

PROFIRE ENERGY INC
Form DEF 14A
December 21, 2012

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A

PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE
SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant ☒ x

Filed by a Party other than the Registrant ☐ o

Check the appropriate box:

- ☐ Preliminary Proxy Statement
- ☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- ☒ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☐ Soliciting Material Pursuant to § 240.14a-12

PROFIRE ENERGY, INC.
(Exact name of registrant as specified in its charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☒ No fee required.
- ☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - 1) Title of each class of securities to which transaction applies:
 - 2) Aggregate number of securities to which transaction applies:
 - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
 - 4) Proposed maximum aggregate value of transaction:
 - 5) Total fee paid:
 - ☐ Fee paid previously with preliminary materials:
 - ☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - 1) Amount previously paid:
 - 2) Form, Schedule or Registration Statement No.:
 - 3) Filing Party:

4) Date Filed:

PROFIRE ENERGY, INC.
321 South 1250 West, Suite 1
Lindon, Utah 84042

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The Annual Meeting of stockholders ("Annual Meeting") of Profire Energy, Inc., (the "Company") will be held on January 29, 2013 at 10:00 am, local time, at the Company's Lindon, Utah offices located at 321 South 1250 West, Suite 1, Lindon, Utah 84042, for the following purposes:

1. To elect four directors to the Company's board of directors for the ensuing year and until their successors are elected and qualified;
2. To provide an advisory approval of the compensation of our named executive officers;
3. To indicate a preference on the frequency of the advisory vote to approve the compensation of our named executive officers;
4. To ratify the selection of Sadler, Gibb & Associates, LLC, as our independent registered public accounting firm for our 2013 fiscal year; and
5. To transact any other business as may properly come before the meeting or at any adjournment thereof.

All of our stockholders are cordially invited to attend the Annual Meeting in person. Whether or not you expect to attend the Annual Meeting, your proxy vote is important. To assure your representation at the meeting, please sign and date the enclosed proxy card and return it promptly in the enclosed envelope, which requires no additional postage if mailed in the United States. Should you receive more than one proxy because your shares are registered in different names or addresses, each proxy should be signed and returned to assure that all your shares will be voted. You may revoke your proxy at any time prior to the meeting. If you attend the meeting and vote by ballot, your proxy will be revoked automatically and only your vote at the meeting will be counted.

YOUR VOTE IS IMPORTANT. IF YOU ARE UNABLE TO BE PRESENT PERSONALLY, PLEASE MARK, SIGN AND DATE THE ENCLOSED PROXY, WHICH IS BEING SOLICITED BY THE BOARD OF DIRECTORS, AND RETURN IT PROMPTLY IN THE ENCLOSED ENVELOPE.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR
THE PROFIRE ENERGY, INC. ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON JANUARY 29, 2013:**

The Notice of Annual Meeting, the Proxy Statement (including the Annual Report on Form 10-K for the year ended March 31, 2012 and the Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 enclosed therewith) and the proxy card are available via the Internet at: <https://materials.proxyvote.com/74316x>.

By order of the board of directors,

December 21, 2012

/s/ Brenton W. Hatch
Brenton W. Hatch
Chief Executive Officer

PROFIRE ENERGY, INC.
321 South 1250 West, Suite 1
Lindon, Utah 84042

PROXY STATEMENT

ABOUT THE ANNUAL MEETING

This Proxy Statement is being furnished to the stockholders of Profire Energy, Inc., a Nevada corporation, in connection with the solicitation of proxies by our board of directors for use at our Annual Meeting of stockholders to be held at the Company's Lindon, Utah offices located at 321 South 1250 West, Suite 1, Lindon, Utah 84042, at 10:00 a.m. local time, on January 29, 2013, or at any adjournment thereof.

The purpose of the Annual Meeting is:

1. To elect four directors to the Company's board of directors;
2. To provide an advisory approval of the compensation of our named executive officers;
3. To indicate a preference on the frequency of the advisory vote to approve the compensation of our named executive officers;
4. To ratify the selection of Sadler, Gibb & Associates, LLC, as our independent registered public accounting firm for our 2013 fiscal year; and
5. To transact any other business as may properly come before the meeting or at any adjournment thereof.

Our board of directors has fixed the close of business on December 21, 2012, as the record date for determining stockholders entitled to notice of, and to vote at, the meeting. Only stockholders of record at the close of business on the record date will be entitled to attend and vote at the meeting and any postponements or adjournments thereof. It is anticipated that mailing of this Notice, the Proxy Statement and the Proxy will commence on or about December 28, 2012. A list of stockholders eligible to vote at the meeting will be available for inspection at the meeting and for a period of ten days prior to the meeting during regular business hours at our Lindon, Utah offices located at 321 South 1250 West, Suite 1, Lindon, Utah 84042.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on January 29, 2013: The Proxy Statement (including the Annual Report on Form 10-K for the year ended March 31, 2012 and the Quarterly Report on Form 10-Q for the period ended September 30, 2012 enclosed therewith) and proxy card are available via the Internet at <https://materials.proxyvote.com/74316x>.

The Proxy Statement, the Annual Report on Form 10-K for the year ended March 31, 2012 and the Quarterly Report on Form 10-Q for the period ended September 30, 2012 are also available on the Company's website at www.profireenergy.com. The Company's website address provided above is not intended to function as a hyperlink, and the information on the Company's website is not and should not be considered part of this Proxy Statement and is not incorporated by reference herein.

RECOMMENDATION OF THE BOARD OF DIRECTORS

The board of directors recommends that you vote FOR Proposals 1, 2, 4 and 5 and that you vote for the TWO YEAR option under Proposal 3 presented in this Proxy Statement.

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PROXY INFORMATION

Who is soliciting my proxy?

The board of directors is soliciting your proxy in order to provide you with an opportunity to vote on all matters scheduled to come before the Annual Meeting, whether or not you attend the Annual Meeting in person.

Who is entitled to vote?

Only stockholders of record at the close of business on December 21, 2012 (the “record date”) will be entitled to notice of, and to vote at, the Annual Meeting or any adjournments. On the record date, there were issued and outstanding 45,155,000 shares of common stock entitled to vote at the Annual Meeting. The shares of common stock are the only outstanding voting securities of the Company.

A list of stockholders entitled to vote at the meeting will be available for examination for ten days before the Annual Meeting at our corporate offices in Lindon, Utah.

How do I vote?

There are two ways you can vote:

- (1) Sign and date each proxy card you receive and return it in the prepaid envelope; or
- (2) Vote in person at the Annual Meeting. If your shares are held of record by a broker, bank or other nominee and you wish to vote your shares at the Annual Meeting, you must contact your broker, bank or other nominee to obtain the proper documentation and bring it with you to the Annual Meeting.

How can I change my vote?

Registered stockholders can revoke their proxy at any time before it is voted at the Annual Meeting by either:

- Submitting another timely, later-dated proxy;
- Delivering timely written notice of revocation prior to the Annual Meeting to the Corporate Secretary, at 321 South 1250 West, Suite 1, Lindon, Utah 84042; or
- Attending the Annual Meeting and voting in person.

If your shares are held in the name of a bank, broker or other nominee, you must obtain a proxy, executed in your favor, from the holder of record (that is, your bank, broker or nominee) to be able to change your vote at the Annual Meeting.

What are the quorum requirements for the Annual Meeting?

In order to hold the Annual Meeting and transact business, a majority of the outstanding shares of our common stock entitled to vote must be present at the Annual Meeting in person or represented by proxy.

If you hold shares in “street name” through a broker or other nominee, your broker or nominee will not be permitted to exercise voting discretion with respect to any of the proposals. Under the rules of the New York Stock Exchange

(“NYSE”), brokers who hold shares in street name for customers do not have the authority to vote on certain items when they have not received instructions from the beneficial owner and have authority to vote on other routine items. If the broker votes on those matters for which it has discretion to vote but not on those for which it does not, “broker non-votes” result with regard to those matters with respect to which no vote is cast. Abstentions are counted for purposes of determining a quorum; broker non-votes are not relevant for purposes of establishing a quorum. Abstentions are counted in the tabulation of votes cast and have the same effect as voting against a proposal. Broker non-votes will not be considered as having voted for purposes of determining the outcome of a vote on Proposals 1, 2, 3, 4 or 5.

Who represents my proxy at the meeting?

If you do not vote in person at the Annual Meeting, but have submitted your proxy by signing and returning your proxy card, you have authorized certain members of the Company's senior management designated by the board and named on your proxy card to represent you and to vote your shares as instructed.

How many votes am I entitled to cast?

You are entitled to cast one vote for each share of common stock you own on the record date.

How many votes are required to approve matters to be presented?

Approval of Proposals 2, 4 and 5 requires an affirmative vote by a majority of the votes cast at the meeting, in person or by proxy. The directors presented under Proposal 1 are elected by plurality vote, with the four directors receiving the greatest number of votes being elected (whether or not such director receives a majority of the votes cast). Similarly, the frequency of the shareholder advisory vote on the compensation of our named executive officers presented in Proposal 3 will be determined based on the option receiving the greatest number of votes. All shares represented at the meeting by properly executed proxies will be voted as specified and will be voted FOR Proposals 1, 2, 4 and 5 and for "Two Years" on Proposal 3 if no specification is made. However, if your shares are held in street name and you do not provide voting instructions, they will be treated as broker non-votes and will not be counted for purposes of determining the outcome of a proposal.

Will my shares be voted if I do not provide instructions to my broker?

If you are the beneficial owner of shares held in "street name" by a broker, the broker, as the record holder of the shares, is required to vote those shares in accordance with your instructions. If you do not give instructions to the broker, the broker is only permitted to vote on items that are considered discretionary. As a result, the broker is not expected to be permitted to vote with respect to the proposals presented in this Proxy Statement because those proposals are all believed to be "non-discretionary" items.

What if I return a proxy card but do not provide specific voting instructions for the proposal?

All shares for which a proxy has been properly submitted and not revoked will be voted at the Annual Meeting in accordance with your instructions. If you sign your proxy card but do not give voting instructions, the shares represented by that proxy will be voted as recommended by the board.

How will proxies be voted on other items or matters that properly come before the meeting?

If any other items or matters properly come before the meeting, the proxies received will be voted on those items or matters in accordance with the discretion of the proxy holders.

Is the Company aware of any other item of business that will be presented at the meeting?

The board does not intend to present, and does not have any reason to believe that others will present, any item of business at the Annual Meeting other than those specifically set forth in the Notice of Annual Meeting of Stockholders. However, if other matters are properly brought before the Annual Meeting, the persons named on the enclosed proxy will have discretionary authority to vote all proxies in accordance with their best judgment.

Where do I find the voting results of the meeting?

We intend to report the voting results in a Current Report on Form 8-K within four business days after the Annual Meeting.

Who bears the costs of soliciting these proxies?

We will bear the cost of soliciting proxies. In addition to the use of the mails, certain directors, officers or employees may solicit proxies by telephone, facsimile, e-mail, and in person, without additional compensation. Upon request, we will also reimburse brokerage houses and other custodians, nominees, and fiduciaries for their reasonable out-of-pocket expenses for distributing proxy materials to stockholders. All costs and expenses of any solicitation, including the cost of preparing this Proxy Statement and posting it on the Internet and mailing the proxy materials, will be borne by the Company.

Do I have dissenters' rights for any matters being presented at the meeting?

No dissenters' rights are available to any stockholder who dissents from any of the proposals set forth in the Proxy Statement under the Nevada Revised Statutes or under our current Articles of Incorporation or Bylaws.

PROPOSAL ONE

ELECTION OF DIRECTORS

Our Bylaws provide that our board of directors will consist of not less than two nor more than seven persons, the exact number to be fixed from time-to-time by the board of directors. Currently, the board of directors has three members. The board has decided to expand the number of directorships for the upcoming year to five. The board has identified and nominated four individuals to serve as directors for a one-year term expiring on the date of our next Annual Meeting, and until their successors are duly elected and qualified. Brenton W. Hatch, Harold Albert, Andrew Limpert and James Solomon have been nominated by the board of directors to stand for election as directors. The board of directors has not yet identified a qualified nominee to fill the fifth directorship, therefore you are being asked to elect four directors at the Annual Meeting. We anticipate the vacant fifth directorship will be filled by the board in accordance with the provisions of our Bylaws once a qualified candidate has been identified and agrees to serve on our board of directors. Messrs. Hatch, Albert and Limpert currently serve as directors of the Company.

We intend that the proxies solicited by us will be voted for the election of the nominees named above. Each of the nominees has agreed to serve as a director if elected, and we believe each nominee will be available to serve. However, the proxy holders have discretionary authority to cast votes for the election of a substitute should any nominee not be available to serve as a director.

Board Nominees for Election of Directors

Name	Age	Positions Held	Director Since	Officer Since
Brenton W. Hatch	62	Chief Executive Officer, President and Director	November 2008	October 2008
Harold Albert	50	Chief Operating Officer and Director	November 2008	October 2008
Andrew Limpert	43	Chief Financial Officer, Secretary and Director	November 2007	November 2007
James Solomon	62			

With the exception of Mr. Solomon, the other nominees also serve as our executive officers and on our current board of directors. A brief description the background and business experience of each nominee follows:

Brenton W. Hatch. Mr. Hatch became the Chief Executive Officer and President of Profire Energy, Inc., in October 2008 and has served as the Chairman of the board of directors since November 2008. Mr. Hatch has been responsible for overseeing the day-to-day operations of the Company since October 2008. Mr. Hatch co-founded the Company's wholly-owned subsidiary, Profire Combustion, Inc. in 2002. Since that time he has served as the Chief Executive Officer and General Manager of Profire Combustion and has been responsible for the day-to-day operations of Profire Combustion since its inception. Prior to founding Profire Combustion, between 2001 and 2002 Mr. Hatch was a Management Consultant and General Manager of Titan Technologies, Inc., an oilfield service and distribution

company in Edmonton, Alberta, Canada. In this position, Mr. Hatch performed an in-depth analysis of the operations and management of all divisions of Titan Technologies. Based on his analysis, Mr. Hatch implemented company-wide operational changes to improve company performance. From 1989 to 2000 Mr. Hatch served as President and Chief Executive Officer of Keaton International, Inc., an educational services company based in Edmonton, Alberta, Canada. Mr. Hatch managed all executive functions of the company and particularly focused on the development and management of the company's educational services. During his time at Keaton International, Mr. Hatch led corporate networking and marketing campaigns world-wide. Mr. Hatch earned a Bachelor's Degree in Education from the University of Alberta in 1974. Mr. Hatch is not currently, nor has he in the past five years been, a nominee or director of any other SEC registrant or registered investment company. We considered Mr. Hatch's experience with the Company, as a founder and as the principal executive officer of Profire Combustion, and his previous management and operational oversight experience in concluding that he should serve as a director of the Company.

Harold Albert. Mr. Albert became the Chief Operating Officer of Profire Energy, Inc. in October 2008 and a director of the Company in November 2008. Since that time Mr. Albert has been responsible for research and development of new products and services as well as overseeing Company operations in Canada. Mr. Albert co-founded Profire Combustion, Inc. in 2002. He has served as the President and Chief Operating Officer of Profire Combustion since that time. In this capacity Mr. Albert is responsible for research and development of new products and services and overseeing operations. Prior to founding Profire Combustion, Mr. Albert worked in the oil services industry for Titan Technologies, Inc. from 1996 to 2002. During that time Mr. Albert served as an Associate Manager overseeing the company's burner division. From 1993 to 1996 Mr. Albert was employed with Natco Canada doing start up and commissioning of oil and gas facilities in both Canada and Russia. Mr. Albert is not, nor has he in the past five years been, a nominee or director of any other SEC registrant or registered investment company. We considered Mr. Albert's experience with the Company, as a founder and principal operating officer of Profire Combustion and his previous management and operational experience in concluding that he should serve on the Company's board of directors.

Andrew Limpert. Mr. Limpert graduated from the University of Utah with a Bachelors of Science degree in Finance in 1994. He earned a Masters of Business Administration with an emphasis in Finance from Westminster College in 1998. Mr. Limpert joined the Company in November 2007 and has served as an executive officer of the Company and a director since that time. As Chief Financial Officer, Mr. Limpert is responsible for strategic financial and business planning, business expansion and financial reporting. From 1998 to 2008, Mr. Limpert was an investment advisor with Prime Advisor, LLC, providing wealth management direction and strategic and financial advice for several investment banks. For the past 15 years he has founded, consulted on and funded numerous businesses in the private and public arenas. In 2007 he became the chairman of the board of directors of Nine Mile Software Inc., a rebalancing and mutual fund trading software developer. Nine Mile Software became an SEC registrant during 2008. He resigned as Chairman of Nine Mile in April 2011. During the past five years Mr. Limpert has also served as a director and interim CEO of Ohr Pharmaceutical Inc., a New York based biotech incubator. Ohr Pharmaceutical is also an SEC registrant. Mr. Limpert resigned as an officer and director of Ohr Pharmaceutical in April 2010. Mr. Limpert also serves on the board of directors of several non-profit organizations working in the areas of substance recovery and fitness and sports for youth, the Utah County Chamber of Commerce and the Bill & Vieve Gore School of Business at Westminster College. Mr. Limpert is not, nor has he in the past five years been, a nominee or director of any registered investment company. We considered Mr. Limpert's extensive investment experience and his related finance and educational background in concluding that he should serve on the Company's board of directors.

James Solomon. Since 2008 Mr. Solomon has served as the Chief Financial Officer and Secretary of Broadcast International, Inc., a communications services and technology company that specializes in installing, managing and supporting private communications networks for large organizations that have widely-dispersed locations or operations. Mr. Solomon has also served as a director of Broadcast International, an SEC reporting issuer, since 2005. Since 1993 Mr. Solomon has also been an adjunct professor at the Graduate School of Business at the University of Utah. In 2002 Mr. Solomon formed Corporate Development Services, Inc., a business consulting firm and has served as its President since its formation. Mr. Solomon also served on the board of directors of Nevada Chemicals, Inc., an SEC reporting issuer from 2001 to 2008 and he has served on the boards of directors of several privately-held companies. From 1995 to 2002 Mr. Solomon was a business consultant primarily for emerging growth companies. Mr. Solomon graduated from the University of Utah with a Bachelors of Science in Finance in 1972. Mr. Solomon received licensure as a Certified Public Accountant in 1974. Mr. Solomon is not, nor has he in the past five years been, a nominee or director of any registered investment company. We considered Mr. Solomon's experience in finance, accounting and business consulting, together with his experience as a CFO and director for several SEC reporting issuers in concluding that he should serve on the Company's board of directors.

The board of directors recommends a vote "FOR" each of the nominees under Proposal 1.

Family Relationships

There are no family relations among any of our executive officers, directors, nominees or key employees.

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Involvement in Certain Legal Proceedings

During 2012 Mr. Limpert entered into a settlement agreement with the Commission in connection with administrative proceedings commenced against him in 2011 for alleged events occurring between 2004 and 2008. After a comprehensive investigation and full cooperation with the Commission, Mr. Limpert, based on the advice of his private SEC counsel, believed the settlement was in his best interest under the circumstances. While not admitting to or denying the Commission's findings, Mr. Limpert consented to disgorgement, penalties and interest for certain fees earned. The penalties assessed were within the lowest tier statutorily allowed. Mr. Limpert also agreed not to engage in violations of U.S. securities laws and to be temporarily barred from certain specific activities such as association or employment with any broker, dealer, investment adviser, investment company, etc., and from participating in an offering of penny stock as an unrelated collateral bar. The settlement agreement provides that Mr. Limpert may reapply for licensure for any of the above after one calendar year, subject to compliance with the terms and conditions set out in the settlement agreement. None of the violations alleged against Mr. Limpert related to his involvement with the Company.

The board of directors believes Mr. Limpert continues to be capable to serve as the Company's CFO and on the Company's board of directors. Mr. Limpert has been an integral part of the Company's creation of value and is an asset to the Company's ongoing development. The board of directors sees the aforementioned as an unrelated incident to the Company.

Other than the foregoing, during the past ten years none of our executive officers, directors or persons nominated to become a director has been involved in any of the following events that could be material to an evaluation of his ability or integrity, including:

- (1) Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time.
- (2) Any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses).
- (3) Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from, or otherwise limiting the following activities:
 - (i) Acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, and other person regulated by the Commodity Futures Trading Commission ("CFTC"), or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;
 - (ii) Engaging in any type of business practice; or
 - (iii) Engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of Federal or State securities laws or Federal commodities laws.
- (4) Being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting for more than 60 days the rights of such person to engage in any activity described in (3)(i) above, or to be associated with persons engaged in any such activity.

(5) Being found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission to have violated any Federal or State securities law, and the judgment in such civil action or finding by the Commission has not been subsequently reversed, suspended or vacated.

(6) Being found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any Federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended, or vacated.

(7) Being the subject of, or a party to any Federal or State judicial or administrative order, judgment, decree or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:

- (i) Any Federal or State securities or commodities law or regulations;
- (ii) Any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or
- (iii) Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity.

(8) Being the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

To our knowledge, none of our officers, directors or affiliates or any owner of record of 5% or more of our common stock, or any associate of any of the foregoing, is a party adverse to the Company or any of our subsidiaries or has a material interest adverse to the Company or any of our subsidiaries.

Related Party Transactions

We did not engage in any related party transactions with any of the nominees that exceed the standards set forth below in either of our past two fiscal years.

In accordance with our written policies and procedures our board of directors is charged with monitoring and reviewing issues involving potential conflicts of interests and reviewing and approving all related party transactions. In general, for purposes of our policy, a related party transaction is a transaction, or a material amendment to any such transaction, involving a related party and the Company involving any amount that exceeds the lesser of \$120,000 or 1% of the average of our total assets at year end for the last two completed fiscal years. Our policy requires our management or our board of directors to review and approve related party transactions. In reviewing and approving any related party transaction or material amendment to any such transaction, management or the board of directors must satisfy themselves that they have been fully informed as to the related party's relationship to the Company and interest in the transaction and as to the material facts of the transaction, and must determine that the related party transaction is fair to the Company.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires our directors and executive officers, and any persons who own more than 10% of the common stock of the Company to file with the Securities and Exchange Commission reports of beneficial ownership and changes in beneficial ownership of common stock. Officers and directors are required by SEC regulation to furnish us with copies of all Section 16(a) forms they file. Based solely on review of the copies of such reports furnished to us or written representations that no other reports were required, we believe that during the fiscal year ended March 31, 2012 all filing requirements applicable to our officers, directors, greater than 10% stockholders or any other person subject to Section 16 of the Exchange Act were met on a timely basis.

Director Independence

The board has determined that of the current directors or nominees only Mr. Solomon would qualify as an independent director as that term is defined in the NYSE Amex Company Guide. Such independence definition includes a series of objective tests, including that the director is not an employee of the Company and has not engaged in various types of business dealings with the Company. As Messrs. Hatch, Albert and Limpert are also employed by the Company, the board of directors has determined that none of them are currently independent. Although the Company's common stock is not listed on NYSE Amex, the Company has applied the NYSE Amex independence rules to make its independence determinations.

Board Committees

The OTCBB does not require us to have an audit committee, a compensation committee or a corporate governance and nominating committee and the board does not currently have standing audit, compensation or corporate governance and nominating committees. Our board of directors has determined that at this time it is in the Company's best interest to have the full board fulfill the functions that would be performed by these committees. The full board of directors is responsible for selection, review and oversight of the Company's independent registered public accounting firm; approval of all audit, review and attest services provided by the independent registered public accounting firm; the integrity of our reporting practices and the evaluation of our internal controls and accounting procedures. The board is also responsible for the pre-approval of all non-audit services provided by its independent registered public accounting firm. Non-audit services are only provided by our independent registered public accounting firm to the extent permitted by law. Pre-approval is required unless a "de minimus" exception is met. To qualify for the "de minimus" exception, the aggregate amount of all such non-audit services provided to the Company must constitute not more than 5% of the total amount of revenues paid by us to our independent registered public accounting firm during the fiscal year in which the non-audit services are provided; such services were not recognized by us at the time of the engagement to be non-audit services; and the non-audit services are promptly brought to the attention of the board and approved prior to the completion of the audit by the board or by one or more members of the board to whom authority to grant such approval has been delegated.

As we do not currently have a standing audit committee, we do not at this time have an "audit committee financial expert" as defined under the rules of the Commission. The board believes that, if elected, James Solomon would qualify as an audit committee financial expert were the board to establish a standing audit committee.

Our full board of directors also participates in the consideration of director nominees. In general, when the board determines that expansion of the board or replacement of a director is necessary or appropriate, the board will review through candidate interviews with members of management, consult with the candidate's associates and through other means determine a candidate's honesty, integrity, reputation in and commitment to the community, judgment, personality and thinking style, residence, willingness to devote the necessary time, potential conflicts of interest, independence, understanding of financial statements and issues, and the willingness and ability to engage in meaningful and constructive discussion regarding Company issues. The board will review any special expertise, for example, that qualifies a person as an audit committee financial expert, membership or influence in a particular geographic or business target market, or other relevant business experience. To date we have not paid any fee to any third party to identify or evaluate, or to assist in identifying or evaluating, potential director candidates.

Our board may establish committees from time to time to facilitate our management.

Board Leadership Structure and Role in Risk Oversight

Currently our CEO also serves as the Chairman of our board of directors and we do not have an independent lead director. Given our current size, resources and access to potential qualified director candidates, the board believes the most effective leadership structure for the Company at this time and with our current CEO is to have a combined Chairman of the board of directors and CEO. Our current combined structure promotes unified leadership, a cohesive vision and strategy for the Company and clear and direct communication to the board.

We do not have a policy regarding the separation or combination of the roles of the Chairman and CEO and believe that the separation or combination of these offices is a matter for discussion and determination by the board. The board believes that it should be able to select the Chairman of the board based on the criteria that the board deems to be in the best interests of the Company and its stockholders.

Board-level risk oversight is performed by our full board. Our risk oversight process is intended to identify and analyze risks that the Company faces. Through this process our board, which currently includes all of our executive officers employs their business experience and knowledge, to identify material risks for which a full analysis and risk mitigation plan are necessary. The board and management monitor our risk mitigation action plans to ensure such plans are implemented and are effective in reducing the targeted risks.

Report of the Board of Directors

As discussed, we do not currently have a standing audit committee, therefore, our entire board of directors serves the functions that would be fulfilled by an audit committee. The board of directors presents the following Report:

We have reviewed and discussed with management the Company's audited consolidated financial statements as of and for the year ended March 31, 2012. We have discussed with our independent registered public accounting firm the matters required to be discussed by Statement of Accounting Standards 61, Communication with Audit Committees, as modified or supplemented, by the Auditing Standards Board of the American Institute of Certified Public Accountants and the Public Company Accounting Oversight Board ("PCAOB").

We have received and reviewed the written disclosures from our independent registered public accounting firm required by applicable requirements of the PCAOB regarding the independent registered public accounting firm's communications with the audit committee concerning independence and have discussed with our independent registered public accounting firm its independence.

Based on the foregoing review and discussions referred to above, we included the audited financial statements referred to above in our Annual Report on Form 10-K for the year ended March 31, 2012.

Brenton W. Hatch
Harold Albert
Andrew Limpert

Board Meetings and Attendance at Annual Meetings

The board held three meetings during our fiscal year ended March 31, 2012. Each director attended 100% of the board of director meetings during the 2012 fiscal year (held during the period for which he has been a director). The board did not take written action without a meeting during the 2012 fiscal year.

Although it is not mandatory for directors to attend annual meetings, each director is encouraged to attend meetings of stockholders. The Company did not hold an annual meeting of directors for the 2012 fiscal year.

Communications with Directors

Shareholders and other parties interested in communicating with the board of directors may do so by writing to the Chairman of the Board of Directors, Profire Energy, Inc., 321 South 1250 West, Suite 1, Lindon, Utah 84042. The Chairman of the board of directors will review and forward to the appropriate members of the board copies of all such correspondence that, in the opinion of the Chairman, deal with the functions of the board or that he otherwise determines requires their attention.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The following table summarizes the total compensation paid to the person serving as our principal executive officer and our two most highly compensated executive officers other than our principal executive officer. These individuals are referred to herein as "named executive officers" or "NEOs." Other than as disclosed herein, none of our employees were paid in excess of \$100,000 during the fiscal years ended March 31, 2012 and 2011.

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	All Other Compensation(1) (\$)	Total (\$)
Brenton W. Hatch CEO and Director	2012	208,858	150,000	-0-	-0-	22,800	381,658
	2011	199,896	33,500	-0-	-0-	25,450	258,846
Andrew Limpert CFO and Director	2012	168,000	40,000	-0-	-0-	16,800	224,800
	2011	120,000	12,000	-0-	-0-	16,800	148,800
Harold Albert COO and Director	2012	204,000	151,125	-0-	-0-	30,338	385,463
	2011	204,000	33,500	-0-	-0-	30,046	267,546

(1) For a breakdown of the compensation components included in “All Other Compensation” please see the “All Other Compensation” table below.

All Other Compensation

The table below provides additional information regarding all other compensation awarded to the named executive officers as disclosed in the “All Other Compensation” column of the “Summary Compensation Table” above.

Name	Year	Vehicle Allowance, Fuel, Maintenance and Related Costs (\$)	Cell Phone Expenses (\$)	Medical Insurance Premiums (\$)
Brenton W, Hatch	2012	12,000	-0-	10,800
	2011	9,600	3,850	12,000
Andrew Limpert	2012	9,600	-0-	7,200
	2011	9,600	-0-	7,200
Harold Albert	2012	24,853	-0-	5,484
	2011	18,474	-0-	11,572

We do not have a standing compensation committee, rather our Chief Executive Officer (“CEO”) evaluates officer and employee compensation issues subject to the approval of our board of directors. Our CEO makes recommendations to the board of directors as to employee benefit programs and officer and employee compensation. In the past, our CEO has made recommendations to the board of directors regarding his own compensation and we have no policy prohibiting the CEO from doing so. Our board of directors may seek input from the CEO as to his compensation, but CEO compensation must be approved by a majority of our board of directors.

Salary

Salary is used to recognize the experience, skills, knowledge and responsibilities required of all our employees, including our named executive officers. The salary for each named executive officer is typically set at the time the individual is hired based on the factors discussed in the preceding sentence and the negotiation process between the Company and the named executive officer. Thereafter, changes to annual salary, if any, are determined based on several factors, including evaluation of performance, anticipated financial performance, economic condition and local market and labor conditions. The employment agreements of Mr. Hatch, Mr. Albert and Mr. Limpert provide for a full-time monthly salary of \$17,000 per month. During fiscal 2012, Mr. Limpert was not employed by the Company on a full-time basis. His salary was adjusted to reflect the amount of time dedicated to his employment with the Company. The board did not approve salary increases for the upcoming fiscal year for any of the named executive officers.

Bonuses

We may also make cash awards to our named executive officers and employees that are not part of any pre-established, performance-based criteria. Awards of this type are completely discretionary and subjectively determined by our board of directors at the time they are awarded. In the event this type of cash award is made, it is reflected in the “Summary Compensation Table” under a separate column entitled “Bonus.” During the 2012 fiscal year, the board of directors, of its own discretion, awarded Christmas bonuses of \$150,000 to Mr. Hatch, \$151,125 to Mr. Albert and \$40,000 to Mr. Limpert. The bonuses were not awarded pursuant to any pre-established, performance-based criteria set by the compensation committee. Rather, the bonuses were awarded in recognition of the efforts of the named executive officers to control costs and expenses and improve Company profitability, through revenue expansion, leadership and product innovation. The Company was under no obligation to award the cash bonuses and is under no obligation to award future cash bonuses.

Employer Benefit Plans

At the current time, we do not provide any retirement, pension, or other benefit plans to our named executive officers; however, the board of directors may adopt plans as it deems reasonable under the circumstances.

Employment Agreements

We have entered into employment agreements with Mr. Hatch and Mr. Albert in November 2008, and with Mr. Limpert in January 2009. The employment agreements provided for an initial employment term of three calendar years from the date of the agreements. With the expiration of the initial term, the agreements are now self-renewing for additional one year periods for ten years unless terminated in accordance with the terms of the agreements.

The employment agreements of Mr. Hatch and Mr. Albert provide that they will devote, on a full-time basis, their best ability and talents to the business of the Company. The agreements prohibit the individuals from providing consulting services or accepting employment with any other party unless pre-approved by the Company. Mr. Limpert’s employment agreement provided that he would initially be employed on a part-time, as needed basis.

In addition to a monthly salary, the employment agreements provide for reimbursement of all reasonable and necessary out-of-pocket personal expenses up to \$3,000 per month for Mr. Hatch and Mr. Albert and up to \$2,000 per month for Mr. Limpert. Expense items exceeding these limits must receive Company approval. The agreements provide for an \$800 per month auto allowance for Mr. Hatch and Mr. Albert. Mr. Limpert’s agreement provides that he is entitled to receive an \$800 per month auto allowance so long as he maintains at least half-time employment with the Company.

The employment agreements provide that each of the named executive officers will be entitled to equal treatment with other principal officers of the Company with regard to medical and dental plans and benefits, retirement or similar plans, life insurance, sick leave, vacation or disability. The Company will provide \$1,000 per month for health/dental premiums and \$1,000 per month matching retirement benefits when the Company establishes such a plan.

The employment agreements also contain confidentiality, non-disclosure, non-compete, non-solicitation and intellectual property assignment provisions.

Termination and Change in Control

The employment agreements of the named executive officers provide for the following payments in the event of termination of employment.

- The individual may be terminated without cause by the Company upon 90 days prior written notice. If terminated without cause, the individual shall be entitled to six months salary and health and other benefits.
- For cause upon prior written notice. If terminated for cause the individual shall be entitled to his salary and any employee rights or compensation which would vest in the month of termination pro-rated through the date of termination.

- By resignation. If the individual resigns, he shall be entitled to receive his current monthly salary and other compensation. In the event of a resignation, employment shall terminate on the earlier of, 30 days following its tender and the date the resignation is accepted by the Company.
- For disability or death. The Company shall have the option to terminate the agreement should the individual no longer be able to perform his essential functions. In the event of termination for death or disability the individual shall be entitled to the same compensation and benefits as if the agreement had been terminated without cause.

We do not have agreements, plans or arrangements, written or unwritten, with any of our named executive officers that would provide for payments or other benefits to any of our named executive officers in the event of a change in control of the Company or a change in the responsibilities of any named executive officer following a change in control of the Company.

Outstanding Equity Awards at Fiscal Year End

None of the named executive officers held outstanding equity awards at our fiscal year end.

Director Compensation

Each of our current directors is also a named executive officer and employee of the Company. All compensation earned by Mr. Hatch, Mr. Albert and Mr. Limpert was compensation for services rendered in their capacity as employees of the Company. They received no compensation for serving on our board of directors during the 2012 or 2011 fiscal years. For details regarding the compensation received by each of our directors please see the Summary Compensation Table on page 12 of this Proxy Statement.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS, NOMINEES, DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth as of December 31, 2012 the name and the number of shares of our common stock, par value of \$0.001 per share, held of record or beneficially by each director, officer, nominee or person who held of record, or was known by us to own beneficially, more than 5% of the 45,155,000 issued and outstanding shares of our common stock, and the name and shareholdings of each director and of all officers and directors as group.

Type of Security	Name and Address	Amount & Nature of Beneficial Ownership	% of Class
Common	Brenton W. Hatch(1,2) 321 South 1250 West, Suite 1 Lindon, Utah 84042	15,750,000	35%
Common	Harold Albert(1,2) Bay 12, 55 Alberta Ave. Spruce Grove, Alberta, Canada T7X 3A6	15,750,000	35%
Common	Andrew Limpert(1,2) 321 South 1250 West, Suite 1	3,808,085	9%

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Common	James Solomon(2) 2051 North Kingston Road Farmington, Utah 84025	0	0%
Common	Shelly Nichol & Timothy Paul Nichol Bay 12, 55 Alberta Ave. Spruce Grove, Alberta, Canada T7X 3A6	3,217,991	7%
All executive officers and directors as a group (4 persons)		35,308,085	78%
	TOTAL	38,526,076	85%

(1) Mr. Hatch, Mr. Albert and Mr. Limpert are named executive officers and directors of the Company.

(2) Mr. Solomon is a nominee to the board of directors of the Company.

Change in Control

To the knowledge of the management, there are no present arrangements or pledges of our securities that may result in a change in control of the Company.

Securities Authorized for Issuance under Equity Compensation Plans

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in columns (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	1,830,000	\$0.75	2,625,000
Equity compensation plans not approved by security holders	-0-	n/a	-0-
Total	1,830,000	\$0.75	2,625,000

On May 13, 2003 we adopted The Flooring Zone, Inc., 2003 Stock Incentive Plan (the “2003 Plan”). The 2003 Plan allows the Company to grant options to its key employees, officers, directors, consultants, advisors and sales representatives to purchase up to 500,000 shares of its \$.001 par value restricted common stock at an exercise price to be determined by the board of directors at the time of grant. In 2003 the Company granted 45,000 options, none of which were granted to any of the named executive officers. These options vested immediately and were exercised in 2003.

In September 2009 our board of directors approved grants of options to purchase up to 410,000 shares under the 2003 Plan to six individuals, none of whom are executive officers or directors of our Company. The options are exercisable at a price of \$0.40, the closing price of our common stock on the OTCBB on the grant date. The options expire five years from the grant date. The options vest equally over three years with vesting occurring on the grant anniversary date.

There are currently 45,000 shares available for award under the 2003 Plan.

In November 2009 our shareholders approved the adoption of the Profire Energy, Inc., 2010 Equity Incentive Plan (the “2010 Plan”). Under the 2010 Plan our key employees, officers, directors and other individuals or entities may be awarded stock options or granted shares of our common stock. The term of the 2010 Plan is 10 years. The 2010 Plan permits the granting of up to a maximum of 4,000,000 shares of common stock. The aggregate number of shares of common stock that may be issued to any individual or entity under the 2010 Plan shall not exceed twenty percent (20%) of the aggregate number of shares referred to in the preceding sentence. The total number of shares issuable upon exercise of all outstanding options shall not exceed a number of shares which is equal to thirty percent (30%) of

the then outstanding shares of the Company.

In February 2011 our board of directors granted options to purchase an aggregate of 600,000 shares of our restricted common stock to three Company employees, none of whom are executive officers or directors of the Company. The options have an exercise price of \$0.30 per share, which was equal to 85% of the market price of our common shares on the date of grant, as allowed under the terms of the 2010 Plan. The options vest in equal amounts over five years, with the initial portion vesting on the one-year anniversary of the date of grant. Vesting is contingent upon continued employment with the Company. The options expire six years from the date of grant.

In September 2012 our board of directors granted options to purchase an aggregate of 820,000 shares of our restricted common stock to 29 Company employees and consultants, none of whom are executive officers, directors or holder of greater than 5% of the outstanding common stock of the Company. The options were granted pursuant to the 2010 Plan. The options have an exercise price of \$1.25 per share, 97% of the fair market value of the shares on the date of grant. The options vest in equal amounts over five years, with the initial portion vesting on the one-year anniversary of the date of grant. Vesting is contingent upon continued employment with the Company. The options expire six years from the date of grant.

Change in Control

To the knowledge of the management, there are no present arrangements or pledges of the Company's securities that may result in a change in control of the Company.

PROPOSAL TWO

SAY-ON-PAY—AN ADVISORY VOTE TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

Shareholders are being asked to approve, on an advisory basis, the compensation of our named executive officers, as disclosed under Securities and Exchange Commission rules, including the Compensation of Directors and Executive Officers, the compensation tables and related material included in this proxy statement. This proposal, commonly known as a "Say-on-Pay" proposal, gives you, as a shareholder, the opportunity to express your views on our named executive officers' compensation. Your vote is not intended to address any specific item of our compensation program, but rather to address our overall approach to the compensation of our named executive officers described in this proxy statement.

As described in more detail above under "Compensation of Directors and Executive Officers" our executive compensation programs are designed to attract, retain and motivate talented executives, reward performance, and link the interest of the Company's senior executives to the interests of the Company's shareholders. The board of directors oversees our executive compensation, including the compensation of our named executive officers.

We entered into employment agreements with Mr. Hatch and Mr. Albert in November 2008, and with Mr. Limpert in January 2009. The employment agreements provided for an initial employment term of three calendar years from the date of the agreements. With the expiration of the initial term, the agreements become self-renewing for additional one year periods for ten years unless terminated in accordance with the terms of the respective agreements.

The employment agreements of our named executive officers provide for the following payments in the event of termination of employment:

- the individual may be terminated without cause by the Company upon 90 days prior written notice. If terminated without cause, the individual shall be entitled to six month's salary and health and other benefits;
- for cause upon prior written notice. If terminated for cause the individual shall be entitled to his salary and any employee rights or compensation which would vest in the month of termination pro-rated through the date of termination;
- by resignation. If the individual resigns, he shall be entitled to receive his current monthly salary and other compensation. In the event of a resignation, employment shall terminate on the earlier of, 30 days

following its tender and the date the resignation is accepted by the Company; and

- for disability or death. The Company shall have the option to terminate the agreement should the individual no longer be able to perform his essential functions. In the event of termination for death or disability the individual shall be entitled to the same compensation and benefits as if the agreement had been terminated without cause.

We do not have agreements, plans or arrangements, written or unwritten, with any of our named executive officers that would provide for payments or other benefits to any of our named executive officers in the event of a change in control of the Company or a change in the responsibilities of any named executive officer following a change in control of the Company.

We review our compensation plans and programs on an ongoing basis and periodically make adjustments taking into account competitive conditions and other factors. Please read “Compensation of Directors and Executive Officers” beginning on page 10 for additional details about our executive compensation programs, including information about the fiscal year 2012 compensation of our named executive officers.

We are asking our shareholders to support our named executive officer compensation as described in this proxy statement. Accordingly, we ask you to vote FOR the following resolution at our Annual Meeting:

“RESOLVED, that Profire Energy, Inc.’s shareholders approve, on an advisory basis, the compensation paid to the named executive officers, as disclosed in this proxy statement pursuant to the SEC’s compensation disclosure rules, including the Compensation of Directors and Executive Officers, the executive compensation tables and related narrative discussion.”

This vote on the named executive officer compensation is advisory, and therefore will not be binding on the Company and will not affect, limit or augment any existing compensation or awards. However, we value our shareholders’ opinions and the board of directors will take into account the outcome of the vote when considering future compensation arrangements.

The board of directors unanimously recommends that shareholders vote FOR the approval of this proposal. Proxies solicited by the board will be so voted unless shareholders specify a contrary choice in their voting instructions.

PROPOSAL THREE

SAY-WHEN-ON-PAY – AN ADVISORY VOTE ON THE FREQUENCY OF SHAREHOLDER SAY-ON-PAY VOTES

In addition to the “Say-on-Pay” proposal above, shareholders are being asked to vote, on an advisory basis, on how frequently the Company should present shareholders with a Say-on-Pay vote on the compensation of our named executive officers. You may vote to have a Say-on-Pay vote held annually, every two years or every three years. As required under SEC rules, this non-binding “frequency” vote will be presented to shareholders at least once every six years beginning with this Annual Meeting.

After careful consideration of this proposal, our board of directors has determined that a bi-annual advisory vote on the compensation of the Company’s named executive officers will allow shareholders to provide timely, direct input on the Company’s executive officer compensation philosophy, policies and practices. The board believes that a bi-annual (every two years) vote is therefore consistent with the Company’s efforts to obtain your input on executive compensation matters while also balancing the cost associated with such efforts.

This vote on the frequency of shareholder Say-on-Pay votes is advisory, and therefore will not be binding on the Company or our board of directors. However, we value our shareholders’ opinions and the board of directors will take into account the outcome of the vote. In voting on this proposal, you should be aware that you are not voting “for” or “against” the board’s recommendation on the frequency of holding advisory shareholder Say-on-Pay votes. Rather, you are voting on your preferred voting frequency by choosing the option of one year, two years or three years.

The board of directors unanimously recommends that shareholders vote for the every two years (“TWO YEARS”) option in the advisory vote on the frequency of shareholder Say-on-Pay votes on the compensation of our named executive officers. Proxies solicited by the board of directors will be so voted unless shareholders specify a contrary choice in their voting instructions.

PROPOSAL FOUR

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Our board of directors has selected Sadler, Gibb & Associates, LLC, Certified Public Accountants (“SGA”) as the Company’s independent registered public accounting firm to audit our consolidated financial statements for the fiscal year ending March 31, 2013 and recommends that the stockholders vote to ratify such selection. In the event of a negative vote on such ratification, the board of directors will reconsider its selection.

On July 14, 2011, we dismissed Child, Van Wagoner & Bradshaw, PLLC (“CVWB”) as our independent registered public accounting firm. CVWB audited the Company’s financial statements for the fiscal year ended March 31, 2011. The report of CVWB for the fiscal year ended March 31, 2011 did not contain an adverse opinion, disclaimer of opinion, and they were not qualified or modified as to uncertainty, audit scope or accounting principles.

The board of directors approved the dismissal of CVWB. There were no disagreements between the Company and CVWB on any matter regarding accounting principles or practices, financial statement disclosure, or auditing scope or procedure during the fiscal year ended March 31, 2011 or any subsequent interim period preceding the date of dismissal, which disagreements, if not resolved to the satisfaction of CVWB, would have caused CVWB to make reference to the subject matter of the disagreements in connection with its reports.

There were no reportable events (as that term is used in Item 304(a)(1)(v) of Regulation S-K) between the Company and CVWB occurring during the fiscal years ended March 31, 2011 and 2010 or any subsequent interim period preceding the date of dismissal.

On July 14, 2011, we engaged SGA, as the Company’s independent registered public accounting firm. The decision to engage SGA was approved by our board of directors. During the fiscal years ended March 31, 2011 and 2010 and during any subsequent interim period preceding the date of engagement, we did not consult with SGA regarding either:

- the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company’s financial statements, and neither a written report was provided to the Company nor was oral advice provided that SGA concluded was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue; or
- any matter that was either the subject of a disagreement (as defined in paragraph 304(a)(1)(iv) of Regulation S-K) or a reportable event (as described in paragraph 304(a)(1)(v) of Regulation S-K.)

On July 18, 2011 we disclosed this change of accountants in a Current Report on Form 8-K filed with the Securities and Exchange Commission on July 18, 2011. We provided a copy of the Current Report on Form 8-K to CVWB prior to its filing and requested that CVWB furnish a letter addressed to the Securities and Exchange Commission stating whether or not it agreed with the statements made in this report. CVWB furnished the requested letter, a copy of which is attached to said Form 8-K as Exhibit 16.1

During each of our last two fiscal years we were billed the following fees for professional services rendered by SGA and CVWB:

	Fiscal 2012	Fiscal 2011
Audit	\$40,000	\$49,384
Audit related	-0-	-0-
Tax	-0-	-0-
All other	-0-	-0-
Total	\$40,000	\$49,384

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Audit Fees. Audit fees were for professional services rendered in connection with the audit of our annual financial statements included in our annual reports on Form 10-K, review of financial statements included in our quarterly reports on Form 10-Q and for services that are normally provided by independent registered public accounting firms in connection with statutory and regulatory filings or engagements.

Board of Directors Pre-Approval Policies and Procedures. At its regularly scheduled and special meetings, our board of directors, in lieu of an established audit committee, considers and pre-approves any audit and non-audit services to be performed by our independent registered public accounting firm. The board of directors has the authority to grant pre-approvals of non-audit services.

Our board of directors has not, as of the time of filing this annual report on Form 10-K with the Commission, adopted policies and procedures for pre-approving audit or permissible non-audit services performed by our independent auditors. Instead, the board of directors as a whole has pre-approved all such services. In the future, our board of directors may approve the services of our independent registered public accounting firm pursuant to pre-approval policies and procedures adopted by the board of directors, provided the policies and procedures are detailed as to the particular service, the board of directors is informed of each service, and such policies and procedures do not include delegation of the board of director's responsibilities to our management.

The board of directors has determined that the services provided by the Company's independent registered public accounting firms described above are compatible with maintaining independence as our independent registered public accounting firm.

A representative of SGA is expected to be present at the annual meeting. In the event a representative is present, he or she will be given an opportunity to make a statement if he or she desires and if present, he or she is expected to be available to respond to appropriate questions.

The board of directors recommends a vote "FOR" ratification of the selection of Sadler, Gibb & Associates, LLC, as our independent registered public accounting firm for the fiscal year ending March 31, 2013.

STOCKHOLDER PROPOSALS FOR NEXT YEAR

If you wish to include a proposal in the proxy statement for the next annual meeting of stockholders, your written proposal must be received by the Company no later than June 15, 2013. The proposal should be mailed by certified mail, return receipt requested, and must comply in all respects with applicable rules and regulations of the Securities and Exchange Commission, the laws of the State of Nevada and our Bylaws. Stockholder proposals may be mailed to the Corporate Secretary, 321 South 1250 West, Suite 1, Lindon, Utah 84042.

For each matter that you wish to bring before the meeting, provide the following information:

- a brief description of the business and the reason for bringing it to the meeting;
- your name and record address;
- the number of shares of Company stock which you own; and
- any material interest (such as financial or personal interest) that you have in the matter.

Director Nominees Recommended by Stockholders

You may propose director candidates for consideration by the members of our board of directors. It is our policy that our directors will consider recommendations for candidates to the board of directors from stockholders holding not less than 5% of our outstanding common stock continuously for at least 12 months prior to the date of the submission of the recommendation. The board of directors will consider persons recommended by our stockholders in the same

manner as a nominee recommended by other board members or management. Shareholders desiring to suggest a candidate for consideration should send a letter to the Company's Corporate Secretary and include:

- a statement that the writer is a shareholder (providing evidence if the person's shares are held in street name) and is proposing a candidate for consideration;
- the name and contact information for the candidate;

- a statement of the candidate's business and educational experience;
- information regarding the candidate's qualifications to be director, including but not limited to an evaluation of the factors discussed above which the board would consider in evaluating a candidate;
- information regarding any relationship or understanding between the proposing shareholder and the candidate;
- information regarding potential conflicts of interest; and
- a statement that the candidate is willing to be considered and willing to serve as director if nominated and elected.

Because of the small size of the Company and the limited need to seek additional directors, there is no assurance that all shareholder proposed candidates will be fully considered, that all candidates will be considered equally, or that the proponent of any candidate or the proposed candidate will be contacted by the Company or the board, and no undertaking to do so is implied by the willingness to consider candidates proposed by shareholders.

INCORPORATION OF INFORMATION BY REFERENCE

We file annual and quarterly reports with the United States Securities and Exchange Commission.

The Company incorporates by reference the following information from its Annual Report on Form 10-K for the year ended March 31, 2012, attached hereto as Appendix A:

- Part II, Item 6, Selected Financial Data
- Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations
- Part II, Item 7A, Quantitative and Qualitative Disclosures about Market Risk
- Part II, Item 8, Financial Statements and Supplementary Data

The Company incorporates by reference the following information from its Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, attached hereto as Appendix B:

- Part I, Item 1
- Part I, Item 2
- Part I, Item 3

The exhibits to the Form 10-K and Form 10-Q are available upon payment of charges that approximate reproduction costs. If you would like to request documents, please do so by January 4, 2013, to receive them before the Annual Meeting. Requests should be sent in writing to Profire Energy, Inc., ATTN Corporate Secretary, 321 South 1250 West, Suite 1, Lindon, Utah 84042.

HOUSEHOLDING

The SEC has adopted rules that permit companies and intermediaries (such as banks and brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This practice, known as "householding," is designed to reduce the volume of duplicate information and reduce printing and postage costs.

If you and others who share your mailing address own our common stock in street name, meaning through bank or brokerage accounts, you may have received a notice that your household will receive only one annual report and proxy statement from each company whose stock is held in such accounts. Unless you responded that you did not want to participate in householding, you were deemed to have consented to it and a single copy of our proxy statement and annual report have been sent to your address.

We will promptly deliver separate copies of our proxy statement at the request of any stockholder who is in a household that participates in the householding of our proxy materials. You may send your request by mail to: Profire Energy, Inc., 321 South 1250 West, Suite 1, Lindon, Utah 84042 or by telephone at (801) 796-5127. If you currently receive multiple copies of our proxy materials and would like to participate in householding, please contact our Corporate Secretary at the address or phone number described above.

OTHER MATTERS

We know of no other matters that are to be presented for action at the Annual Meeting other than those set forth above. If any other matters properly come before the Annual Meeting, the persons named in the enclosed proxy will vote the shares represented by proxies in accordance with their best judgment on such matters.

It is important that your shares be represented at the Annual Meeting, regardless of the number of shares you hold. Therefore, you are urged to execute and return the accompanying proxy in the enclosed envelope at your earliest convenience.

By order of the board of directors,

December 21, 2012

/s/ Brenton W. Hatch
Brenton W. Hatch
Chief Executive Officer

STOCKHOLDERS ARE REQUESTED TO MARK, DATE AND SIGN THE ENCLOSED PROXY AND RETURN IT IN THE ENCLOSED, SELF-ADDRESSED ENVELOPE. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES. YOUR PROMPT RESPONSE WILL BE HELPFUL, AND YOUR COOPERATION WILL BE APPRECIATED.

Appendix A

Annual Report on Form 10-K for the Year Ended March 31, 2012

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended March 31, 2012

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number 000-52376

PROFIRE ENERGY, INC.
(Name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

20-0019425
(I.R.S. Employer
Identification No.)

321 South 1250 West, Suite 1
Lindon, Utah
(Address of principal executive offices)

84042
(Zip code)

(801) 796-5127
(Registrant's telephone number, including area code)

Securities registered pursuant to section 12(b) of the Exchange Act:
None

Securities registered pursuant to section 12(g) of the Exchange Act:
Common, \$0.001 par value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
☐ Yes ☒ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act.
☐ Yes ☒ No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was

required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☐ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.)

☐ Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

☐

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

Large accelerated Filer ☐
Non-accelerated Filer ☐ (Do not
check if a smaller reporting
company)

Accelerated Filer ☐
Smaller Reporting Company ☒

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which our common stock was last sold, as of the last business day of the our most recently completed second fiscal quarter was approximately \$9,380,477.

As of June 19, 2012, the registrant had 45,000,000 shares of common stock, par value \$0.001, issued and outstanding

Documents incorporated by reference: None

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PROFIRE ENERGY, INC.

Unless otherwise indicated by the context, references herein to the “Company”, “Profire”, “we”, “our” or “us” means Profire Energy, Inc, a Nevada corporation, and its corporate subsidiaries and predecessors.

Unless otherwise indicated by the context all dollar amounts stated in this annual report on Form 10-K are in U.S. dollars.

Information Concerning Forward-Looking Statements

This annual report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, (the “Securities Act”) and Section 21E of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”) that are based on management’s beliefs and assumptions and on information currently available to management. For this purpose any statement contained in this report that is that is not a statement of historical fact may be deemed to be forward-looking, including, but not limited to, statements relating to our future actions, intentions, plans, strategies, objective, results of operations, cash flows and the adequacy of or need to seek additional capital resources and liquidity. Without limiting the foregoing, words such as “may”, “should”, “expect”, “project”, “plan”, “anticipate”, “believe”, “estimate”, “intend”, “budget”, “forecast”, “predict”, “potential”, “continue”, “should”, “could” comparable terminology or the negative of such terms are intended to identify forward-looking statements. These statements by their nature involve known and unknown risks and uncertainties and other factors that may cause actual results and outcomes to differ materially depending on a variety of factors, many of which are not within our control. Such factors include, but are not limited to, economic conditions generally and in the industry in which we and our customers participate; competition within our industry; legislative requirements or changes which could render our services less competitive or obsolete; our failure to successfully develop new services and/or products or to anticipate current or prospective customers’ needs; price increases or employee limitations; and delays, reductions, or cancellations of contracts we have previously entered into, sufficiency of working capital, capital resources and liquidity and other factors detailed herein and in our other filings with the United States Securities and Exchange Commission (the “SEC” or “Commission”). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated.

Forward-looking statements are predictions and not guarantees of future performance or events. Forward-looking statements are based on current industry, financial and economic information, which we have assessed but which by their nature are dynamic and subject to rapid and possibly abrupt changes. Our actual results could differ materially from those stated or implied by such forward-looking statements due to risks and uncertainties associated with our business. We hereby qualify all our forward-looking statements by these cautionary statements.

These forward-looking statements speak only as of their dates and should not be unduly relied upon. We undertake no obligation to amend this report or revise publicly these forward-looking statements (other than pursuant to reporting obligations imposed on registrants pursuant to the Exchange Act) to reflect subsequent events or circumstances, whether as the result of new information, future events or otherwise.

The following discussion should be read in conjunction with our financial statements and the related notes contained elsewhere in this report and in our other filings with the Commission.

PART I

Item 1. Business

Overview

We originally incorporated under the name The Flooring Zone, Inc. in the State of Nevada on May 5, 2003 and engaged in the retail floor covering business from that time until the end of 2007. On September 30, 2008 the Flooring Zone, Inc. entered into an Acquisition Agreement with Profire Combustion, Inc., an Alberta, Canada corporation, under which The Flooring Zone, Inc. acquired 100% of the outstanding common shares of Profire Combustion, Inc. in exchange for the issuance of 35,000,000 common shares.

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Following closing of the exchange, the three Profire Combustion, Inc. shareholders held 78% of The Flooring Zone, Inc. common stock outstanding after the transaction.

On December 8, 2008 we amended our Articles of Incorporation to change the name of the corporation to Profire Energy, Inc. The name change, and corresponding OTCBB trading symbol change from FZON to PFIE, became effective on January 20, 2009.

Principal Products and Services

We manufacture, install and service oilfield burner management systems and related products. Our products and services aid oil and natural gas producers in the safe and efficient transportation, refinement and production of oil and natural gas.

In the oil and natural gas industry there are numerous demands for heat generation and control. The product in pipelines and storage tanks must be kept sufficiently warm to flow efficiently. Equipment of all kinds, including line-heaters, dehydrators, dewaterers, separators, treaters, amine reboilers, free-water knockout systems, etc. require sources of heat to satisfy their various functions. In addition to the need for combustion products to meet heating demands, there is also a need for skilled combustion technicians. Profire was founded to try to meet some of these needs.

Initially, our primary focus was on providing installation and maintenance services to service the products and systems of other manufacturers. Management soon determined, however, that it would be in our best interest to also establish ourselves as a technology supplier. Management also recognized the need to develop our own proprietary burner management systems to monitor and control combustion. Our principal developmental goal in building our own system was to ensure that the system would meet or exceed the highest safety and quality standards in the industry and that the system would be functional and easily controlled by oilfield operators.

With this goal in mind, we developed the Profire 1100 burner management system. This system has become widely popular in Western Canada, with sales to such companies as Exxon-Mobil, Shell, ConocoPhillips, Devon Energy, Petro-Canada, Encana and many others. This system has also been sold and installed in various parts of the world, including the United States, France, Italy, England, the Middle East, Australia, China and Brazil.

During our fourth fiscal quarter 2011, we introduced a new product, the Profire 2100. The 2100 is a more powerful burner management system than the 1100. It complies with CSA and UL ratings and has expandability and remote access and data logging. It has more custom features than the 1100 and allows the end user much more flexibility in multiple field applications.

We believe our Profire 2100 and 1100 burner management systems offer certain advantages to other burner management systems on the market including that they:

- meet or exceed all relevant codes and standards;
- easily install with clearly marked component I/O;
- have easily accessible and removable terminal connections;
- rapidly shut down on flame-out;
- use DC voltage spark ignition;
- accommodate solar panel or TEG applications with a low-power design;
- enable auto-relight or manual operation; and
- include transient protected fail-safe circuits.

In addition to the Profire 2100 and 1100 burner management systems, we manufacture other systems and products for sale, including a burner management system specific to incinerator systems and other specialized applications with the use of expanded software cards and “fuel-trains” or “valve-trains” to accompany system installations. These fuel-trains include piping, valves, controls, etc., relating to the process of safely providing fuel to burners, as well as having safety controllers to monitor operations. We are also developing various products that will be introduced to the market over the next few years. These may range from valve systems to igniters. We recently introduced a patent pending firegate technology that also provides efficiency benefits to our clients. We continually assess market needs and look for opportunities to provide quality solutions to the oil and gas producing companies we serve.

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Principal Markets and Distribution Methods

Initially we focused our sales efforts primarily in Western Canada. Given our success in that market, we determined to expand our sales efforts to other markets, particularly the U.S. market. Pursuant to our development strategy, we have purchased office and warehouse space in Lindon, Utah and we opened an office in Houston, Texas to serve our current and potential clients in that region. At present, we believe the best ways to penetrate new markets is to retain well-established supply companies to represent Profire products and market them to their existing customers and to establish regional offices to support such activity. We hope to take advantage of those existing relationships to rapidly establish market share in new markets. We are currently contacting product supply houses in various new markets to represent our products. We have four in-house sales personnel in the U.S. market who are primarily responsible for creating and establishing these relationships. In Canada, we have a well established reputation and we continue to utilize these relationships to sell our products directly to end users through our dedicated three-person sales staff. Relationships also currently exist with three major non-exclusive authorized distributors in the U.S. and Brazil who continue to create awareness of our products and services.

Competition

Based on our experience, we believe most of the other companies in our industry are either small-sized service companies or product retailers who sell products but have no service department to support their products. In the U.S. market we are beginning to see several companies that are marketing related and somewhat similar products. They include SureFire, Platinum and ACL. These competitors are limited regionally and tend to focus on areas close to their headquarters. While we believe the price is a significant method of competition within our industry, we believe the most important competitive factors are performance and quality. Profire has, and intends to continue to provide top quality high performance products.

We recognize that the oilfield services industry is highly competitive. As this industry grows and matures we expect additional companies will seek to enter this market. Many of these companies may be more highly capitalized, more experienced, more recognized or better situated to take advantage of market opportunities.

Sources and Availability of Raw Materials

We have contracted with a third-party manufacturer, to manufacture our burner management systems, specifically the Profire 2100, 1100 and the Profire 1100i. This has helped to improve manufacturing efficiencies. Under the direction of our product engineers, the manufacturer is able to procure all electronic parts, specialty cases and components, and from those, assemble the complete system. Using specialty equipment and processes provided by us, the system is tested on-site by the manufacturer and if the finished product is acceptable, it is shipped to us for distribution. Orders to the manufacturer are typically for 500 to 1,000 systems. The shipments are usually limited to 250 systems, so that in the event any one shipment is lost or damaged, inventory levels are not seriously impacted. The entire process is typically completed within sixty days of issuing the purchase order.

While we have a contract in place with this manufacturer, should we lose its services, for whatever reason, we believe we have adequate alternative manufacturing sources available. We do not have contracts in place with the parties from whom we acquire parts and products. We believe, however, there are adequate alternative sources for parts and products available to us should they be needed. In the past, we have not experienced any sudden and dramatic increases in the prices of the major components for our systems. Because the component parts we use are all low priced (none are currently higher than \$40), we do not anticipate that a sudden or dramatic increase in the price of any particular component part would have a material adverse effect on our results of operations or financial condition even if we were unable to increase our sale prices proportionate to any such component price increases.

Dependence upon Major Customers

During the fiscal years ended March 31, 2012, 2011 and 2010, the following customers accounted for more than 10% of our total revenues:

h date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (“**Bloomberg**”) (based on a trading day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if the Common Stock is not then listed or quoted for trading or quoted for trading on a Trading Market and if prices for the Common Stock are then reported in the “Pink Sheets” published by Pink OTC Markets, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (c) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Board of Directors of the Company, the fees and expenses of which shall be paid by the Company.

(iii) Issuance of Certificates. As soon as practicable after the exercise of any Warrants and the clearance of the funds in payment of the Warrant Price, the Company shall issue to the registered holder of such Warrants a certificate or certificates representing the number of shares of Common Stock to which he, she or it is entitled, registered in such name or names as may be directed by him, her or it, and, if such Warrants shall not have been exercised or surrendered in full, a new countersigned Warrant Certificate for the number of shares as to which such Warrants shall not have been exercised or surrendered. Notwithstanding the foregoing, the Company shall not be obligated to deliver any securities pursuant to the exercise of Warrants unless (a) a registration statement under the Securities Act of 1933, as amended (the “**Act**”) with respect to the Common Stock issuable upon exercise of the Warrants is effective and a current prospectus relating to the shares of Common Stock issuable upon exercise of the Warrants is available for delivery to the Warrant holders, or (b) the exercise of the Warrants is exempt from the registration requirements of the Act and such securities are qualified for sale or exempt from qualification under applicable securities laws of the state or other jurisdiction in which the registered holder resides. Warrants may not be exercised by, or securities issued to, any registered holder in any state in which such exercise or issuance would be unlawful. In the event a registration statement under the Act with respect to the Common Stock underlying the Warrants is not effective or a prospectus is not available, or because such exercise would be unlawful with respect to a registered holder in any state, the registered holder shall not be entitled to exercise such Warrants and such Warrants may have no value and expire worthless. In no event will the Company be obligated to pay such registered holder any cash consideration upon exercise (except pursuant to Section 2(d)). The Company’s counsel shall deliver any legal opinions required by the Warrant Agent in connection with the exercise of the Warrants at no cost to the Warrantholder.

(iv) Valid Issuance. All shares of Common Stock issued upon the proper exercise or surrender of the Warrants in conformity with this Agreement shall be validly issued, fully paid and nonassessable.

(v) Date of Issuance. Each person or entity in whose name any such certificate for shares of Common Stock is issued shall, for all purposes, be deemed to have become the holder of record of such shares on the date on which the Warrants were surrendered and payment of the Warrant Price was made, irrespective of the date of delivery of such certificate, except that, if the date of such surrender and payment is a date when the stock transfer books of the Company are closed, such person shall be deemed to have become the holder of such shares at the close of business on the next succeeding date on which the stock transfer books are open.

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(vi) Exercise Limitation. Notwithstanding any provisions herein to the contrary, the Warrantholder shall not be entitled to exercise the Warrants for a number of shares of Common Stock in excess of that number of shares of Common Stock which, upon giving effect to such exercise, would cause the aggregate number of shares of Common Stock beneficially owned by such Warrantholder to exceed 9.99% of the outstanding shares of Common Stock following such exercise. For purposes of the foregoing proviso, the aggregate number of shares of Common Stock beneficially owned by the Warrantholder shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which determination of such proviso is being made, but shall exclude the shares of Common Stock which would be issuable upon (i) exercise of the remaining, unexercised Warrants beneficially owned by the Warrantholder and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company beneficially owned by the Warrantholder subject to a limitation on conversion or exercise analogous to the limitation contained herein. Except as set forth in the preceding sentence, for purposes of this Section 1(c)(vi), beneficial ownership shall be calculated in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended. The Warrantholder may waive the foregoing limitation by written notice to the Company upon not less than 61 days prior written notice (such waiver taking effect only upon the expiration of such 61 day notice period and applying only to the Warrantholder and not to any other holder of Warrants). For purposes of this Section 1(c)(vi), in determining the number of outstanding shares of Common Stock, the Warrantholder may rely on the number of outstanding shares of Common Stock as reflected in (1) the Company's most recent Form 10-Q or Form 10-K, as the case may be, filed with the Securities and Exchange Commission on the date thereof, (2) a more recent public announcement by the Company as to the number of shares of Common Stock outstanding, or (3) any other notice by the Company or its transfer agent setting forth the number of shares of Common Stock outstanding. Upon the written request of the Warrantholder, the Company shall within three trading days confirm in writing or by electronic mail to the Warrantholder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including the Warrants, by the Warrantholder since the date as of which such number of outstanding shares of Common Stock was reported.

(8) Adjustments.

(a) Stock Dividends; Stock Splits. If, after the date hereof, and subject to the provisions of Section 2(f) below, the number of outstanding shares of Common Stock is increased by a stock dividend payable in shares of Common Stock, or by a split of shares of Common Stock, or other similar event, then, on the effective

date of such stock dividend, stock split or similar event, the number of shares of Common Stock issuable on exercise of the Warrants shall be increased in proportion to such increase in outstanding shares of Common Stock.

(b) Aggregation of Shares. If, after the date hereof, and subject to the provisions of Section 2(f) below, the number of outstanding shares of Common Stock is decreased by a consolidation, combination, reverse stock split or reclassification of shares of Common Stock or other similar event, then, on the effective date of such consolidation, combination, reverse stock split, reclassification or similar event, the number of shares of Common Stock issuable on exercise of the Warrants shall be decreased in proportion to such decrease in outstanding shares of Common Stock.

(c) Adjustments in Warrant Price. Whenever the number of shares of Common Stock purchasable upon the exercise of the Warrants is adjusted, as provided in Sections 2(a) and 2(b), the Warrant Price shall be adjusted (to the nearest cent) by multiplying such Warrant Price, immediately prior to such adjustment, by a fraction, (i) the numerator of which shall be the number of shares of Common Stock purchasable upon the exercise of the Warrants immediately prior to such adjustment, and (ii) the denominator of which shall be the number of shares of Common Stock so purchasable immediately thereafter.

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(d) Replacement of Securities upon Reorganization, Etc. In case of any reclassification or reorganization of the outstanding shares of Common Stock (other than a change covered by Sections 2(a) or 2(b) hereof or one that solely affects the par value of such shares of Common Stock), or, in the case of any merger or consolidation of the Company with or into another corporation (other than a consolidation or merger in which the Company is the continuing corporation and that does not result in any reclassification or reorganization of the outstanding shares of Common Stock), or, in the case of any sale or conveyance to another corporation or entity of the assets or other property of the Company as an entirety or substantially as an entirety, in connection with which the Company is dissolved, the Warrants shall thereafter represent the right to purchase and receive, upon the basis and upon the terms and conditions specified in the Warrants and in lieu of the shares of Common Stock of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of shares of stock or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the Warrants holder would have received if such Warrants holder had exercised his, her or its Warrants immediately prior to such event; and if any reclassification also results in a change in shares of Common Stock covered by Sections 2(a) or 2(b), then such adjustment shall be made pursuant to Sections 2(a), 2(b), 2(c) and this Section 2(d). The provisions of this Section 2 shall similarly apply to successive reclassifications, reorganizations, mergers or consolidations, sales or other transfers.

(e) Notices of Changes in Warrants. Upon every adjustment of the Warrant Price or the number of shares issuable upon exercise of the Warrants, the Company shall give written notice thereof to each registered holder, which notice shall state the Warrant Price resulting from such adjustment and the increase or decrease, if any, in the number of shares purchasable at such price upon the exercise of the Warrants, setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. Upon the occurrence of any event specified in Sections 2(a), or 2(b) the Company shall give written notice to each Warrants holder, at the last address set forth for such holder in the Warrants register, of the record date or the effective date of the event. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such event.

(f) Form of Warrant. The form of Warrant need not be changed because of any adjustment pursuant to this Section 2, and Warrants issued after such adjustment may state the same Warrant Price and the same number of shares as is stated in the Warrants initially issued pursuant to this Agreement. However, the Company may, at any time, in its sole discretion, make any change in the form of

Warrants that the Company may deem appropriate and that does not affect the rights of holders thereof, and any Warrants thereafter issued or countersigned, whether in exchange or substitution for outstanding Warrants or otherwise, may be in the form as so changed.

(9) Transfer and Exchange of Warrants.

(a) Registration of Transfer. The Company shall register the transfer, from time to time, of any outstanding Warrants into the Warrant register, upon surrender of such Warrants for transfer, properly endorsed with signatures properly guaranteed and accompanied by appropriate instructions for transfer. Upon any such transfer, new Warrants representing an equal aggregate number of Warrants shall be issued and the old Warrants shall be cancelled by the Company.

(b) Procedure for Surrender of Warrants. Warrants may be surrendered to the Company, together with a written request for exchange or transfer, and, thereupon, the Company shall issue in exchange therefor one or more new Warrants as requested by the registered holder of the Warrants so surrendered, representing an equal aggregate number of Warrants; provided, however, that, in the event the Warrants surrendered for transfer bear a restrictive legend, the Company shall not cancel such Warrants and issue new Warrants in exchange therefor until the Company has received an opinion of counsel for the Company stating that such transfer may be made and indicating whether the new Warrants must also bear a restrictive legend.

(c) Service Charges. No service charge shall be made for any exchange or registration of transfer of Warrants.

(10) Other Provisions Relating to Rights of Holders of Warrants.

(a) No Rights as Stockholder. The Warrants do not entitle the registered holder thereof to any of the rights of a stockholder of the Company, including, without limitation, the right to receive dividends or other distributions, to exercise any preemptive rights, or to vote, consent or receive notice as stockholders in respect of the meetings of stockholders or the election of directors of the Company or any other matter.

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(b) Lost, Stolen, Mutilated or Destroyed Warrant Certificates. If any Warrant Certificate is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may in its discretion impose (which terms shall, in the case of a mutilated Warrant Certificate, include the surrender thereof), issue a new Warrant Certificate of like denomination, tenor and date as the Warrant Certificate so lost, stolen, mutilated or destroyed. Any such new Warrant Certificate shall constitute a substitute contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant Certificate shall be at any time enforceable by anyone.

(c) Reservation of Common Stock. The Company shall at all times reserve and keep available a number of its authorized but unissued shares of Common Stock that will be sufficient to permit the exercise in full of all outstanding Warrants issued pursuant to this Agreement.

(d) Notices. Any notice, statement or demand authorized by this Certificate to be given or made by the Company or by the holder of the Warrants to or on the Company shall be delivered by hand or sent by registered or certified mail or overnight courier service, addressed (until another address is provided in writing by the Company) as follows:

Cryoport, Inc.

17305 Daimler St.

Irvine, CA 92614

Attn: Chief Financial Officer

Any notice, sent pursuant to this Certificate shall be effective, if delivered by hand, upon receipt thereof by the party to whom it is addressed, if sent by overnight courier, on the next business day of the delivery to the courier, and if sent by registered or certified mail on the third day after registration or certification thereof.

(e) Applicable Law. The validity, interpretation, and performance of this Certificate and of the Warrants shall be governed in all respects by the laws of the

State of Nevada, without giving effect to any conflict of laws principles. The Company hereby agrees that any action, proceeding or claim against it arising out of or relating in any way to this Certificate and to the Warrants shall be brought and enforced in the courts of the State of Nevada or the United States District Court for the District of Nevada, and irrevocably submits to such jurisdiction, which jurisdiction shall be exclusive. The Company hereby waives any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum. Any such process or summons to be served upon the Company may be served by transmitting a copy thereof by registered or certified mail, return receipt requested, postage prepaid, addressed to it at the address set forth in Section 5(d) hereof. Such mailing shall be deemed personal service and shall be legal and binding upon the Company in any action, proceeding or claim.

CRYOPORT, INC.

By:

Robert Stefanovich, Chief Financial Officer

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ANNEX C

**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED
FINANCIAL INFORMATION**

(Introductory Note)

The unaudited pro forma condensed consolidated balance sheet as of June 30, 2016, gives effect to the Offer (as defined below) as if this transaction occurred on June 30, 2016.

The unaudited pro forma condensed consolidated financial information is presented for illustrative purposes only and does not purport to represent what the Company's actual consolidated financial position would have been had the transaction actually been completed on the date indicated, and is not indicative of its future consolidated financial condition.

The New Warrants, which have a lower exercise price than the Original Warrants, and the Supplemental Warrants are treated as an inducement to enter into the Offer. As such, the difference between the actual fair value of the Original Warrants as of the date of their exchange and the actual fair value of the New Warrants and the fair value of the Supplemental Warrants will be recorded as an incentive expense, with an offsetting entry to additional paid-in-capital. The fair value of the Original Warrants exchanged, the New Warrants and the Supplemental Warrants will be determined using the Black-Scholes pricing model as of the Expiration Date. The Offer does not modify the current accounting treatment for the Original Warrants that are not tendered in the Offer.

The unaudited pro forma condensed consolidated financial information should be read in conjunction with (i) the Company's audited consolidated financial statements and notes thereto as of March 31, 2016 and 2015 and for each of the years in the two-year period ended March 31, 2016, which are incorporated by reference in this Offer Letter/Prospectus from the Company's Annual Report on Form 10-K for the year ended March 31, 2016 and (ii) the Company's unaudited condensed consolidated interim financial information and notes thereto for the

quarterly period ended June 30, 2016, which are incorporated by reference in this Offer Letter/Prospectus from the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2016 (together, the "Historical Financial Statements").

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Cryoport, Inc.**Pro Forma Condensed Consolidated Balance Sheet****(Unaudited)**

	June 30, 2016	Pro Forma Adjustments	Adjusted
Current Assets:			
Cash and cash equivalents	\$ 4,525,720	\$ 7,500,000 (a) (519,530)(b)	\$ 11,506,190
Accounts receivable, net	1,015,265		1,015,265
Inventories	83,544		83,544
Prepaid expenses and other current assets	288,955		288,955
Total current assets	5,913,484	6,980,470	12,893,954
Property and equipment, net	1,410,349		1,410,349
Intangible assets, net	4,860		4,860
Deposits	363,403		363,403
Total assets	\$ 7,692,096	\$ 6,980,470	\$ 14,672,566
Current liabilities:			
Accounts payable and other accrued expenses	\$ 1,366,543		\$ 1,366,543
Accrued compensation and related expenses	376,844		376,844
Related-party notes payable and accrued interest, net of discount	863,557		863,557
Total liabilities	2,606,944	-	2,606,944
Stockholders' Equity			
Common stock	15,121	5,000 (a)	20,121
Additional paid-in capital	122,135,591	7,495,000 (a) (519,530)(b) 3,506,385 (c) 1,626,160 (d)	134,243,606
Accumulated deficit	(117,065,560)	(3,506,385)(c) (1,626,160)(d)	(122,198,105)
Total stockholders' equity	5,085,152	6,980,470	12,065,622

Total liabilities and stockholders' equity	\$ 7,692,096	\$ 6,980,470	\$ 14,672,566
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- (a) Amount represents the gross proceeds to be received from the Offer and the issuance of common stock at a par value of \$.001 per share.
- (b) Amount represents the Solicitation Agent's fees of \$219,530 and other estimated offering costs.
- (c) Amount represents the difference between the fair value of the Original Warrants and the Supplemental Warrants as of the date of the exchange using the Black-Scholes option pricing model.
- (d) Amount represents the fair value of the Supplemental Warrants using the Black-Scholes option pricing model.

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Cryoport, Inc.
Notes to Pro Forma Condensed Consolidated Financial Information
(Unaudited)

1. Basis of Presentation

Cryoport, Inc. is referred to herein as the “**Company**.”

The accompanying unaudited pro forma condensed consolidated balance sheet at June 30, 2016 of the Company (the “**Pro Forma Condensed Consolidated Financial Information**”) has been prepared by management on the basis of accounting principles generally accepted in the United States of America and in accordance with the rules and regulations of the United States Securities and Exchange Commission (“**SEC**”) from information derived from the financial statements of the Company. The unaudited Pro Forma Condensed Consolidated Financial Information has been prepared for inclusion in the Company’s Offer Letter/Prospectus, dated October 4, 2016 (the “**Offer Letter/Prospectus**”), which forms a part of the Company’s Tender Offer Statement on Schedule TO (the “**Schedule TO**”). The Company filed the Schedule TO with the SEC in connection with the Company’s offer (the “**Offer**”) to holders of the Company’s outstanding warrants to purchase one share of common stock at an exercise price of \$3.57 per share (the “**Original Warrants**”) to exchange up to 5,000,000 of such Original Warrants for (1) an equal number of warrants to purchase one share of common stock at an exercise price of \$1.50 per share (the “**New Warrants**”), conditioned upon the immediate exercise of such New Warrants, and (2) one warrant to purchase one share of common stock at an exercise price of \$3.00 per share for every four New Warrants exercised (the “**Supplemental Warrants**”), as further described below in *Note 3, Description of the Transaction*.

If the aggregate number of common stock issuable upon exercise of the New Warrants (the “**New Warrant Shares**”) to be issued for all holders participating in the Offer is greater than 5,000,000 (the “**Offer Limit**”), then each of the participating holder’s number of Original Warrants tendered will be reduced on as close to a pro rata basis as is possible. In such instance, the Company will return to participating holders such number of Original Warrants that were not accepted as a result of the pro rata reduction.

The Pro Forma Condensed Consolidated Financial Information has been prepared as if (i) 5,000,000 outstanding Original Warrants were exchanged for an equal number of New Warrants in the Offer, (ii) the issuance of 5,000,000 New Warrant Shares upon the immediate exercise of the New Warrants, (iii) the issuance of 1,250,000 Supplemental Warrants and (iv) the Public Solicitation Agent solicits the tender of all 2,090,750 Public Original Warrants. The Pro Forma Condensed Consolidated Financial Information gives effect to the Offer as if this transaction occurred on June 30, 2016.

The unaudited Pro Forma Condensed Consolidated Financial Information has been derived from the unaudited condensed consolidated interim financial statements of the Company as of June 30, 2016.

The unaudited pro forma adjustments are based on currently available information and certain assumptions that management believes are reasonable. The unaudited Pro Forma Condensed Consolidated Financial Information should be read in conjunction with the Historical Financial Statements. The unaudited Pro Forma Condensed Consolidated Financial Information is for informational purposes only and does not purport to reflect the financial position that would have occurred if the Offer had been consummated on the date indicated above, nor does it purport to represent or be indicative of the financial position of the Company for any future dates or periods.

An unaudited pro forma condensed consolidated statement of operations has not been presented since this transaction has no material effect on the Company's operating results. However, see *Note 6, Pro Forma Net Loss Per Share Attributable to Common Stockholders* for the effect on the Company's pro forma net loss per share attributable to common stockholders.

2. Significant Accounting Policies

The accounting policies used in the preparation of this unaudited Pro Forma Condensed Financial Information are those set out in the Historical Financial Statements.

3. Description of the Transaction

For a limited period of time, the Company is offering to holders of the Company's outstanding warrants to purchase one share of common stock at an exercise price of \$3.57 per share the opportunity to exchange up to 5,000,000 of such Original Warrants for (1) an equal number of warrants to purchase one share of common stock at an exercise price of \$1.50 per share, conditioned upon the immediate exercise of such New Warrants, and (2) one warrant to purchase one share of common stock at an exercise price of \$3.00 per share for every four New Warrants exercised. The Original Warrants were issued (i) in July 2015 in connection with the Company's registered public offering of 2,090,750 units (each unit consisting of one share of the Company's common stock and one Original Warrant) (the "**Public Original Warrants**"), and (ii) in January 2016 in connection with the mandatory exchange of all of the Company's outstanding Class A Convertible Preferred Stock and Class B Convertible Preferred Stock into 4,977,038 units (each unit consisting of one share of the Company's common stock and one Original Warrant).

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No fractional Supplemental Warrants will be issued in connection with the Offer. The Company, in lieu of issuing any fractional Supplemental Warrants, will round down the aggregate number of Supplemental Warrants issuable to a holder to the nearest whole Supplemental Warrant.

Pursuant to the Offer, the New Warrants will have (i) an exercise price of \$1.50 per share and (ii) an exercise period that will expire concurrently with the expiration of the Offer at 5:00 p.m. (Eastern Time) on October 21, 2016, as may be extended by the Company in its sole discretion (the “**Expiration Date**”). By tendering Original Warrants, holders will also be agreeing to: (A) restrict their ability as the holder of New Warrant Shares to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any of such shares without the prior written consent of the Company for a period of sixty (60) days after the Expiration Date (the “**Lock-Up Period**”); and (B) acting alone or with others, not effect any purchases or sales of any securities of the Company in any “short sales” as defined in Rule 200 promulgated under Regulation SHO under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), or any type of direct and indirect stock pledges, forward sale contracts, options, puts, calls, short sales, swaps, “put equivalent positions” (as defined in Rule 16a-1(h) under the Exchange Act) or similar arrangements, or sales or other transactions through non-U.S. broker dealers or foreign regulated brokers through the expiration of the Lock-Up Period.

In addition, the Supplemental Warrants are exercisable at an exercise price of \$3.00 per share and are exercisable upon issuance. The Supplemental Warrants expire on the earlier of (i) three years after the date of issuance and (ii) the thirtieth (30th) day after the date that the closing price of the Company’s common stock equals or exceeds \$4.50 for ten consecutive trading days.

Participation in the Offer requires both the tender of Original Warrants as set forth in the Offer Letter/Prospectus and the exercise of the New Warrants, which will happen simultaneously effective as of the Expiration Date if the Original Warrants are properly tendered in the Offer. Holders may elect to participate in the Offer with respect to some or all of their Original Warrants. Any Original Warrants that are not tendered in the Offer will remain in full force and effect with no change in the terms of the Original Warrants.

The purpose of the Offer is to raise funds to support the Company’s operations by providing the holders of the Original Warrants an incentive to exchange their

Original Warrants for New Warrants and Supplemental Warrants, and exercise the New Warrants to purchase shares of the Company's common stock at a significantly reduced exercise price. The Company will receive all of the proceeds from the immediate exercise of the New Warrants, which will be used by the Company for business growth, including as working capital and for other general corporate purposes.

The Offer is conditioned upon the existence of an effective Registration Statement on Form S-4 relating to the registration of the New Warrants, the New Warrant Shares, the Supplemental Warrants and the Supplemental Warrant Shares. If the aggregate number of New Warrant Shares to be issued for all holders participating in the Offer is greater than the Offer Limit, then each of the participating holder's number of Original Warrants tendered will be reduced on as close to a pro rata basis as is possible. In such instance, the Company will return to participating holders such number of Original Warrants that were not accepted as a result of the pro rata reduction. Tendered payment for the New Warrant Shares relating to such Original Warrants that were not accepted will be returned to the holder, without interest thereon or deduction therefrom. See "The Exchange Offer—Offer Limit" in the Offer Letter/Prospectus for additional information.

(i) *Original Warrants*

As of the date of the Offer Letter/Prospectus, there were 7,067,788 outstanding Original Warrants to purchase an aggregate of 7,067,788 shares of common stock. However, if the aggregate number of Original Warrants properly tendered in the Offer by all holders participating in the Offer is greater than the Offer Limit, then each of the participating holder's number of Original Warrants tendered will be reduced on as close to a pro rata basis as is possible. The unaudited Pro Forma Condensed Consolidated Financial Information gives effect to (a) 5,000,000 outstanding Original Warrants exchanged for an equal number New Warrants in the Offer, (b) the immediate exercise of such New Warrants, (c) the issuance of 5,000,000 New Warrant Shares upon exercise of the New Warrants at an exercise price of \$1.50 per share for gross proceeds of \$7,500,000 and (d) the issuance of 1,250,000 Supplemental Warrants.

(ii) *Incremental fair value charge to statement of operations*

The New Warrants, which have a lower exercise price than the Original Warrants, and the Supplemental Warrants are treated as an inducement to enter into the Offer. As such, the difference between the actual fair value of the Original Warrants as of the date of their exchange and the actual fair value of the New Warrants and the fair value of the Supplemental Warrants will be recorded as an incentive expense, with an offsetting entry to additional paid-in-capital. The fair value of the Original Warrants exchanged, the New Warrants and the Supplemental Warrants will be determined using the Black-Scholes pricing model as of the Expiration Date. The Offer does not modify the current accounting treatment for the Original Warrants that are not tendered in the Offer.

(iii) *Solicitation Agent Commission*

The Company has retained Feltl and Company, Inc. (the “**Public Solicitation Agent**”) to act as its solicitation agent for the Offer pursuant to the solicitation agency agreement between the Company and the Public Solicitation Agent. The Public Solicitation Agent is to solicit beneficial owners of Public Original Warrants to participate in the Offer using its best efforts to maximize the number of Public Original Warrants tendered. For its services, the Public Solicitation Agent will receive a cash fee equal to seven percent (7%) of the gross proceeds from the exercise of New Warrants in the Offer pursuant to tenders of Public Original Warrants that the Public Solicitation Agent solicits.

(iv) *Other transaction costs*

Other transaction costs of approximately \$300,000 are expected to be incurred to complete the Offer, including those to be paid to Emergent Financial Group, Inc. as described in the section entitled “The Exchange Offer—Fees and Expenses” in the Offer Letter/Prospectus.

4. Pro Forma Assumptions and Adjustments

The unaudited Pro Forma Condensed Consolidated Financial Information is presented as if (i) 5,000,000 outstanding Original Warrants were exchanged for an equal number of New Warrants in the Offer, (ii) the issuance of 5,000,000 New Warrant Shares upon the immediate exercise of the New Warrants, (iii) the issuance of 1,250,000 Supplemental Warrants and (iv) the Public Solicitation Agent solicits the tender of all 2,090,750 Public Original Warrants. The Pro Forma Condensed Consolidated Financial Information gives effect to the Offer as if this transaction occurred on June 30, 2016. The following adjustments are directly attributable to the transaction:

To record the incremental fair value of 5,000,000 New Warrants and the fair
(a) value of 1,250,000 Supplemental Warrants to be issued as an inducement in the Offer.

To record the exercise of New Warrants to purchase 5,000,000 New Warrant
(b) Shares at an exercise price of \$1.50 per share for gross proceeds of \$7,500,000.

(c) To record the 7% cash fee with respect to the Public Original Warrants of \$219,530 payable to the Public Solicitation Agent.

(d) To record estimated additional transaction costs related to the Offer of \$300,000.

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5. Pro Forma Common Stock

The following table shows our pro forma capitalization as of June 30, 2016, adjusted to reflect the issuance of 5,000,000 New Warrant Shares upon exercise of the New Warrants pursuant to the Offer.

	June 30, 2016	
	Common	
	Shares	Amount
Common stock at June 30, 2016 (historical)	15,120,479	\$ 15,121
Shares issued upon exercise of New Warrants	5,000,000	5,000
Pro forma common stock at June 30, 2016	20,120,479	\$ 20,121

Net tangible book value per share at June 30, 2016 was \$0.34. The pro forma net tangible book value per share at June 30, 2016 is \$0.60.

6. Pro Forma Net Loss Per Share Attributable to Common Stockholders

Pro forma net loss per share attributable to common stockholders has been determined for the three months ended June 30, 2016 as if the 5,000,000 New Warrants to purchase 5,000,000 New Warrant Shares had been exercised on April 1, 2016 as follows:

	Three months ended	
	June 30,	
	2016	
Weighted average number of common shares (historical)	14,199,742	
New Warrant Shares issued upon exercise of New Warrants	5,000,000	
Pro forma weighted average number of shares outstanding - basic and diluted	19,199,742	
Pro forma adjusted net loss attributable to common stockholders	\$ (9,067,259)
	\$ (0.47)

Pro forma adjusted net loss per share attributable to
common stockholders - basic and diluted

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CRYOPORT, INC.

OFFER TO HOLDERS OF OUTSTANDING \$3.57 ORIGINAL WARRANTS TO EXCHANGE UP TO 5,000,000 OF SUCH ORIGINAL WARRANTS FOR (1) AN EQUAL NUMBER OF \$1.50 NEW WARRANTS, CONDITIONED UPON THE IMMEDIATE EXERCISE OF SUCH NEW WARRANTS, AND (2) ONE \$3.00 SUPPLEMENTAL WARRANT FOR EVERY FOUR NEW WARRANTS EXERCISED

AND

PROSPECTUS FOR (i) 5,000,000 NEW WARRANTS; (ii) 5,000,000 SHARES OF COMMON STOCK ISSUABLE UPON EXERCISE OF THE NEW WARRANTS; (iii) 1,250,000 SUPPLEMENTAL WARRANTS AND (iv) 1,250,000 SHARES OF COMMON STOCK ISSUABLE UPON EXERCISE OF THE SUPPLEMENTAL WARRANTS

THE EXCHANGE OFFER EXPIRES AT 5:00 P.M.,
EASTERN TIME, OCTOBER 21, 2016, UNLESS EXTENDED

The date of this Offer Letter/Prospectus is , 2016.

Until , 2016 all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. *Indemnification of Directors and Officers*

Under the Nevada Revised Statutes and our Amended and Restated Articles of Incorporation, as amended, our directors will have no personal liability to us or our stockholders for monetary damages incurred as the result of the breach or alleged breach by a director of his “duty of care.” This provision does not apply to the directors’ (i) acts or omissions that involve intentional misconduct or a knowing and culpable violation of law, (ii) acts or omissions that a director believes to be contrary to the best interests of the corporation or its stockholders or that involve the absence of good faith on the part of the director, (iii) approval of any transaction from which a director derives an improper personal benefit, (iv) acts or omissions that show a reckless disregard for the director’s duty to the corporation or its stockholders in circumstances in which the director was aware, or should have been aware, in the ordinary course of performing a director’s duties, of a risk of serious injury to the corporation or its stockholders, (v) acts or omissions that constituted an unexcused pattern of inattention that amounts to an abdication of the director’s duty to the corporation or its stockholders, or (vi) approval of an unlawful dividend, distribution, stock repurchase or redemption. This provision would generally absolve directors of personal liability for negligence in the performance of duties, including gross negligence.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

Item 21. Exhibits and Financial Statement Schedules

(a) *Exhibits*

See Exhibit Index following the signature page.

(b) *Financial Statement Schedules:*

Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 22. Undertakings

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of

Registration Fee” table in this registration statement;

To include any material information with respect to the plan of distribution
(iii) not previously disclosed in this registration statement or any material change to such information in the registration statement.

That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration
(2) statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

To remove from registration by means of a post-effective amendment any of
(3) the securities being registered which remain unsold at the termination of the offering.

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That, for the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities:

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6)

That, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated
(7) documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not
(8) the subject of and included in this registration statement when it became effective.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC, such indemnification is against public policy as expressed in the Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Irvine, State of California, on October 4, 2016.

CRYOPORT, INC.

By: /s/ Jerrell W. Shelton
 Jerrell W. Shelton
 Chairman, President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
By: /s/ Jerrell W. Shelton Jerrell W. Shelton	Chairman, President and Chief Executive Officer (Principal Executive Officer)	October 4, 2016
By: /s/ Robert S. Stefanovich Robert S. Stefanovich	Chief Financial Officer, Treasurer and Corporate Secretary (Principal Financial and Accounting Officer)	October 4, 2016
By: * Richard J. Berman	Director	October 4, 2016
By: * Robert Hariri, M.D., Ph.D.	Director	October 4, 2016
By: *	Director	October 4, 2016

Ramkumar
Mandalam, Ph.D.

By: * Director
Edward J. Zecchini

October 4,
2016

*By:/s/ Robert S. Stefanovich
Robert S. Stefanovich
Attorney-in-fact

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INDEX OF EXHIBITS

Exhibit No.	Description
3.1	Amended and Restated Articles of Incorporation of the Company, as amended. Incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the Quarter Ended September 30, 2012.
3.2	Amended and Restated Bylaws of the Company. Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K dated February 8, 2016.
3.3	Amended and Restated Certificate of Designation of Class A Preferred Stock. Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K dated March 30, 2015.
3.4	Certificate of Designation of Class B Preferred Stock. Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K dated February 20, 2015.
3.5	Amendment to Certificate of Designation of Class B Preferred Stock. Incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-1 dated April 17, 2015 and referred to as Exhibit 3.6.
3.6	Certificate of Change filed with the Nevada Secretary of State on May 12, 2015. Incorporated by reference to Exhibit 3.7 of the Company's Annual Report on Form 10-K filed with the SEC on May 19, 2015.
3.7	Amendment to Certificate of Designation of Class A Preferred Stock. Incorporated by reference to the Company's Amendment No. 4 to Registration Statement on Form S-1 dated June 22, 2015 and referred to as Exhibit 3.8.
3.8	Amendment to Certificate of Designation of Class B Preferred Stock. Incorporated by reference to the Company's Amendment No. 4 to Registration Statement on Form S-1 dated June 22, 2015 and referred to as Exhibit 3.9.
3.9	Amendment to Certificate of Designation of Class A Preferred Stock. Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K dated September 1, 2015.
3.10	Amendment to Certificate of Designation of Class B Preferred Stock. Incorporated by reference to Exhibit 3.2 of the Company's Current Report on Form 8-K dated September 1, 2015.
3.11	Certificate of Amendment filed with the Nevada Secretary of State on November 23, 2015. Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K dated November 23, 2015.
4.1	Cryoport, Inc. Stock Certificate Specimen. Incorporated by reference to Cryoport's Registration Statement on Form 10-SB/A4 filed with the SEC on October 20, 2005.

- 4.2 Form of Securities Purchase Agreement. Incorporated by reference to Cryoport's Current Report on Form 8-K filed with the SEC on February 24, 2012.
- 4.3 Form of Registration Rights Agreement. Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on February 24, 2012.
- 4.4 Form of Warrant. Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on February 24, 2012.
- 4.5 Form of Warrant issued with Convertible Promissory Notes. Incorporated by reference to Exhibit 4.20 of the Company's Quarterly Report on Form 10-Q for the Quarter Ended September 30, 2013.
- 4.6 Form of Warrant issued upon Conversion of Convertible Promissory Notes. Incorporated by reference to Exhibit 4.21 of the Company's Quarterly Report on Form 10-Q for the Quarter Ended September 30, 2013.
- 4.7 Form of Warrant Issued to Placement Agents. Incorporated by reference to Exhibit 4.22 of the Company's Quarterly Report on Form 10-Q for the Quarter Ended September 30, 2013.
- 4.8 Form of Warrant issued with Convertible Promissory Notes (5% Bridge Notes). Incorporated by reference to Exhibit 4.23 of the Company's Quarterly Report on Form 10-Q for the Quarter Ended December 31, 2013.
- 4.9 Form of Warrant issued in connection with the May 2014 private placement. Incorporated by reference to Exhibit 4.24 of the Company's Annual Report on Form 10-K filed with the SEC on June 25, 2014.

Exhibit No.	Description
4.10	Warrant to Purchase Common Stock. Incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated December 9, 2014.
4.11	Warrant to Purchase Common Stock. Incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated February 20, 2015.
4.12	Form of Warrant issued in connection with the Exchange and Investment Agreement. Incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated March 9, 2015.
4.13	Form of March Warrant issued in connection with the Investment Agreement. Incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K dated March 9, 2015.
4.14	Form of March Fee Warrant issued in connection with the Investment Agreement. Incorporated by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K dated March 9, 2015.1
4.15	Form of Warrant Agreement relating to the Original Warrants (including the Form of Original Warrant certificate issued in connection with public offering of Units), by and between the Company and Continental Stock Transfer & Trust Company. Incorporated by reference to the Company's Amendment No. 4 to Registration Statement on Form S-1 dated June 22, 2015 and referred to as Exhibit 4.28.
4.16	Form of Warrant issued to Aegis Capital Corp. in connection with public offering of Units. Incorporated by reference to the Company's Amendment No. 3 to Registration Statement on Form S-1 dated June 12, 2015 and referred to as Exhibit 4.29.
4.17	Form of Warrant issued with Second Amended and Restated Note. Incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated March 1, 2016.
4.18+	Form of New Warrants issued in connection with the Offer (included as Annex A to the Offer Letter/Prospectus, which forms a part of this registration statement).
4.19**	Form of Warrant Agreement relating to the Supplemental Warrants (including the Form of Supplemental Warrant certificate), by and between the Company and Continental Stock Transfer & Trust Company.
5.1**	Legal Opinion of Snell & Wilmer L.L.P.
8.1**	Legal Opinion of Snell & Wilmer L.L.P. as to certain tax matters
10.1	Amended and Restated Master Consulting and Engineering Services Agreement, by and between KLATU Networks, LLC and Cryoport Systems, Inc., dated September 16, 2015. Incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K dated September 16, 2015.
10.2	2009 Stock Incentive Plan of the Company. Incorporated by reference to Exhibit 10.21 of the Company's Current Report on Form 8-K dated

- October 15, 2009 and referred to as Exhibit 10.21.
- 10.3 Form Incentive Stock Option Award Agreement under the 2009 Stock Incentive Plan of the Company. Incorporated by reference to Exhibit 10.22 of the Company's Current Report on Form 8-K dated October 9, 2009.
- 10.4 Form of Non-Qualified Stock Option Award Agreement under the 2009 Stock Incentive Plan of the Company. Incorporated by reference to Exhibit 10.25 of the Company's Registration Statement on Form S-8 dated April 27, 2010.
- 10.5 2011 Stock Incentive Plan (as amended and restated). Incorporated by reference to Exhibit B of the Company's Definitive Proxy Statement on Schedule 14A filed with the SEC on July 30, 2012.
- 10.6 Form of Stock Option Award Agreement. Incorporated by reference to Exhibit 10.37 to the Company's Current Report on Form 8-K filed with the SEC on September 27, 2011.
- 10.7 Form of Non-Qualified Stock Option Award Agreement. Incorporated by reference to Exhibit 10.38 to the Company's Current Report on Form 8-K filed with the SEC on September 27, 2011.
- 10.8* Stock Option Agreement dated November 5, 2012 between the Company and Jerrell Shelton. Incorporated by reference to Exhibit 10.28 to the Company's Annual Report on Form 10-K filed with the SEC on June 25, 2013.

Exhibit No.	Description
10.9*	Form of Non-Qualified Stock Option Award Agreement. Incorporated by reference to Exhibit 10.38 to the Company's Current Report on Form 8-K filed with the SEC on September 27, 2011.
10.10	Form of Subscription Agreement in connection with the May 2014 private placement. Incorporated by reference to Exhibit 10.34 to the Company's Annual Report on Form 10-K filed with the SEC on June 25, 2014.
10.11	Form of Election to Convert in connection with the May 2014 private placement. Incorporated by reference to Exhibit 10.35 to the Company's Annual Report on Form 10-K filed with the SEC on June 25, 2014.
10.12	Form of Indemnification Agreement. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on July 16, 2014.
10.13	Subscription Agreement and Letter of Investment Intent. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on December 9, 2014.
10.14	Form of Note Exchange Agreement and Letter of Investment Intent, dated February 19, 2015. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on March 9, 2015.
10.15	Form of Exchange Note issued in connection with the Exchange and Investment Agreement. Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on March 9, 2015.
10.16*	Stock Option Agreement dated December 18, 2014 between the Company and Jerrell Shelton. Incorporated by reference to Exhibit 10.42 of the Company's Annual Report on Form 10-K filed with the SEC on May 19, 2015.
10.17	Purchase and Sale Agreement, by and between KLATU Networks, LLC and Cryoport Systems, Inc., dated September 16, 2015. Incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K dated September 16, 2015.
10.18	2015 Omnibus Equity Incentive Plan. Incorporated by reference to Appendix A of the Company's Definitive Proxy Statement on Schedule 14A filed with the SEC on October 1, 2015.
10.19	Standard Industrial/Commercial Multi-Tenant Lease – Net dated for reference purposes only October 2, 2015 between the Cryoport Systems, Inc. and Daimler Opportunity, LLC. Incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K dated October 21, 2015.
10.20	Guaranty between the Company and Daimler Opportunity, LLC dated as of October 2, 2015. Incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K dated October 21, 2015.
10.21	

Form of Second Amended and Restated Note. Incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K dated March 1, 2016.

- 21** Subsidiaries of Registrant.
- 23.1+ Consent of KMJ Corbin & Company LLP, Independent Registered Public Accounting Firm.
- 23.2** Consent of Snell & Wilmer L.L.P. (included in Exhibit 5.1).
- 24.1** Power of Attorney.
- 99.1** Form of Letter of Transmittal.
- 99.2** Form of Notice of Guaranteed Delivery.
- 99.3** Form of Letter to Warrantholders of Record.
- 99.4** Form of Letter to Brokers and Other Nominee Holders.
- 99.5** Form of Letter to Clients of Brokers and other Nominee Holders.

* Indicates a management contract or compensatory plan or arrangement.

** Previously filed.

+ Filed herewith.