



PAUL COHEN'S *Marijuana Hub*

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HOW TO MAKE MONEY IN THE MARIJUANA STOCK MARKET

ISSUE #4: SUB SECTORS: THE LAB BUSINESS. PAZOO DILUTION

► Let us go through a financial analysis exercise about Pazoo's common stock dilution. The bottom line is that currently the stock should continue take its current hit while convertible debt to shares are being sold into the market. However, once sold, the stock should rebound. Tomorrow we will look at long term dilution and total shares to be converted.

From Pazoo Filings: The current common stock of Pazoo is 218,731,242. In addition, 121,352,600 shares are likely to be issued in future for conversion of the Series A Preferred Stock previously sold. Also, at January 31, 2015 there were 119,000,000 preferred stock warrants outstanding, each exercisable for 1 common share at a weighted average exercise price of \$2.20 per share and 5,996,429 common stock warrants outstanding, each exercisable at for 1 common shares at a weighted average exercise price of \$0.067. Accordingly, dilution will occur to the existing shareholders if the holder of the Series A Preferred Stock elects to convert its shares into common stock and/or exercises its Warrants. If ICPI were to convert its Series A Preferred Shares it would represent 117,852,570 common shares valued at an acquisition cost of between \$0.04 and \$0.50 per share. In the event that ICPI were to convert all of its Series A Preferred Stock there would be immediate dilution which will be absorbed by Selling Shareholder. The 28.9 million shares are unknown owners.

	Total Number of Shares
Common Shares As of November 14, 2014	155,038,410.00
Stock Issued to Consultants	2,566,588.00
Integrated - Conversion of Pref. Shares	13,250,000.00
LG Capital - Promissory Note Conversion	1,185,994.00
Typex - Promissory Note Conversion	2,714,008.00
JMJ - Promissory Note Conversion	5,330,247.00
Iconic - Promissory Note Conversion	10,733,333.00
No Information Available	28,912,662.00
Common Shares As of January 39, 2015	219,731,242.00