8%

Source: Cohen Research



Figure 16 - Cohen Discounted Cash Flow™



Source: Cohen Research



CONCLUSION

Pazoo, Inc. is a diversified company with two business platforms. Both its target industries are experiencing an exciting growth phase over the past three years. The Company has an information and an e-commerce portal – Pazoo.com that generates revenues through advertisement and trade on the website. The content of the website is directed towards people and pets and is targeted at users above the age of 18 years. The Company's second business platform is an investment in MA & Associates through which the Company will be operating a medical marijuana testing facility in Nevada. The facility will be operational in June 2015 and is positioned to benefit from stringent laws in Nevada requiring the medical testing of marijuana.

The Company intends to generate traffic for its website to not only inform people, but also to drive users towards its e-commerce platforms. The Company has employed MobileSeed LLC to increase internet traffic and is already seeing an increase on social media platforms such as Facebook and Twitter. Experienced marketing professionals are customizing the website to ensure maximum hits and sales. Negotiating with new partners to build a strong network of goods and shipping companies has resulted in higher profit margins for the Company. With aggressive expansion being the current flavour, the Company has left no stone unturned. It has employed GreenHouse IG, LLC to overlook the branding and corporate expansion strategy for the Company.

Pazoo is a new entrant in the growing marijuana testing market. Its entry into the Nevada marijuana market is timed perfectly. The support for legalization of marijuana is growing, and patients and doctors are looking at medical marijuana as an alternative source of medicine. Through its collaborations with MA & Associates and Harris Lee, LLC, the Company is building a strong footprint in the currently fragmented but highly profitable testing business, ancillary to growing and supplying marijuana. MA & Associates is expected to complete work on the Nevada facility by end of June 2015. Harris Lee has entered into a first right of refusal agreement with Steep Hill. Harris Lee, as per the agreement is setting up a laboratory in Oregon and has acquired the license to operate Steep Hill Colorado from Front Range. The association with Steep Hill Labs, a world leader in marijuana testing, will enable the Company to build a strong brand in the minds of growers, consumers and dispensaries.

With the growing support for legalization of medical marijuana in the United States, PZOO can become the go – to the company for the testing of marijuana related products. Canada has implemented MMPR that has made licensing compulsory for producers and consumers. Also, the level of testing for potency and toxicity has become stringent. The market has become highly fragmented in the medical marijuana space as well as the online sales market with very low barriers to entry. As the industry continues to grow at an explosive pace, we expect consolidation to occur in the both the markets at some point in the future with well-financed companies looking to acquire small companies and generating excellent valuations. Until such consolidation occurs, these companies can continue to exploit the large target market and generate consistent revenues.

The stock price of the Company has seen a fall but the Company's additions to the management, robust projected revenue streams and growth potential of the medical marijuana market and the E-commerce market, providing they raise the necessary capital, could make the stock a valuable investment proposition. Especially at such low prices, Pazoo, Inc. may provide a potential short term and long term investment opportunity for risk-averse investors.

RS/Grass Roots Distribution Research



MANAGEMENT BIOS

David M. Cunic

Co-Chief Executive Officer, Director

David Cunic is a member of various physical therapy and community service organizations and has been the owner and manager of DMC Athletics & Rehabilitation, Inc. (DMC) since its founding in 2006. David has grown the company from himself, as the only employee, to 23 employees in just over five years with sales reaching approximately \$2 million per year. Educated with a Bachelor of Health Science and Master of Physical Therapy from the University of New England, David is highly trained in sports medicine, orthopedics, and manual therapy and has had the honor of working with prestigious doctors from numerous professional and Olympic sport teams. In addition, prior to forming DMC, he has worked at inpatient facilities and has managed several outpatient orthopedic clinics. Mr. Cunic periodically refines his knowledge and manual skills through workshops and continuing education seminars, but what makes him truly unique is his ability to relate to his patients, which is a result of receiving intensive physical therapy himself for four years. David is a certified personal trainer and a licensed referee for the United States Soccer Federation. He was chosen to serve as the CEO based on the fact that it was his vision and concept to create Pazoo, Inc.

Antonio Del Hierro

Co-Chief Executive Officer, Director

Antonio Del Hierro is a native of Southern California and Mexico before settling in Las Vegas, NV. He had lived his adolescent life in Brownsville, TX on the border with Mexico close to the spring break destination of South Padre Island. He has had residences in Tennessee, Monterrey, Mexico Los Angeles, CA and in Austin, TX. His extraordinary talent in tennis took to all walks of life and traveling adventures. He was nationally ranked as a junior and on the ATP tour as a young adult. In 2003 he decided to hang up the rackets and move to Austin Texas. This is where he entertained the hospitality industry and started to work on the infamous 6th street. After a short stint he felt it was time to make a move to Los Angeles, CA to go back to school. He gravitated towards the nightlife industry despite his educational background in which he obtained a degree in Political Science and Economics He attended West Los Angeles College and California Polytechnic State University in Pomona California. Antonio had an array of positions to managing Saddle Ranch Chop House, F&B manager of the Hustler Casino, to the renowned Mondrian Hotel on the infamous Sunset Blvd. At the ripe age of 25 he decided to leap into the Las Vegas market with landing his first job in Mandalay Bay managing Eye Candy. After a year he decided to become a VIP host with Pure Nightclub. Within Pure Management Group he bounced around from different positions from promoting to hosting to management. He analyzed his life past and present and decided it was time to see the light and took a position with Light Group: surviving the rigorous training program he obtained a management position in Revolution Lounge. He was overseeing the General Manager duties of Revolution and assisting in the management role within 10AK Nightclub. He is currently the CEO of MA & Associates, LLC and overseeing of the expansion of the marijuana testing division and public relations of Pazoo and Harris Lee, LLC.



Steven Basloe

Chairman of the Board, President, and Executive Vice President of Marketing and Sales

Mr. Basloe brings over three decades of sales and marketing experience and leadership to PAZOO, where he has developed the strategic plans and execution for advertising, sales, marketing and distribution. Since 1996, Mr. Basloe has served as the president of SMB Marketing Group – a full-service marketing firm that provides strategy, sales consulting, planning and creative production for brand development, marketing, advertising and promotions. At SMB, his key accomplishments have included the launch of a new division for Bertelsmann Home Entertainment; product/brand introductions for Samsung, McGraw-Hill, GoodTimes Home Entertainment, Thomas Regional Publishing, and Alfred Haber Distribution; as well as online brand development for S. Rothschild outwear and Rosco Vision Systems. He most recently developed the branding, product and marketing strategies for the rollout of a breakthrough tennis elbow device. For the 15 years prior to SMB, Mr. Basloe was a founding partner at Ericksen/Basloe Advertising, a leading, award-winning entertainment agency that grew an average of 20% a year through its offices in NYC and LA. The agency's prestigious client base included several top movie studios: Warner Brothers, Disney, Paramount and Columbia Pictures. At EBA, Mr. Basloe developed the marketing, advertising and sales strategies for the launches of Turner Home Entertainment and Hanna Barbara Home Entertainment (through Worldvision Home Entertainment). Mr. Basloe also developed the multi-year, direct response campaign for Jack Nicklaus's 'Golf My Way' video series. Previously, he was a member of the senior management team that launched Columbia Pictures Home Entertainment and made it into an industry leader. At Columbia, Mr. Basloe built a nationwide sales distribution network and led the team that branded the division and its individual product labels, and created the marketing, advertising and promotional programs for new product releases. Steven Basloe holds a Bachelor of Science degree (B.S.) and a Master in Business Administration in marketing (M.B.A.), plus a Juris Doctorate (J.D.), from Syracuse University.

Ben Hoehn

Chief Operating Officer, Chief Financial Officer, Director

Ben Hoehn has both a Bachelor and a Master of Science in Criminal Justice from the University of Cincinnati. He is currently the Chief Operating Officer for all 3 of DMC Athletics and Rehabilitation's physical therapy and personal training facilities, in New Jersey as well as DMC's Nutritional Line. He has held this post since April 2010, managing its current staff, handling all day to day business operations and implementing new policies and procedures to ensure patient satisfaction. Prior to his work at DMC, from 2007 to 2010 he was employed in Cincinnati by Community Police Partnering Center, a non-profit organization that worked with the Cincinnati Police Department in crime and problem-solving techniques. His duties included developing, extracting, and analyzing criminal data as well as providing technical and analytical assistance to all stages of the criminal problem solving process.

David Lieberthal

Director

David Lieberthal is an attorney licensed to practice in the State of California and the principle of the Lieberthal Law Firm. David is a graduate of the University of California at Irvine, where he earned a bachelor's degree in economics. Prior to enrollment in law school, David worked for the U.S. House of Representatives, on public



policy issues concerning the monitoring of human rights violations during the Bosnia-Herzegovina War. David graduated from the University of San Diego School of Law and worked as a trial lawyer before forming his own law firm in 2005. The Lieberthal Law Firm continues to offer expert counsel in the areas of business law, business transactions, corporate governance, and entrepreneurship.

In 2013, David was hired as C.O.O. for MA & Associates, a startup company formed for the purpose of providing medical marijuana laboratory safety testing within the State of Nevada. David then co-founded Harris Lee, along with Antonio Del Hierro, and Pazoo, Inc., for the purpose of providing medical marijuana laboratory safety testing on a nationwide scale. David continues to oversee operations for MA & Associates, while actively working on business development, emerging markets, and contracting for Harris Lee.



LATEST PRESS RELEASE

Pazoo's Harris Lee to Take Over Operations at Colorado Marijuana Testing Facility

Pazoo, Inc. April 1, 2015 9:45 AM GlobeNewswire

WHIPPANY, N.J., April 1, 2015 (GLOBE NEWSWIRE) -- Pazoo, Inc. (OTC Pinks:PZOO) (German WKN#: A1J3DK) is proud to announce that wholly owned subsidiary, Harris Lee, LLC, has entered into a Binding Letter of Intent with Front Range, the Steep Hill licensee for Colorado, to purchase the assets to operate Steep Hill Colorado, a marijuana testing laboratory located in Denver, CO. Additionally, Front Range will transfer all assignable rights and licenses to Harris Lee.

Harris Lee will take 100% ownership of this fully functional, revenue generating facility no later than April 30, 2015. All necessary permits, licenses, government approvals, equipment and leases required to operate this facility will be transferred to Harris Lee.

In the short time since Pazoo acquired full ownership of Harris Lee on January 14, 2015, the company has been pleased to announce two separate expansions with Steep Hill Labs in Oregon and now Colorado. Including MA & Associates' facility in Las Vegas, Pazoo has now formed a Steep Hill footprint in three states within the past six months.

"This acquisition, initiated by Steep Hill Labs, further reinforces the commitment between our two great companies," stated David Cunic, Co-CEO of Pazoo. "We look forward to continued growth and expansion with our friends at Steep Hill."

For more information on Steep Hill Colorado, please visit: <http://steephilllab.com/colorado/>

About Pazoo, Inc.:

Pazoo, Inc., is a company focused on health, wellness and safety. Our focus is to provide best-in-class laboratory testing of cannabis and cannabinoids to protect consumers from impurities, contaminants and other irregularities. Through our wholly owned subsidiary, Harris Lee, and our partnership with MA & Associates, Pazoo provides industry leading laboratory testing of cannabis. Pazoo's license agreement with Steep Hill Labs Inc. allows us to use their best-in-market testing protocols on a right of first refusal basis as we expand throughout the USA. Pazoo is licensed to test cannabis in Nevada and Oregon, with a focus on expansion into other states. Additionally, Pazoo delivers a comprehensive array of health and wellness information on its website www.pazoo.com, and features industry experts from both the health and wellness arena and the pet industry.



KEY HISTORICAL DEVELOPMENTS

Pazoo Provides Business Development and Expansion Plan Update

Pazoo, Inc. March 31, 2015 10:55 AM GlobeNewswire

WHIPPANY, N.J., March 31, 2015 (GLOBE NEWSWIRE) -- Pazoo, Inc. (PZOO) (German WKN#: A1J3DK) is pleased to present to the investment community an update on where Pazoo stands today and the plan for an aggressive growth strategy moving forward. Pazoo on Friday March 27, 2015 filed a preliminary 14C Information Statement with the SEC advising of an increase to the authorized shares from approximately 1 billion shares to 3 billion shares and will logically explain why these steps are necessary for the overall company to accomplish the aggressive expansion plans currently underway.

Pazoo Launches New Website, Engages GreenHouse IG, LLC as Lead Corporate Expansion and Branding Agent

Pazoo, Inc. March 27, 2015 8:00 AM GlobeNewswire

WHIPPANY, N.J., March 27, 2015 (GLOBE NEWSWIRE) -- Pazoo, Inc. (PZOO) (German WKN#: A1J3DK) is pleased to report that GreenHouse IG, LLC (GreenHouse) is being engaged to redefine the overall branding and marketing of the Pazoo label. GreenHouse over the past three weeks has already given valuable input into the redesign of certain aspects of the corporate brand and plans on expanding Pazoo's outreach and services in the medical marijuana industry.

Pazoo Launches Pazoo Investor Facebook Page, Posts Updates on Company and Las Vegas Facility Buildout Done by Ryan Taylor

Pazoo, Inc. March 19, 2015 11:14 AM GlobeNewswire

WHIPPANY, N.J., March 19, 2015 (GLOBE NEWSWIRE) -- Pazoo, Inc. (PZOO) (German WKN#: A1J3DK) is pleased to report that MA & Associates, LLC general contractor, Ryan Taylor of All Pro Construction, just completed filming the 100th episode of Kitchen Crashers to be aired in the near future. Ryan Taylor's company, All Pro Construction, is the general contractor handling the build out of Pazoo's 40% owned subsidiary MA & Associates, LLC's medical marijuana testing laboratory in Las Vegas. Construction is expected be complete by mid-April of this year. MA chose to use All Pro construction due to their reputation in the area and history of building great facilities.

Pazoo Wholly Owned Subsidiary, Harris Lee, LLC Enters Into Definitive Agreement With Steep Hill Labs, Inc. to Have Right of First Refusal to Set Up Marijuana Testing Labs in the United States

Pazoo, Inc. March 11, 2015 11:15 AM GlobeNewswire

WHIPPANY, N.J., March 11, 2015 (GLOBE NEWSWIRE) -- Pazoo, Inc. (PZOO) (German WKN#:A1J3DK) is pleased to report that wholly owned Subsidiary, Harris Lee, LLC, has entered into a License Agreement with Steep Hill Labs, Inc. that gives Harris Lee a right of first refusal to open and operate marijuana testing labs throughout the USA using the Steep Hill Labs Inc. best in market testing protocols. This expansion begins with the previously



announced entry into Oregon (see, press release disseminated earlier today, 7am EST March 11, 2015). Harris Lee will be the exclusive marijuana testing laboratory using the Steep Hill Labs, Inc. protocol in the state of Oregon.

Pazoo Wholly Owned Subsidiary, Harris Lee, LLC. Signs Definitive Agreement to be the Exclusive Marijuana Testing Laboratory in the State of Oregon for Steep Hill Labs, Inc.

Pazoo, Inc. March 11, 2015 7:00 AM GlobeNewswire

WHIPPANY, N.J., March 11, 2015 (GLOBE NEWSWIRE) -- Pazoo, Inc. (PZOO) (German WKN#:A1J3DK) is pleased to report that wholly owned Subsidiary, Harris Lee, LLC., a company created to open and operate best-in-class marijuana testing labs throughout the USA has entered into a License Agreement with Steep Hill Labs, Inc. This agreement makes Harris Lee the exclusive Marijuana testing lab for Steep Hill Labs, Inc. in the state of Oregon.

Pazoo's Nevada Marijuana Testing Lab Partner, MA & Associates, Prepares for Grand Opening

Pazoo, Inc. February 23, 2015 8:00 AM GlobeNewswire

WHIPPANY, N.J., Feb. 23, 2015 (GLOBE NEWSWIRE) -- Pazoo, Inc. (PZOO) (German WKN#: A1J3DK) is pleased to report that our Las Vegas affiliate, MA & Associates, LLC, is in the final phase of the build out of its state of the art marijuana testing facility. All of the testing equipment will be calibrated with Steep Hill Labs's revolutionary marijuana testing procedures.

Pazoo.com Experiences Dramatic Traffic Increases on New Website Initiatives

WHIPPANY, N.J., Feb. 11, 2015 (GLOBE NEWSWIRE) -- Pazoo, Inc. (OTCQB:PZOO) (German WKN#:A1J3DK) is pleased to report that www.pazoo.com is experiencing an explosive growth rate of organic traffic to an array of new social media website initiatives including a new sub-website and targeting articles.

Pazoo Adds to Management Team and Expands Board of Directors From 3 to 5 Members

WHIPPANY, N.J., Feb. 3, 2015 (GLOBE NEWSWIRE)

Pazoo, Inc. (OTCQB:PZOO) (German WKN#: A1J3DK) is pleased to announce Antonio Del Hierro and David Lieberthal, Esq. have been nominated to its Board of Directors. With the recent expansion into the marijuana testing business through MA & Associates, LLC, in Nevada and with the planned expansion into states beyond Nevada underway, the senior management of Pazoo felt an addition of key executives to its board would be beneficial.

Marijuana Testing Lab Company Harris Lee, LLC Becomes 100% Wholly Owned Subsidiary of Pazoo

Pazoo's Nevada Marijuana Testing Lab Partner, MA & Associates, Begins Final Phase of Lab Build-Out

WHIPPANY, N.J., Jan. 14, 2015 (GLOBE NEWSWIRE)

Pazoo, Inc. (OTCQB:PZOO) (German WKN#: A1J3DK) is pleased to report that marijuana testing lab Harris Lee, LLC, is now a 100% wholly owned subsidiary of Pazoo. Pazoo acquired the remaining 45% of Harris Lee in exchange for 450,000 of Pazoo's Series B Preferred Stock.



The current management of Harris Lee will be retained along with an addition of personnel to be implemented over the next few months. Pazoo recently deposited \$200,000 into Pazoo's attorney escrow account in preparation of Harris Lee's entry into new territories.

Pazoo.com Inspiration Expert Jenna Lowthert to be Interviewed on Newsmax TV, Former NFL Player Rod Trafford and Four More Experts Join Pazoo

WHIPPANY, N.J., Jan. 12, 2015 (GLOBE NEWSWIRE)

Pazoo, Inc. (OTCQB:PZOO) (German WKN#: A1J3DK) is pleased to announce that Pazoo's Inspiration Expert Jenna Lowthert will be interviewed on Newsmax TV later this week. Further, Pazoo is excited to announce that former NFL player Rod Trafford has joined the impressive array of Health and Wellness Experts on Pazoo.com along with four additional specialized Experts. These new Health and Wellness Experts expect to have an immediate impact on the visitors to www.pazoo.com through the unique content they provide on a weekly basis.

Pazoo.com Inspiration Expert Jenna Lowthert Launches New Blog, Book, and Radio Interview

WHIPPANY, N.J., Jan. 7, 2015 (GLOBE NEWSWIRE)

Pazoo, Inc. (OTCQB Symbol:PZOO) (German WKN#: A1J3DK) is pleased to announce that Pazoo's Inspiration Expert Jenna Lowthert has launched a new blog at <http://justjennarose.pazoo.com>. Jenna also has a new book (Life Goes On) and will be interviewed on the radio program called Issues Today, hosted by Bob Gourley, syndicated on 183 stations throughout the USA. To listen live go to www.issuestodayradio.com. Jenna will be interviewed on January 14, 2015.

Pazoo Medical Marijuana Partner, MA & Associates, LLC, Receives a Two Year Exclusive Contract From One Grower for Up to 875,000 Square Feet of Grow

WHIPPANY, N.J., Dec. 18, 2014 (GLOBE NEWSWIRE)

Pazoo, Inc. (OTCQB:PZOO) (German WKN#: A1J3DK) is pleased to announce that MA & Associates, LLC (MA) has signed an agreement with a local marijuana grower making MA the exclusive testing lab for all proprietary marijuana grown for the next two years. MA's customer will initially have approximately 100,000 square feet of grow with the intention of expanding its operation to 875,000 square feet of grow within the next two years.

Pazoo, Inc. Commissions Cohen Grassroots Research, Inc. to Issue Research Report on Company

WHIPPANY, N.J., Dec. 17, 2014 (GLOBE NEWSWIRE) -- Pazoo, Inc. (OTCQB:PZOO) (German WKN#: A1J3DK) is pleased to announce that it has commissioned Cohen Grassroots Research, Inc. (CGR), Wall Street's leading independent micro-cap research firm, to initiate coverage of Pazoo, Inc. CGR provides an in-depth analysis, including 5-year financial and valuation projections on Pazoo's business and its significant growth drivers. A copy of the report is available for download at www.cohengrassroots.com.

MA & Associates, LLC, Pazoo's Nevada Medical Marijuana Laboratory Testing Partner, Receives Purchase Order From One of the Largest Growers in Nevada



WHIPPANY, N.J., Dec. 11, 2014 (GLOBE NEWSWIRE) -- Pazoo, Inc. (OTCQB:PZOO) (German WKN#: A1J3DK) is pleased to announce that its medical marijuana testing laboratory partner MA & Associates, LLC (MA) has received its first purchase order to test product from one of the largest growers in the State of Nevada. The first marijuana product to be tested is expected to be begin on or about the end of February 2015.

Pazoo.com Experiences Dramatic Increases to Several Internal Categories Since MobileSeed LLC Was Engaged Approximately 6 Weeks Ago

WHIPPANY, N.J., Dec. 9, 2014 (GLOBE NEWSWIRE) -- Pazoo, Inc. (OTCQB:PZOO) (German WKN#: A1J3DK) is pleased to report that MobileSeed LLC was absolutely the right SEO/social media team for Pazoo to engage. While Mobile Seed was only engaged 6 weeks ago and has only scratched the surface on the number of tools and programs implemented to date, several internal numbers on www.pazoo.com have already experienced dramatic increases.

Pazoo Radio Episode 5 Healthy Investing: Healthy Ways To Cope With Scary News -- From Terrorism to Ebola -- With Diane Lang

Nov. 19, 2014

PRNewswire via COMTEX/ -- Pazoo, Inc. (OTCQB Symbol: PZOO) (German WKN#: A1J3DK) is pleased to announce Pazoo Radio Episode 5 is now available for download at www.pazoo.com by clicking on the Pazoo Radio tab on the upper right hand side of the home page. On this episode, Pazoo CEO David Cunic teams up with co-host Chris Curran of Fractal Recording for a timely and important discussion with Positive Living Expert, Life Coach & Professional Speaker Diane Lang. Diane is President of DL Counseling and is Pazoo.com's Psychology/Happiness Expert.

Pazoo Medical Marijuana Partner MA and Associates, LLC Secures First Client Signing Exclusive Master Testing Services Agreement

Nov 07, 2014

(eTeligis.com via COMTEX) -- WHIPPANY, NJ, United States, via ETELIGIS INC., 11/07/2014 - - Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK), is pleased to report that MA & Associates, LLC has signed its first agreement with a customer for the testing of their product. Product is expected to be available for testing in February 2015. MA & Associates LLC's clients will be cultivation facilities. These cultivation facilities need to have product tested and labeled prior to delivery to dispensaries

State of Nevada Approves and Awards Highest Rating to Pazoos Medical Marijuana Testing Lab Partner MA and Associates, LLC

Nov 05, 2014

(eTeligis.com via COMTEX) -- WHIPPANY, NJ, United States, via ETELIGIS INC., 11/05/2014 - - Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to report the State of Nevada, on Monday November 3,



2014, approved Pazoo, Inc.'s partner MA & Associates, LLC medical marijuana testing lab application. Of significant note is MA & Associates Inc. was the highest rated testing lab applicant.

Traffic Surges to All Time Record of 240,000 Visitors in One Day on Pazoo.com

Oct 30, 2014

(ACCESSWIRE via COMTEX) -- WHIPPANY, NJ / ACCESSWIRE / October 30, 2014 / Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to report that traffic surged passed the previous high of 203,000 visitors in one day (previously recorded May of 2014) to 239,786 on October 27, 2014, as reported by Google Analytics.

Pazoo Increases Its Stake in Harris Lee, LLC, and a Company Formed to Set Up Medical Marijuana Testing Laboratories in The United States and Canada, To A 55% Controlling Interest

Oct 29, 2014

(eTeligis.com via COMTEX) -- WHIPPANY, NJ, United States, via ETELIGIS INC., 10/29/2014 - - Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to announce it has acquired an additional 10% interest in Harris Lee LLC, for a total controlling interest of 55% in exchange for 150,000 preferred C shares, the equivalent of 15 million restricted common shares, of Pazoo Inc. Harris Lee, LLC was formed to potentially expand marijuana testing lab operations in other states outside of Nevada. The selling owners of Harris Lee, LLC could earn an additional 75,000 preferred C shares upon the opening of testing facilities in any state other than Nevada and a further 75,000 preferred C shares upon the opening of a second testing facility outside of Nevada.

Pazoo has increased its stake in Harris Lee, LLC because over the past two months we have received numerous inquiries to expand testing into other states which have legalized medical marijuana, and possibly expand into Canada. Harris Lee, LLC currently has no operations. Several of the states that have already legalized medical marijuana are now considering making testing for impurities and compounds mandatory. Considering that marijuana is used for medicinal purposes, it is expected that testing will become mandatory as is the case for over the counter and prescription medicines.

Pazoo Medical Marijuana Testing Laboratory Partner MA & Associates Hires Laboratory Technician, Facility Build-Out Currently Underway

Oct 22, 2014

(Marketwired via COMTEX) WHIPPANY, NJ, -- Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to announce its medical marijuana testing laboratory partner MA & Associates, LLC has hired its first lab technician, Mr. Brad Gore. Further, the build-out for the testing facility began last week. Now that the asbestos abatement was done, actual construction to the facility will begin.

Pazoo Signs Online Marketing Agreement With MobileSeed LLC

Oct 14, 2014



(Marketwired via COMTEX) WHIPPANY, NJ, -- Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to announce that it has signed a one year marketing contract with MobileSeed LLC. MobileSeed LLC will help to increase Pazoo's online presence, in particular through social media marketing and search engine optimization.

Pazoo Radio Launches First Radio Episode

Oct 08, 2014

(Marketwired via COMTEX) WHIPPANY, NJ, -- Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to announce Pazoo Radio has gone live with its first online radio episode hosted by Chris Curran and Pazoo CEO David Cunic. David Cunic discusses the company as well as a multitude of health and wellness topics.

Pazoo Inc. Signs Agreement With Broadcast Studio Fractal Recording and Prepares Launch of Pazoo Radio

Sep 18, 2014

(Marketwired via COMTEX) WHIPPANY, NJ, -- Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to report that it has signed a four month audio series showcase agreement with Fractal Recording. This recording agreement is the start of Pazoo Radio, Pazoo's exclusive online radio channel.



Pazoo Expands Roster of Health and Wellness Experts

Sep 09, 2014

(Marketwired via COMTEX) WHIPPANY, NJ, -- Pazoo, Inc., (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to announce it has again expanded its number of Health and Wellness Experts who share their knowledge, insight and expertise with www.pazoo.com visitors.

Pazoo, Inc. Experiences Over 500% Increase in Per Visitor Time Spent on Website

08/12/14

(Marketwired) WHIPPANY, NJ -- Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to report that over the past month www.pazoo.com has experienced more than a 500% increase in the amount of time that a visitor spends on the website. In the month of June, a visitor was spending just under 5 minutes per visit to the website. In the past two weeks, a visitor to the website is now spending over 26 minutes on www.pazoo.com.

Pazoo, Inc. Makes Three More Installments of More Than \$300,000 to Partners MA & Associates, LLC, a Company Formed to Set Up and Be a Medical Marijuana Testing Laboratory in the State of Nevada

07/17/14

(Marketwired) WHIPPANY, NJ -- Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to report that it made installments of \$32,000 in June and \$20,000 this week to MA & Associates. Additionally, Pazoo put into escrow a total of \$250,000 which is a standing capital requirement to file the medical marijuana license application in the State of Nevada.

Pazoo Expands Publishing Division, Launches Financial Website WWW.PAZOOFINANCE.COM

07/02/14

(Marketwired) -- WHIPPANY, NJ -- Pazoo, Inc. (OTCQB: PZOO) (German WKN#: A1J3DK) is pleased to report it has expanded its publishing division and launched its financial website, www.pazoofinance.com.



THE COHEN PRICE TARGET™

The Cohen Price Target™ is derived using a combination of academic and market-based valuation approaches. The following four equal weighted (25%) components used in calculating our target price, include the assumption of capital raised:

1. The first 25% equal weighted component: is the market multiple based valuation methodology. This method uses the industry average Price-to-Earnings ratio to calculate the potential stock price (and/or price to Book if an asset based Company). We take the average Price-to-Earnings multiple of a given industry. This means that, on an average, stocks in this industry should currently trade at a multiple times their 2011 expected earnings. These earnings are usually only generated by a small Company raising cash to meet its master budget. The index, therefore, reflects capital invested in any micro/small cap Company.
2. The second 25% equal weighted component: Cohen Capital Employed based valuation. Most start-up and micro/small cap companies require significant capital to meet our projections. Our Cohen Price Target™ reflects the Company's ability to raise additional capital. Based on our capital projection and long-term price target from our Cohen DCF™ valuation model, we derive a Price-to-Capital Employed ratio. We then multiply this ratio with our capital employed per share assumption to derive this target price.
3. Our third 25% equal weighted component is our use of the Cohen Price Performance Index™, which calculates the average price increase of all the stocks covered by Grass Roots Research and Distribution Inc. and Cohen Research after their release. Currently, for the period ending July 14, 2013, the Cohen Price Performance Index™ is up by 83.0%, meaning that we expect the stock to follow the same trend and rise by 83.0%. To date, since May 2009, 96.2% of all of our stocks post report release have traded above the price of our initiate coverage report within 20 days. The Index assumes that all of its companies had capital employed in each Company.
4. Our fourth 25% equal weighted component is our Cohen Discounted Cash Flow (DCF) method of valuation. Our Cohen DCF™ valuation includes a complex trademarked formula proprietary to our firm, which includes an assumed long-term sustainable growth rate, cost of capital and assumed capital invested in a given Company. Our DCF price target values a Company today, based on projections of how much future cash will be generated from a given Company. We assume that a Company is worth all of the cash it can make available to investors in the future. It is called 'discounted' cash flow because cash in the future is worth less than cash today, and therefore must be discounted to today. We forecast various line items including assuming a given amount of capital is raised, to calculate the free cash flow we project a Company to generate during our 5 year forecasted time period. If a Company does not raise our estimated cash requirements, it is highly unlikely to reach our forecasts and can go out of business. After using a formula to discount free cash flow, we divide the total forecasted equity of the Company by the shares of stock outstanding to calculate our Cohen DCF™ valuation, or theoretical price per share target. We believe the Cohen DCF™ formula is a more accurate measurement of operating cash than the traditional DCF used by most Wall Street research analysts. A DCF, or 5 year forecasted free cash flow projection, cannot be calculated without forecasting the three statements (IS,BS,CF) for 5 years. We are the only firm in the investor awareness industry that forecasts all of our companies for 5 years in three assumed cases. We



believe this in depth level of securities analysis is a must for all of our companies, and is a foundation of the Cohen Research Method™.

Capital raising and cash are the life blood of any micro-cap/small Company. Our Cohen Price Target™ includes 4 components, 25% equal weighted, that together reflect capital is raised in our client companies. Our components are trademarked and proprietary to our firm, as is the Cohen Performance Index™.

Most micro/small cap companies have difficulty raising sufficient funds to reach our theoretical forecasts; hence there is considerable risk for any investor. While we do not give investment advice, any Company that cannot raise adequate capital to finance its business model is a highly risky investment, short term or long term. Investment awareness campaigns also affect our price targets. Do not rely on our price targets because they are based on academic theory. Do your own research or consult with your investment professional.

Price Targets

Price targets can be heavily influenced by investor awareness campaigns. In general, we observe the more money spent on such campaigns, the greater the probability for short term price increases post report release. Our price targets assume capital raising and forecast 5 year Income Statement, Balance Sheet and Cash Flow statements. In a perfect world, these assumptions may be realized. We do not give investment advice. However, in the practical/real world, it is very difficult for a small Company to reach our theoretical 5 year projections. We are not aware of any research firm that forecasts the three statements (IS, BS, CF) in 3 cases for 5 years. We believe our price targets are unique to the body of knowledge in the field of securities analysis.

Note: How we calculate our Price Targets

We further explain our Cohen DCF, which is an important 25% component of The Cohen Price Target. The Cohen Discounted Cash Flow Analysis (DCF) creates a price target and values a Company today, based on projections of how much future cash will be generated from a Company. Our DCF analysis assumes that a Company is worth all of the cash that it can make available to investors in the future. It is called "discounted" cash flow because cash in the future is worth less than cash today, and therefore must be discounted to today. We forecast various line items including assuming capital is raised, to calculate the free cash flow we expect a Company to generate during our 5 year forecasted time period. After using a formula to discount free cash flow, we divide the total forecasted equity of the Company by the shares of stock outstanding to calculate our Cohen DCF (Discounted Cash Flow) valuation, or theoretical price per share target. We believe our Cohen DCF is a more accurate method of calculating operating cash. We forecast three assumed price targets because companies change during 5 years, Base Case, Optimistic Case, and Pessimistic Case.

Note: What is our formula used to calculate our DCF, the Cohen Price Target?

Some line items include free cash flow to the firm, the weighted average cost of capital, assumption of capital raised and capital spent, and the total enterprise value of the business less its debt, total equity value, total shares outstanding, and our projected price per share. A DCF cannot be academically calculated without projecting the 5 year cash flow statement.

Risks of the Cohen Price Target

Our Price Targets assume capital will be raised in our four components, or 100% of the Cohen Price Target. The majority of micro-cap/small cap companies need capital to reach our 5 year sales and cash flow projections. In the academic world, The Gordon Growth Model justifies an analyst's decision to forecast for 5 years. We forecast the



three statements for 5 years in 3 cases. However, in the practical/real world, buying a micro-cap stock based on 5 year forecasting is highly risky.

If smaller companies are able to raise capital, our theoretical price targets in a perfect world might be justified, providing the Company executes on its business model. If an investor believes that a given Company cannot raise the necessary capital to reach our projections, then any investment becomes highly risky.

The investor should consider all of the possibilities of any given Company being able to raise capital and execute over 5 years. Few micro to small cap companies are able to raise enough capital and execute over an extended period of time, primarily due to competition, management competence, access to capital and continued execution of their master plan, agenda and budget. Our price targets are academic theory and should not be relied upon. Investors should do their own research and consult with their financial consultants.



FINANCIAL EXHIBITS

Income Statement – Base Case

all figures in \$ million	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F	2020 F
Revenues	0.05	0.10	4.92	10.32	15.49	20.13	24.16	26.57
Total Cost of Goods Sold	0.01	0.02	1.33	2.79	4.18	5.44	6.52	7.17
Gross Profit	0.04	0.08	3.59	7.53	11.31	14.69	17.64	19.40
Expenses								
Selling, General and Admin Expenses	0.58	2.25	3.03	3.64	4.18	4.81	5.29	5.82
Total Expenses	0.58	2.25	3.03	3.64	4.18	4.81	5.29	5.82
Operating Profit/ EBITDA	(0.54)	(2.17)	0.56	3.89	7.13	9.88	12.35	13.58
Depreciation and Amortization	-	-	0.45	0.60	0.75	0.90	1.05	1.20
Earnings Before Interest and Tax	(0.54)	(2.17)	0.11	3.29	6.38	8.98	11.30	12.38
Interest Expense, Net	0.00	0.02	0.03	-	-	-	-	-
Other Income (Expenses), Net	(0.12)	(0.80)	-	-	-	-	-	-
Profit Before Tax	(0.66)	(2.99)	0.08	3.29	6.38	8.98	11.30	12.38
Taxation Expenses (Recovery)	-	-	-	-	2.52	3.55	4.46	4.89
Net Profit/Loss for the period	(0.66)	(2.99)	0.08	3.29	3.86	5.43	6.84	7.49
Preferred Stock Dividend	0.07	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Net Profit/Loss for Common Stock	(0.73)	(3.00)	0.07	3.28	3.85	5.42	6.83	7.48
Shares Outstanding - Basic	85.7	135.7	244.4	244.4	244.4	244.4	244.4	244.4
Shares Outstanding - Diluted	85.7	135.7	244.4	244.4	244.4	244.4	244.4	244.4
EPS - Basic	(0.0077)	(0.0220)	0.0003	0.0135	0.0158	0.0222	0.0280	0.0306
EPS - Diluted	(0.0077)	(0.0220)	0.0003	0.0135	0.0158	0.0222	0.0280	0.0306



Balance Sheet - Base Case

all figures in \$ million	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F	2020 F
ASSETS								
Cash and Cash Equivalents	0.04	0.02	0.55	1.67	2.91	7.17	13.10	20.32
Accounts Receivable	0.03	0.08	1.23	2.58	3.87	5.03	6.04	6.64
Prepays and Other Current Assets	0.00	0.01	0.02	0.02	0.02	0.02	0.03	0.03
Inventory	0.00	0.01	0.61	1.28	1.92	2.50	3.00	3.30
Total Current Assets	0.07	0.12	2.40	5.55	8.73	14.73	22.16	30.29
Property, Plant and Equipment, Gross	-	-	3.00	4.00	5.00	6.00	7.00	8.00
Accumulated Depreciation	-	-	0.45	1.05	1.80	2.70	3.75	4.95
Property, Plant and Equipment, Net	-	-	2.55	2.95	3.20	3.30	3.25	3.05
Investments	-	0.31	0.31	0.31	0.31	0.31	0.31	0.31
Other Assets	-	-	-	-	-	-	-	-
Total Assets	0.07	0.43	5.26	8.81	12.24	18.34	25.72	33.65
LIABILITIES								
Accounts Payable & Liabilities	0.06	0.69	1.34	1.97	1.28	1.67	2.00	2.20
Other Short term Liabilities	0.17	1.16	1.36	1.64	1.88	2.16	2.38	2.62
Current Portion of Debt Instruments	0.00	0.74	0.64	-	-	-	-	-
Total Current Liabilities	0.24	2.59	3.34	3.60	3.16	3.83	4.38	4.82
Convertible Notes Payable	-	-	-	-	-	-	-	-
Total Liabilities	0.24	2.59	3.34	3.60	3.16	3.83	4.38	4.82
Preferred Stock	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	0.10	0.20	0.24	0.24	0.24	0.24	0.24	0.24
Additional Capital	2.24	3.14	7.10	7.10	7.10	7.10	7.10	7.10
Retained Earnings	(2.52)	(5.51)	(5.43)	(2.14)	1.72	7.15	13.99	21.48
Total Shareholders Equity	(0.17)	(2.16)	1.92	5.21	9.07	14.50	21.34	28.83
Total Liabilities, Shareholders Equity	0.07	0.43	5.26	8.81	12.23	18.33	25.72	33.65

**Cash Flow Statement – Base Case**

all figures in \$ million	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F	2020 F
Operating Activity								
Net Income		(2.99)	0.08	3.29	3.86	5.43	6.84	7.49
Adjustments to Reconcile Cash Flows								
Depreciation and Amortization		-	0.45	0.60	0.75	0.90	1.05	1.20
Other Adjustments		-	-	-	-	-	-	-
Changes in operating assets and liabilities:								
Accounts receivable		(0.05)	(1.15)	(1.35)	(1.29)	(1.16)	(1.01)	(0.60)
Deposits		(0.01)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Other assets		(0.01)	(0.60)	(0.67)	(0.64)	(0.58)	(0.50)	(0.30)
Accounts payable		0.63	0.65	0.63	(0.68)	0.39	0.33	0.20
Accrued liabilities		0.99	0.20	0.27	0.24	0.28	0.22	0.24
Other liabilities		0.74	(0.10)	(0.64)	-	-	-	-
Change in Working Capital		2.28	(1.00)	(1.77)	(2.37)	(1.07)	(0.96)	(0.47)
Cash Flow from Operating Activities		(0.71)	(0.47)	2.12	2.24	5.26	6.93	8.22
Investing Activity								
Expenditures for property, plant and equipment		-	(3.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)
Other Long-term assets		(0.31)	-	-	-	-	-	-
Cash Flow from Investing Activities		(0.31)	(3.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)
Financing Activity								
Proceeds from or repayment of debt		-	-	-	-	-	-	-
Proceeds from issuance of common stock		1.00	4.00	-	-	-	-	-
Cash Flow from Financing Activities		1.00	4.00	-	-	-	-	-
Effect of Foreign Exchange								
		-	-	-	-	-	-	-
Net Change in Cash		(0.02)	0.53	1.12	1.24	4.26	5.93	7.22
Opening Cash Balance		0.04	0.02	0.55	1.67	2.91	7.17	13.10
Ending Cash Balance	0.04	0.02	0.55	1.67	2.91	7.17	13.10	20.32



Key Ratios - Base Case

Profitability Metrics	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F	2020 F
Operating Margin	-1080%	-2170%	21%	44%	51%	54%	55%	56%
Pre Tax Profit Margin	-1324%	-2989%	2%	32%	41%	45%	47%	47%
Net Profit Margin	-1324%	-2989%	2%	32%	25%	27%	28%	28%
Interest Coverage	(540.00)	(108.50)	3.67	NA	NA	NA	NA	NA
Tax Rate	0%	0%	0%	0%	40%	40%	40%	40%

Performance Metrics	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F	2020 F
Return on Equity (ROE)	NA	138%	4%	63%	43%	37%	32%	26%
Return on Assets (ROA)	-976%	-694%	2%	37%	32%	30%	27%	22%
Return on Invested Capital (ROI)	389%	138%	4%	63%	43%	37%	32%	26%

Per Share Data	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F	2020 F
Sales per Share	0.00	0.00	0.02	0.04	0.06	0.08	0.10	0.11
Cash per Share	0.00	0.00	0.00	0.01	0.01	0.03	0.05	0.08
Current Assets per Share	0.00	0.00	0.01	0.02	0.04	0.06	0.09	0.12
Total Assets per Share	0.00	0.00	0.02	0.04	0.05	0.08	0.11	0.14
Tangible Book Value per Share	0.00	0.00	0.02	0.04	0.05	0.07	0.11	0.14
Long Term Debt - per Share	0.00	0.02	0.01	0.01	0.01	0.02	0.02	0.02
Working Capital per Share	(0.00)	(0.02)	(0.01)	0.00	0.01	0.02	0.02	0.02
Free Cash Flow per Share	(0.01)	(0.01)	(0.01)	0.00	0.01	0.02	0.02	0.03

Price/ Earnings	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F	2020 F
Price Earnings Ratio - Closing Price	(0.82)	(0.29)	19.25	0.47	0.40	0.28	0.23	0.21
Price to Sales Ratio - Closing Price	10.80	5.40	0.11	0.05	0.03	0.03	0.02	0.02

Valuation Metrics	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F	2020 F
Price to Sales	10.80	5.40	0.11	0.05	0.03	0.03	0.02	0.02
Price to Book Value	7.94	1.27	0.10	0.06	0.04	0.03	0.02	0.02
Price to Cash Flow	NA	(0.77)	(1.14)	0.25	0.24	0.10	0.08	0.07
Price to Free Cash Flow	NA	(0.54)	(0.16)	0.48	0.44	0.13	0.09	0.07
Price Earnings Ratio - Closing Price	(0.82)	(0.29)	19.25	0.47	0.40	0.28	0.23	0.21



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