UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

[X]	QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 **For the quarterly period ended June 30, 2017**
[ ]	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 **001-36378**

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

Nevada	**20-0019425**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
321 South 1250 West, Suite 1	
Lindon, Utah	**84042**
(Address of principal executive offices)	(Zip Code)

(801) 796-5127

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes [X] 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 [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or emerging growth company. See the definitions of " *large accelerated filer*," " *accelerated filer,*" "*smaller reporting company,*" and "*emerging growth company*" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ]	Smaller reporting company [X]
(Do not check if a smaller reporting company)	Emerging growth company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

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

As of August 4, 2017, the registrant had 53,684,293 shares issued and 48,553,246 shares outstanding of common stock, par value $0.001.

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PROFIRE ENERGY, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

	As of	
ASSETS	June 30, 2017	December 31, 2016
	(Unaudited)	
CURRENT ASSETS		
Cash and cash equivalents	$ 9,310,895	$ 9,316,036
Accounts receivable, net	6,701,171	5,633,802
Inventories, net	8,297,245	7,839,503
Income tax receivable	194,752	180,981
Short term investments	2,110,602	2,965,536
Investments - other	2,250,000	2,250,000
Prepaid expenses & other current assets	622,396	410,558
Total Current Assets	29,487,061	28,596,416
LONG-TERM ASSETS		
Net deferred tax asset	195,368	60,940
Long-term investments	6,356,832	5,504,997
Property and equipment, net	7,166,159	7,458,723
Goodwill	997,701	997,701
Intangible assets, net	493,265	490,082
Total Long-Term Assets	15,209,325	14,512,443
TOTAL ASSETS	$ 44,696,386	$ 43,108,859
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	1,315,561	1,220,478
Accrued vacation	192,579	154,307
Accrued liabilities	601,740	284,214
Income taxes payable	1,397,462	61,543
Total Current Liabilities	3,507,342	1,720,542
TOTAL LIABILITIES	3,507,342	1,720,542
STOCKHOLDERS' EQUITY		
Preferred shares: $0.001 par value, 10,000,000 shares authorized: no shares issued and outstanding	—	—
Common shares: $0.001 par value, 100,000,000 shares authorized: 53,684,293 issued and 48,662,169 outstanding at June 30, 2017 and 53,582,250 issued and 50,705,933 outstanding at December 31, 2016	53,684	53,582
Treasury stock, at cost	(6,423,737)	(3,582,805)
Additional paid-in capital	26,981,218	26,800,298
Accumulated other comprehensive loss	(2,434,140)	(2,810,743)
Retained earnings	23,012,019	20,927,985
Total Stockholders' Equity	41,189,044	41,388,317
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 44,696,386	$ 43,108,859

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

PROFIRE ENERGY, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Operations and Other Comprehensive Income (Loss)

(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
REVENUES				
Sales of goods, net	$ 8,834,650	$ 3,462,893	$16,126,879	$ 7,435,817
Sales of services, net	630,301	511,150	1,162,568	1,081,880
Total Revenues	9,464,951	3,974,043	17,289,447	8,517,697
COST OF SALES				
Cost of goods sold-product	4,035,528	1,712,643	7,090,828	3,493,209
Cost of goods sold-services	452,591	347,150	854,613	810,343
Total Cost of Goods Sold	4,488,119	2,059,793	7,945,441	4,303,552
GROSS PROFIT	4,976,832	1,914,250	9,344,006	4,214,145
OPERATING EXPENSES				
General and administrative expenses	2,739,055	2,385,567	5,682,368	5,055,668
Research and development	275,776	250,722	479,520	404,244
Depreciation and amortization expense	130,838	159,239	279,913	301,777
Total Operating Expenses	3,145,669	2,795,528	6,441,801	5,761,689
INCOME (LOSS) FROM OPERATIONS	1,831,163	(881,278)	2,902,205	(1,547,544)
OTHER INCOME (EXPENSE)				
Gain (loss) on sale of fixed assets	46,374	(2,592)	48,476	(1,705)
Other (expense) income	18,798	4,756	13,385	(271,557)
Interest income	54,840	27,942	86,118	33,363
Total Other Income (Expense)	120,012	30,106	147,979	(239,899)
NET INCOME (LOSS) BEFORE INCOME TAXES	1,951,175	(851,172)	3,050,184	(1,787,443)
Income tax expense (benefit)	638,528	(245,877)	1,137,465	(417,531)
NET INCOME (LOSS)	$ 1,312,647	$ (605,295)	$ 1,912,719	$ (1,369,912)
OTHER COMPREHENSIVE INCOME (LOSS)				
Foreign currency translation gain (loss)	$ 238,543	$ 773	$ 313,656	$ (839,417)
Unrealized gains on investments, net of tax	26,659	—	62,947	—
Total Other Comprehensive Income (Loss)	265,202	773	376,603	(839,417)
TOTAL COMPREHENSIVE INCOME (LOSS)	$ 1,577,849	$ (604,522)	$ 2,289,322	$ (2,209,329)
BASIC EARNINGS PER SHARE	$ 0.03	$ (0.01)	$ 0.04	$ (0.03)
FULLY DILUTED EARNINGS PER SHARE	$ 0.03	$ (0.01)	$ 0.04	$ (0.03)
BASIC WEIGHTED AVG NUMBER OF SHARES OUTSTANDING	49,678,917	53,256,333	50,152,958	53,274,640
FULLY DILUTED WEIGHTED AVG NUMBER OF SHARES OUTSTANDING	50,283,144	53,256,333	50,757,185	53,274,640

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

PROFIRE ENERGY, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

(Unaudited)

	For the Six Months Ended June 30, 2017	2016
OPERATING ACTIVITIES		
Net Income (Loss)	$ 1,912,719	$ (1,369,912)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	458,293	512,703
Gain on sale of fixed assets	(48,255)	1,705
Bad debt expense	121,015	190,384
Stock options issued for services	372,086	156,286
Changes in operating assets and liabilities:		
Changes in accounts receivable	(1,107,574)	3,201,882
Changes in income taxes receivable/payable	1,327,884	(749,358)
Changes in inventories	(646,870)	1,091,372
Changes in prepaid expenses	(205,781)	36,003
Changes in deferred tax asset/liability	(134,427)	232,559
Changes in accounts payable and accrued liabilities	716,436	(1,014,087)
Net Cash Provided by Operating Activities	2,765,526	2,289,537
INVESTING ACTIVITIES		
Proceeds from sale of equipment	112,183	59,013
Proceeds from investments	66,045	—
Purchase of fixed assets	(181,566)	—
Net Cash Provided by (Used in) Investing Activities	(3,338)	59,013
FINANCING ACTIVITIES		
Value of equity awards surrendered by employees for tax liability	(20,800)	(99)
Purchase of Treasury stock	(2,840,932)	—
Net Cash Used in Financing Activities	(2,861,732)	(99)
Effect of exchange rate changes on cash	94,403	413,138
NET INCREASE IN CASH	(5,141)	2,761,589
CASH AT BEGINNING OF PERIOD	9,316,036	19,281,501
CASH AT END OF PERIOD	$ 9,310,895	$ 22,043,090
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest		$ —
Income taxes	$ 67,078	$ —

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

NOTE 1 - CONDENSED FINANCIAL STATEMENTS

Except where the context otherwise requires, references herein to the "Company" are to Profire Energy, Inc. and its wholly owned subsidiary, taken together.

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments, except for the adoption of ASU 2016-09 discussed below) necessary to present fairly the financial position, results of operations and cash flows at June 30, 2017 and for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the Company's audited financial statements contained in its transition report on Form 10-K for the transition period ended December 31, 2016. The results of operations for the period ended June 30, 2017 and 2016 are not necessarily indicative of the operating results for the full years.

NOTE 2 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Line of Business

This Organization and Summary of Significant Accounting Policies of the Company is presented to assist in understanding the Company's consolidated financial statements. The Company's accounting policies conform to accounting principles generally accepted in the United States of America ("US GAAP").

Profire Energy, Inc. was established on October 9, 2008 upon the closing of transactions contemplated by an Acquisition Agreement among The Flooring Zone, Inc., Profire Combustion, Inc. (the "Subsidiary") and the shareholders of the Subsidiary. Following the closing of the transactions, The Flooring Zone, Inc. was renamed Profire Energy, Inc. (the "Parent").

Pursuant to the terms and conditions of the Acquisition Agreement, 35,000,000 shares of restricted common stock of the Parent were issued to the three shareholders of the Subsidiary in exchange for all of the issued and outstanding shares of the Subsidiary. As a result of the transaction, the Subsidiary became a wholly-owned subsidiary of the Parent and the shareholders of the Subsidiary became the controlling shareholders of the Parent.

The Parent was incorporated on May 5, 2003 in the State of Nevada. The Subsidiary was incorporated on March 6, 2002 in the province of Alberta, Canada.

The Company provides burner and chemical management products and services for the oil and gas industry primarily in the Canadian and US markets.

Significant Accounting Policies

There have been no changes to the significant accounting policies of the Company from the information provided in Note 1 of the Notes to the Consolidated Financial Statements in the Company's most recent 10-K, except as discussed below.

<u>Reclassification</u>

Certain balances in previously issued consolidated financial statements have been reclassified to be consistent with the current period presentation. The reclassification had no impact on financial position, net income, or stockholders' equity.

NOTE 2 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Stock Based Compensation

In March 2016, the FASB issued ASU No. 2016-09, Compensation – Stock Compensation (Topic 718): Improvements to Employee Share Based Payment Accounting. Several aspects of the accounting for share based payment awards are simplified with this update, including accounting for and classification of various taxes, classification of awards as equity or liabilities, classification of various amounts on the statement of cash flows, and accounting for forfeitures. This standard became effective for the Company on January 1, 2017.

As part of this standard, companies can choose whether to recognize forfeitures as they occur or continue to estimate forfeitures with periodic true-ups. The Company has elected to recognize forfeitures as they occur. This election was made on a modified retrospective basis with the cumulative effect recognized in beginning retained earnings of the current period; therefore, amounts in prior periods have not been restated. The total adjustment was $171,315 as a reduction of APIC and increase in retained earnings.

Recent Accounting Pronouncements

The Company has evaluated all recent accounting pronouncements and determined that the adoption of pronouncements applicable to the Company has not had or is not expected to have a material impact on the Company's financial position, results of operations or cash flows.

NOTE 3 – INVENTORY

Inventories consisted of the following at each balance sheet date:

	As of	
	June 30, 2017	December 31, 2016
Raw materials	$ 157,437	$ 940,527
Finished goods	8,322,753	7,112,098
Work in process	—	—
Subtotal	8,480,190	8,052,625
Reserve for Obsolescence	(182,945)	(213,122)
Total	$ 8,297,245	$ 7,839,503

NOTE 4 – STOCKHOLDERS' EQUITY

As of June 30, 2017 and December 31, 2016, the Company held 5,022,124 and 2,876,317 shares in treasury at a total cost of $6,423,737 and $3,582,805, respectively. All purchases of treasury stock have been made at market rates.

On May 25, 2017, the Company repurchased 1,300,000 shares of Company stock from our CEO for a total price of $1,703,000. This repurchase is included in the treasury stock described in the preceding paragraph. For further details, refer to the Stock Redemption Agreement filed herewith as exhibit 10.2.

NOTE 5 - FINANCIAL INSTRUMENTS AND INVESTMENTS

The fair value of a financial instrument is the amount that could be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets are marked to bid prices and financial liabilities are marked to offer prices. Fair value measurements do not include transaction costs.

A fair value hierarchy is used to prioritize the quality and reliability of the information used to determine fair values. Categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fair value hierarchy is divided into the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.
Level 2: Observable market-based inputs or inputs that are corroborated by market data.
Level 3: Unobservable inputs that are not corroborated by market data.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair value.

The carrying value of cash, accounts receivable, accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments. Investments are presented at fair value as of the balance sheet date and accumulated gains or losses on those investments are reported in other comprehensive income. Management is of the opinion that the Company is not exposed to significant interest or credit risks arising from financial instruments and any declines in the value of investments are temporary in nature.

NOTE 5 - FINANCIAL INSTRUMENTS AND INVESTMENTS (CONTINUED)

The following tables show the adjusted cost, unrealized losses and fair value of the Company's money market funds and investments held as of June 30, 2017 and December 31, 2016:

	June 30, 2017					
	Adjusted Cost	Gross Unrealized Losses	Fair Value	Cash and Cash Equivalents	Short Term Investments	Long Term Investments
Level 1						
Money Market Funds	$ 1,205,256	$ —	$ 1,205,256	$ 1,205,256	$ —	$ —
Mutual Funds	1,626,236	(46,762)	1,579,474	—	—	1,579,474
Subtotal	2,831,492	(46,762)	2,784,730	1,205,256	—	1,579,474
Level 2						
Certificates of Deposit	$ 2,250,000	$ —	$ 2,250,000	$ —	$ 2,250,000	$ —
Corporate Bonds	2,138,828	(19,820)	2,119,008	—	455,241	1,663,767
Municipal Bonds	4,781,183	(12,231)	4,768,952	—	1,655,361	3,113,591
Subtotal	9,170,011	(32,051)	9,137,960	—	4,360,602	4,777,358
Total	$ 12,001,503	$ (78,813)	$ 11,922,690	$ 1,205,256	$ 4,360,602	$ 6,356,832

	December 31, 2016					
	Adjusted Cost	Gross Unrealized Losses	Fair Value	Cash and Cash Equivalents	Short Term Investments	Long Term Investments
Level 1						
Money Market Funds	$ 1,053,844	$ —	$ 1,053,844	$ 1,053,844	$ —	$ —
Mutual Funds	1,473,536	(90,495)	1,383,041	—	—	1,383,041
Subtotal	2,527,380	(90,495)	2,436,885	1,053,844	—	1,383,041
Level 2						
Certificates of Deposit	$ 2,250,000	$ —	$ 2,250,000	$ —	$ 2,250,000	$ —
Corporate Bonds	2,246,956	(29,419)	2,217,537	—	400,053	1,817,484
Municipal Bonds	4,929,249	(59,294)	4,869,955	—	2,565,483	2,304,472
Subtotal	9,426,205	(88,713)	9,337,492	—	5,215,536	4,121,956
Total	$ 11,953,585	$ (179,208)	$ 11,774,377	$ 1,053,844	$ 5,215,536	$ 5,504,997

NOTE 6 – SEGMENT INFORMATION

The Company operates in the United States and Canada. Segment information for these geographic areas is as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
Sales	2017	2016	2017	2016
Canada	1,958,320	1,422,087	3,042,218	2,187,845
United States	7,506,631	2,551,956	14,247,229	6,329,852
Total Consolidated	9,464,951	3,974,043	17,289,447	8,517,697

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
Profit (Loss)	2017	2016	2017	2016
Canada	246,534	(53,176)	(335,510)	(458,021)
United States	1,066,113	(552,119)	2,248,229	(911,891)
Total Consolidated	1,312,647	(605,295)	1,912,719	(1,369,912)

	As of	
Long-lived assets	June 30, 2017	December 31, 2016
Canada	$ 1,493,693	$ 1,472,207
United States	13,520,264	12,979,296
Total Consolidated	$ 15,013,957	$ 14,451,503

NOTE 7 – STOCK BASED COMPENSATION

On February 27, 2017, the Company issued 74,711 shares of common stock to one of our directors in settlement of previously vested restricted stock units ("RSUs"). During May and June, the Company issued 27,332 shares of common stock to an employee in settlement of previously vested RSUs. The compensation cost for all of these issuances was already recognized in prior periods as the awards vested.

NOTE 8 – BASIC AND DILUTED EARNINGS PER SHARE

The following table is a reconciliation of the numerator and denominators used in the earnings per share calculation:

	Three Months Ended June 30, 2017			Six Months Ended June 30, 2017		
	Income (Numerator)	Weighted Average Shares (Denominator)	Per-Share Amount	Income (Numerator)	Weighted Average Shares (Denominator)	Per-Share Amount
Basic EPS						
Net income available to common stockholders	1,312,647	49,678,917	$ 0.03	1,912,719	50,152,958	$ 0.04
Effect of Dilutive Securities						
Stock options & RSUs	—	604,227		—	604,227	
Diluted EPS						
Net income available to common stockholders + assumed conversions	1,312,647	50,283,144	$ 0.03	1,912,719	50,757,185	$ 0.04

Options to purchase 1,195,100 shares of common stock at a weighted average price of $2.03 per share were outstanding during the three and six months ended June 30, 2017, but were not included in the computation of diluted EPS because the options' exercise price was greater than the average market price of the common shares. These options, which expire between March 2018 and October 2025, were still outstanding at June 30, 2017.

	Three months ended June 30, 2016				Six Months Ended June 30, 2016			
	Income (Numerator)	Weighted Average Shares (Denominator)		Per-Share Amount	Income (Numerator)	Weighted Average Shares (Denominator)		Per-Share Amount
Basic EPS								
Net income available to common stockholders	(605,295)	53,256,333	$	(0.01)	(1,369,912)	53,274,640	$	(0.03)
Effect of Dilutive Securities								
Stock options & RSUs	—	—			—	—		
Diluted EPS								
Net income available to common stockholders + assumed conversions	(605,295)	53,256,333	$	(0.01)	(1,369,912)	53,274,640	$	(0.03)

Options to purchase 332,794, and 1,018,500 shares of common stock at a weighted average price of $2.29 per share were outstanding during the three and six months ended June 30, 2016, respectively, but were not included in the computation of diluted EPS because the Company reported a net loss during the periods and the impact of these shares would be antidilutive. These options, which expire between February 2017 and October 2025, were still outstanding at June 30, 2016.

NOTE 9 – SUBSEQUENT EVENTS

In accordance with ASC 855 "Subsequent Events," Company Management reviewed all material events through August 4, 2017, the date this report was available to be issued, and the following subsequent events occurred:

During the period beginning July 1, 2017 and ended August 4, 2017, the Company repurchased 108,923 shares of common stock for a total repurchase price of $139,705 under the shareholder authorized repurchase program. All purchases were made at market rates.

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

This discussion summarizes the significant factors affecting our consolidated operating results, financial condition, liquidity and capital resources during the three and six month periods ended June 30, 2017 and 2016. For a complete understanding, this Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the *Financial Statements* and *Notes to the Financial Statements* contained in this quarterly report on Form 10-Q and our transition report on Form 10-K for the nine-month transition period ended December 31, 2016.

Forward-Looking Statements

This quarterly report on Form 10-Q 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 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 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, objectives, 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* ", " *will* " or comparable terminology or the negative of such terms are intended to identify forward-looking statements; however, the absence of these words does not necessarily mean that a statement is not forward-looking. 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 products or services less competitive or obsolete; our failure to successfully develop new products and/or services or to anticipate current or prospective customers' needs; price increases; limits to employee capabilities; 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 its nature is 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. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements and 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.

Overview of Products & Services

We design, assemble, install, service, and sell oilfield-management technologies. Our flagship products are burner-management systems that monitor and manage burners found throughout the industry. We believe our products provide major benefits to our customers including improved efficiency, increased safety, and enhanced compliance with evolving industry regulation. We also sell related products such as flare ignition systems, fuel train components, secondary airplates, valve actuators, solar packages, and chemical-management systems. Our products and services aid oil and natural gas producers in the safe and efficient production and transportation of oil and natural gas.

Principal Products and Services

In the oil and natural gas industry, there are numerous demands for heat generation and control. Oilfield vessels of all kinds, including line-heaters, dehydrators, separators, treaters, amine reboilers, and free-water knockout systems require heat to satisfy their various functions, which is provided by a burner flame inside the vessel. This burner flame is integral to the operation of the vessel because these vessels use the flame's heat to facilitate the proper function of the vessel. Such functions include separating, storing, transporting and purifying oil and gas (or even water). For example, the viscosity of oil and moisture content (and temperature) of gas are critical to a number of oilfield processes, and are directly affected by the heat provided by the burner flame inside the vessel. Our burner-management systems help ignite, monitor, and manage this burner flame, reducing the need for employee interaction with the burner, such as for the purposes of re-ignition or temperature monitoring.

As a result, oil and gas producers can achieve increased safety, greater operational efficiencies, and improved compliance with changing industry regulations. We believe, despite the current industry down-turn, there is a growing trend in the oil and gas industry toward enhanced control, process automation, and data logging, partly for potential regulatory-satisfaction purposes. We continue to assess compliance-interest in the industry, especially given the budgetary constraints we have observed over the last two years. We believe that enhanced burner-management products and services can help our customers be compliant with such regulatory requirements, where applicable. In addition to selling products, we train and dispatch service technicians to service burner flame installations in Canada and throughout the United States.

We initially developed our first burner-management system in 2005. Since 2005, we have released several iterations of our initial burner-management system, increasing features and capabilities, while maintaining compliance with Canadian Standards Association (CSA) and Underwriters Laboratories (UL) ratings.

Our burner-management systems have become widely used in Western Canada, and throughout many regions in the United States. We have sold our burner-management systems to many large energy companies, including Anadarko, Chesapeake Energy, ConocoPhillips, Devon Energy, Encana, Exxon-Mobil, Petro-Canada, Shell and others. Our systems have also been sold or installed in other parts of the world, including France, Italy, Ukraine, India, Nigeria, the Middle East, Australia, and Brazil. While we have an interest in expanding our long-term international distribution capabilities, our current principal focus is on the North American oil and gas market.

Product Extension: PF3100

In September of 2015, the Company unveiled its next generation burner-management system which is designed to operate, monitor, and control more complex, multi-faceted oilfield applications. The PF3100, is an advanced management system designed to work with any number of Profire-engineered modules, specific to different applications, thus allowing the system to expertly manage a wide variety of applications and possibly whole new environments in future years.

Throughout the industry, Programmable Logic Controllers (PLC) are used to operate and manage custom-built oilfield applications. Though capable, PLC's can be expensive, tedious, and difficult to use. Our unique solution, the PF3100, can help manage and synchronize custom applications helping oilfield producers meet deadlines and improve profitability through an off-the-shelf solution with dynamic customization. The Company is selling the PF3100 for initial use in the oil and gas industry's natural-draft and forced-air markets.

The Company frequently assesses market needs by participating in industry conferences and soliciting feedback from existing and potential customers and looks for opportunities to provide quality solutions to the oil and gas producing companies it serves. Upon identifying a potential market need, the Company begins researching the market and developing products that might have feasibility for future sale.

Additional Complementary Products

In addition to our burner-management systems, we also sell complementary oilfield products to help facilitate improved oilfield safety and efficiency. Such products help manage fuel flow (e.g., valves and fuel trains), meter air flow (e.g., airplates), generate power on-site (e.g., solar packages), ignite and direct flame (e.g., flare stack igniter and nozzles), and other necessary functions. We have invested heavily to develop innovative complementary products, which we anticipate will help bolster continued long-term growth. Some of these products are resold from third parties (e.g., solar packages), while some are proprietary (e.g., flare stack igniter) or patent-pending (e.g., inline pilot and valve technologies).

Chemical-Management Systems

In addition to the burner-management systems and complementary technologies we have sold historically, we acquired the assets of VIM Injection Management ("VIM") in November 2014, which extended our product offering to include chemical-management systems.

Chemical injection is used for a wide variety of purposes in the oil and gas industry including down-hole inhibition of wax, hydrates, and corrosion agents, so that product can flow more efficiently to the wellhead. Once at the wellhead, chemical injection can also be used to further process the oil or gas before it is sent into a pipeline, and with other applications.

Currently, a variety of pumps are used to meter the chemicals injected, but are often inaccurate in injecting the proper amount of chemical, as they may not account for all of the variables that affect how much chemical should be injected (e.g., pressure, hydrogen sulfide concentration, etc.) nor the optimal efficiency rates of varying pump systems.

Inaccurate injection levels are problematic because the chemicals injected are expensive, and over-injection causes unnecessary expense for producers. Under-injection can also be problematic because it often results in the creation of poor product (i.e., with wax, hydrate, or corrosion agents) and causes problems with pipeline audits.

Our chemical-management systems monitor and manage the chemical-injection process to ensure that optimal levels of chemicals are injected. This improves the efficiency of the pump and production quality of the well, improves safety for workers that would otherwise be exposed to these chemicals, and improves compliance with pipeline operators. Like our burner-management systems, our chemical-management systems can be monitored and managed remotely via SCADA or other remote-communication systems. We hold a U.S. patent related to our chemical management system and its process for supplying a chemical agent to a process fluid.

Results of Operations

Comparison quarter over quarter

The table below presents certain financial data comparing the current quarter to prior quarters:

	For the three months ended				
	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016
Total Revenues	$9,464,951	$7,824,495	$7,022,330	$4,990,813	$3,974,043
Gross Profit Percentage	52.6%	55.8%	50.7%	52.6%	48.2%
Operating Expenses	$3,145,669	$3,296,131	$2,890,716	$2,752,028	$2,795,528
Net Income (Loss)	$1,312,647	$600,071	$608,896	$74,452	$(605,295)
Operating Cash Flow	$800,580	$1,964,946	$538,358	$1,108,674	$736,681

As oil prices have stabilized between $40-50 per barrel in the past nine-months, we have seen increased capital budgets from our customers and an increased willingness to invest in new equipment. Revenues have steadily increased each quarter for the past year primarily due to increased sales volumes. If oil prices continue to stabilize and our customers' capital budgets increase, we expect that sales volumes will continue to increase at a moderate pace. From the quarter ended June 30, 2016 to the quarter ended June 30, 2017, revenues increased 138% with only a 13% increase in operating expenses, which enabled us to increase net income 317% between the two periods.

Our gross profit percentage fluctuates each quarter due to changes in product mix. Over the past year we have managed to increase our gross profit percentage 4% and we expect it to remain fairly consistent, with normal product mix fluctuations, in future periods. We believe that the percentage could grow as the PF3100 becomes a larger contributor to revenue in future periods.

For over a year we have been focusing on optimizing and right sizing our operations to be able to facilitate growth without increasing costs more than necessary. From the quarter ended June 30, 2016 to the quarter ended June 30, 2017, our operating expenses have increased $350,141, primarily due to additional staffing required to support the revenue growth we have experienced.

Due to the reasons discussed above, we have been able to increase net income 317% compared to the same quarter last year. We have also increased operating cash flows 9% in that same time frame. We believe we are positioned well for continued growth in future periods.

Comparison of the six months ended June 30, 2017 and 2016

The table below presents certain financial data comparing the six months ended June 30, 2017 to the same period ended June 30, 2016:

	For the six months ended			
	June 30, 2017	June 30, 2016	$ Change	% Change
Total Revenues	$17,289,447	$8,517,697	$8,771,750	103%
Operating Expenses	$6,441,801	$5,761,689	$680,112	12%
Net Income (Loss)	$1,912,719	$(1,369,912)	$3,282,631	240%
Operating Cash Flow	$2,765,526	$2,289,537	$475,989	21%

We have made changes to right size our operations to enable us to increase revenues while keeping costs low and we are seeing the results of those changes. Revenues during the current six month period compared to the same six months in the prior year have increased 103% while operating expenses have only increased 12%. As a result of our right sizing efforts, those changes have flowed through to our bottom line with a 240% increase in net income.

During the past six months, we were able to finance our treasury stock repurchases of $2,840,932 nearly entirely from our cash flow from operations. We continue to believe that repurchasing our stock is an appropriate use of our excess cash at this time.

Liquidity and Capital Resources

Working capital at June 30, 2017 was $25,979,719 compared to $26,875,874 at December 31, 2016. This change was primarily due to a change in our investment mix from short term to long term, an increase in income taxes payable as a result of generating net income during the period, and the repurchase of 1.3million shares of our common stock from our CEO for an aggregate purchase price of $1,720,737. We currently do not have any material commitments for capital expenditures, although we are committed to maintaining the assets we have already acquired. We believe our available cash resources are sufficient to cover expected capital expenditures for the foreseeable future, and we have no current plans to incur debt financing.

Off-Balance Sheet Arrangements

We have not engaged in any off-balance sheet arrangements, nor do we plan to engage in any in the foreseeable future.

Item 3. Quantitative and Qualitative Disclosure about Market Risk

As a smaller reporting company, this section is not required.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of the principal executive officer and principal financial officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934 as of the end of the period covered by this Report. Based on this evaluation, the principal executive officer and principal financial officer concluded that as of the end of the period covered by this Report, our disclosure and control procedures were not effective due to material weaknesses identified as part of our 2016 year-end review of internal controls over financial reporting. A material weakness is a control deficiency, or combination of control deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the registrant's annual or interim financial statements will not be prevented or detected on a timely basis. For more information on material weaknesses identified by management during our internal assessment, see our transition report on Form 10-K for the nine-month transition period ended December 31, 2016.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Management's Remediation Initiatives

Management has been actively developing a remediation plan and been implementing new controls and processes to address the aforementioned deficiencies. Upon receiving the results of our internal controls review, we have taken actions to strengthen our internal control structure, including the following:

- Hired third parties to provide advice on COSO framework and risk control matrices;
- Implemented Company-wide trainings over internal controls in relation with new accounting standard operating procedures, including the requirement of supplying supporting evidence, proving the level of precision with which a control is performed, etc.;
- Required evidence of review in nearly all controls;
- Reviewed and updated each employee's access within the enterprise resource management system;
- Required purchase orders agree with sales orders within a certain threshold;
- Required written and verbal confirmation for wire transfers;
- Revised the processes over financial reporting, including preparation of the cash flow statement and tax provision; and
- Implemented new controls over equity awards to ensure compliance with laws, regulations, and plan limitations.

Management continues to meet with key managers and control owners to evaluate the effectiveness of internal controls and to ensure implementation of remediation initiatives.

Limitations on the Effectiveness of Internal Controls

An internal control system, no matter how well-conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the internal control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, a control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

To the best of our knowledge, there are no legal proceedings pending or threatened against us that may have a material impact on us and there are no actions pending or threatened against any of our directors or officers that are averse to us.

Item 1A. Risk Factors

In addition to the other information set forth in this quarterly report on Form10-Q, you should carefully consider the risks discussed in our Transition Report on Form 10-K for the nine-month transition period ended December 31, 2016, which risks could materially affect our business, financial condition or future results. These risks are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material, adverse effect on our business, financial condition or future results.

Disruptions, failures or security breaches of our information technology infrastructure could have a negative impact on our operations.

Information technology is critically important to our business operations. We use information technology to manage all business processes including manufacturing, financial, logistics, sales, marketing and administrative functions. These processes collect, interpret and distribute business data and communicate internally and externally with employees, suppliers, customers and others.

We invest in industry standard security technology to protect the Company's data and business processes against risk of data security breach and cyber attack. Our data security management program includes identity, trust, vulnerability and threat management business processes as well as adoption of standard data protection policies. We measure our data security effectiveness through industry accepted methods and remediate significant findings. Additionally, we certify our major technology suppliers and any outsourced services through accepted security certification standards.

While we believe that our security technology and processes provide adequate measures of protection against security breaches and in reducing cybersecurity risks, disruptions in or failures of information technology systems are possible and could have a negative impact on our operations or business reputation. Failure of our systems, including failures due to cyber attacks that would prevent the ability of systems to function as intended, could cause transaction errors, loss of customers and sales, and could have negative consequences to our Company, our employees, and those with whom we do business.

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

As previously reported, on June 26, 2014, the SEC declared effective our registration statement on Form S-1 (File No. 333-196462). The registration statement related to 6,000,000 shares of our common stock; 4,500,000 shares were sold by the Company and 1,500,000 shares were sold by certain selling stockholders. On July 2, 2014, we sold 4,500,000 shares of our common stock at the price of $4.00 per share, for an aggregate sale price of $18,000,000.

Although we have used a portion of the proceeds from the offering to fund our operations and stock repurchases, a portion of our existing cash balances continues to reflect unused proceeds from the offering. We expect to use the remaining proceeds from the offering for expansion of our sales and service team to match the demand for our product, in research and development efforts to create new products, and for other working capital purposes. We may also use a portion of the remaining proceeds to fund possible investments in, or acquisitions of, complementary businesses, solutions or technologies. In addition, the amount and timing of what we actually spend for these purposes may vary significantly and will depend on a number of factors, including our future revenue and cash generated by operations and other factors. Accordingly, our Management will have discretion and flexibility in applying the remaining proceeds of the offering. Pending any uses, as described above, we intend to invest the net proceeds in high quality, investment grade, short-term fixed income instruments which include corporate, financial institution, federal agency or U.S. government obligations.

On May 26, 2016, the Company announced that its Board of Directors had approved a share repurchase program authorizing the Company to repurchase up to $2,000,000 worth of the Company's common stock from time to time through May 25, 2017. On May 25, 2017, when the original repurchase program expired, the Board of Directors approved another repurchase program authorizing the Company to repurchase up to $2,000,000 worth of common stock through May 31, 2018. As of June 30, 2017, the Company had repurchased 1,322,124 shares pursuant to the repurchase program for an aggregate purchase price of $1,720,737.

On May 25, 2017, the Company entered into a Stock Redemption Agreement (the “Stock Redemption Agreement”) with Hatch Family Holdings Company, LLC, which is wholly owned by Brenton W. Hatch, the Company’s Chairman and Chief Executive Officer. Pursuant to the Stock Redemption Agreement, the Company repurchased 1,300,000 shares of its common stock for an aggregate purchase price of $1,703,000. The shares repurchased pursuant to the Stock Redemption Agreement were not purchased as part of the Company’s share repurchase program.

The table below sets forth additional information regarding our share repurchases during the three months ended June 30, 2017:

Period	(a) Total Number of Shares Purchased	(b) Weighted Average Price Paid Per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans	(d) Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans
April, 2017	254,266	$ 1.38	254,266	$ 747,335
May, 2017	1,551,328	$ 1.32	251,328	$ 409,428
June, 2017	99,278	$ 1.31	99,278	$ 1,869,835
Total	1,904,872		604,872	

Item 3. Defaults Upon Senior Securities

We do not have any debt nor any current plans to obtain debt financing.

Item 4. Mine Safety Disclosures

This item is not applicable.

Item 5. Other Information

This item is not applicable.

Item 6. Exhibits

Exhibits. The following exhibits are included as part of this report:

Exhibit 10.1+	Retirement and Release Agreement, dated February 23, 2017, between Profire Energy, Inc. and Harold Albert (incorporated by reference to Exhibit 10.1 to Company's Current Report on Form 8-K filed on February 27, 2017).
Exhibit 10.2+*	Stock Redemption Agreement, dated May 25, 2017, between Profire Energy, Inc. and Hatch Family Holdings Company, LLC, which is wholly owned by Brenton W. Hatch.
Exhibit 31.1*	Certification of Principal Executive Officer Pursuant to Rule 13a-14(a)
Exhibit 31.2*	Certification of Principal Financial Officer Pursuant to Rule 13a-14(a)
Exhibit 32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350
Exhibit 32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350
Exhibit 101.INS*	XBRL Instance Document
Exhibit 101.SCH*	XBRL Taxonomy Extension Schema Document
Exhibit 101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
Exhibit 101.DEF*	XBRL Taxonomy Definition Linkbase Document
Exhibit 101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
Exhibit 101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

\+ Indicates management contract or compensatory plan or arrangement

* Filed herewith

SIGNATURES

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

PROFIRE ENERGY, INC.

Date:	August 9, 2017	By:	/s/ Brenton W. Hatch Brenton W. Hatch Chief Executive Officer
Date:	August 9, 2017	By:	/s/ Ryan W. Oviatt Ryan W. Oviatt Chief Financial Officer

STOCK REDEMPTION AGREEMENT

(Brenton W. Hatch)

THIS STOCK REDEMPTION AGREEMENT (this "Agreement") is made and entered into this 26th day of May 2017, by and between Profire Energy, Inc., a Nevada corporation, and Hatch Family Holding Company, LLC individual ("Hatch"). The Corporation and Hatch are later sometimes collectively referred to in this Agreement as the "Parties."

Background

A. The Corporation is a corporation duly organized, validly existing, and in good standing under the laws of the State of Nevada. The authorized capital stock of the Corporation consists of (i) 10,000,000 shares of preferred stock, of which, as of the date of this Agreement, no shares are issued and outstanding, and (ii) 100,000,000 shares of common stock (the "Profire Common Stock"), of which, as of the date of this Agreement 53,666,961 shares are issued and 50,044,115 outstanding;

B. Hatch owns 13,850,000 shares of the issued and outstanding shares of the Profire Common Stock;

C. The Corporation desires to purchase and redeem from Hatch, and Hatch desires to sell to the Corporation, 1,300,000 shares of Profire Common Stock (the "Redemption Shares") for the consideration and subject to the terms and conditions set forth in this Agreement; and

D. The Parties desire that their agreement concerning the redemption of the Redemption Shares by the Corporation be reduced to writing.

Agreement

NOW, THEREFORE, in consideration of the covenants and agreements set forth in this Agreement, as well as other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree each with the other that the Corporation will redeem the Redemption Shares from Hatch and Hatch will sell the Redemption Shares to the Corporation all upon the terms and conditions provided for in this Agreement.

1. **Redemption and Sale of the Redemption Shares**. Upon and subject to the terms and conditions of this Agreement, Hatch agrees to sell, convey, transfer, and deliver and by this Agreement does sell, convey, transfer, and deliver to the Corporation, and the Corporation agrees to purchase, redeem, and to accept delivery of and by this Agreement does purchase, redeem, and accept delivery from Hatch of the Redemption Shares, free and clear of all restrictions on sale or other disposition, liens, charges, claims, security interests, or any other encumbrances. Simultaneously with the execution and delivery of this Agreement by the Parties. Hatch shall deliver to the Corporation the stock certificate evidencing his ownership of the Redemption Shares, duly endorsed in blank.

2. **Purchase Price**. Simultaneously with the execution and delivery of this Agreement by the Parties and upon the delivery of the certificate for the Redemption Shares to the Corporation, the Corporation shall pay Hatch in immediately available funds, the sum of $1,703,000, which amount represents the number of Redemption Shares multiplied by the 30-day average of the closing prices for the Profire Common Stock as reported by the Nasdaq Capital Market for the 30 trading days immediately preceding the date of this Agreement.

3. **Representations and Warranties of Hatch**. Hatch represents and warrants to, and covenants with, the Corporation and its successors and assigns that:

(i) Hatch owns all of the Redemption Shares, free and clear of any and all claims, liens, restrictions, security interests, charges, or encumbrances;

(ii) the Redemption Shares are not in any way encumbered or pledged as security;

(iii) Hatch has the full right and authority to sell, transfer, convey, and deliver the Redemption Shares to the Corporation as in this Agreement provided;

(iv) simultaneously with the execution of this Agreement, Hatch has sold, transferred, conveyed, and delivered to the Corporation all of the Redemption Shares, free and clear of all restrictions on sale or other disposition, liens, charges, encumbrances, security interests, or claims of every kind or nature;

(v) no entity or person has an option or right, present or future, legal or equitable, written or unwritten, to purchase or acquire from Hatch any of the Redemption Shares;

(vi) to the best of Hatch's knowledge, Hatch's delivery of the Redemption Shares to the Corporation has conveyed to the Corporation good title to the Redemption Shares free and clear of all restrictions on sale or other disposition, liens, charges, encumbrances, security interests, or claims of every kind or nature;

(vii) Hatch has the full and unlimited right to transfer the Redemption Shares as in this Agreement provided and Hatch will defend Hatch's and the Corporation's ownership of the Redemption Shares as described in this Agreement;

(viii) Hatch understands that the Corporation's purchase of the Redemption Shares will result in a taxable event for Hatch, an event as to which the Corporation has not advised Hatch;

(ix) to the best of Hatch's knowledge, Hatch has informed the Corporation of all obligations and liabilities that have been or may be imposed on the Corporation as a result of or in any way based on any acts or omissions to act of Hatch; and

(x) Hatch has had the opportunity to meet with officers of the Corporation, to ask questions and receive answers concerning the Corporation, and has received all information that Hatch believes is necessary or desirable in connection with the transactions contemplated by this Agreement.

The representations, warranties, and covenants of Hatch set forth in this Agreement in general and in this Paragraph 3 in particular or in any certificates or other documents provided or executed by Hatch pursuant to this Agreement shall survive the closing of the purchase and sale of the Redemption Shares and shall continue in full force and effect.

4. **Mutual Representations and Warranties**. Each party represents and warrants to, and covenants with, the other party that:

(i) each party understands that he or it has been advised to consult with independent legal counsel with respect to the advisability of executing this Agreement; and

(ii) each party has made such investigation of the facts pertaining to this Agreement and all matters pertaining to this Agreement as it or he deems necessary or appropriate under the circumstances; each party has read and understands all of the terms and provisions of this Agreement; each party is signing this Agreement voluntarily and of his or its own free will, without coercion or duress, intending to be legally bound thereby; and, in executing this Agreement, each party has and does not rely on any inducements, promises, or representations of the other party, other than the terms and conditions specifically set forth in this Agreement.

5. **Confidentiality**. Hatch agrees that he shall maintain in the strictest confidence, and shall not, without the express, prior written consent of the Corporation, reveal, disclose, furnish, or make accessible, directly or indirectly, to any person or entity, any nonpublic information provided to Hatch by the Corporation in connection with the transactions contemplated by this Agreement.

6. **Miscellaneous.**

(a) **Expenses**. The Parties agree that the Corporation and Hatch shall each be responsible for one-half of the legal fees charged by Stoel Rives LLP, counsel to the Corporation, in connection with the transactions contemplated by this Agreement. Any other expenses of any party to this Agreement not otherwise provided for in this Agreement, shall be paid by such party, whether or not the transactions contemplated by or in this Agreement are in fact consummated.

(b) **Notices**. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be delivered (i) personally, (ii) by first-class mail, certified, return receipt requested, postage prepaid, (iii) by overnight courier, with one acknowledged receipt, or (iv) by facsimile transmission followed by delivery by first-class mail or by overnight courier, in the manner provided for in this Paragraph 6(b) and properly addressed as follows:

If to the Corporation to:

Profire Energy, Inc.
321 South 1250 West, Suite 1
Lindon, UT 84042
Attention: Ryan W. Oviatt

If to Hatch:

Brenton W. Hatch
321 South 1250 West
Lindon, UT 84062

or to such other address as a party to this Agreement may indicate to the other party in the manner provided for by this Paragraph 6(b). Notices, etc. given by mail shall be deemed effective and complete four (4) business days following the date of the posting and mailing thereof in accordance with this Paragraph 6(b); notices, etc. given by overnight courier shall be deemed effective and complete upon delivery; notices by facsimile transmission shall be deemed effective upon confirmed receipt, unless receipt thereof shall be disputed in which case receipt shall be deemed effective as of the effective date of the follow-up notice called for by this Paragraph 6(b) with respect to such facsimile-transmitted notice; and notices, etc. delivered personally shall be deemed effective and complete at the time of the delivery of the notice and the obtaining of a signed receipt for the notice, unless a party shall refuse to provide a signed receipt, in which case the notice shall be effective upon the completion of personal delivery of the notice in such a way as to insure the ability to establish personal delivery.

(c) **Counterparts**. This Agreement may be executed by the Parties signing separate copies of this Agreement, in which event all such copies shall constitute original counterparts of this one Agreement but all of which together shall constitute one and the same agreement.

(d) **Successors and Assigns**. All the terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the Parties and their respective successors, permitted assigns, heirs, and legal representatives, and nothing contained in this Agreement is intended to confer any right, remedy, or benefit upon any other person. No assignment or delegation of this Agreement, or of any of the rights or obligations under this Agreement, by any party to this Agreement shall be valid without the written consent of the other party.

(e) **Paragraph Headings**. The paragraph headings in this Agreement are for the purpose of reference only, and shall not limit or otherwise affect any of the terms of this Agreement.

(f) **Invalidity**. If any part or parts of this Agreement shall be held to be null or void or otherwise unenforceable, such invalidity shall not affect the validity and enforceability of the rest of this Agreement.

(g) **Incorporation of Recitals.** Recitals A through D are incorporated by reference into this Agreement.

(h) **Additional Documents**. The Parties shall execute any additional documents that may be necessary or desirable to carry out the intent of this Agreement.

(i) **Attorneys' Fees**. Should any party default in any of the covenants contained in this Agreement, or in the event a dispute shall arise as to the meaning of any term of this Agreement, the defaulting or non-prevailing party shall pay all costs and expenses, including reasonable attorneys' fees, that may arise or accrue from enforcing this Agreement, securing an interpretation of any provision of this Agreement, or in pursuing any remedy provided by applicable law whether such remedy is pursued or interpretation is sought by the filing of a lawsuit, an appeal, or otherwise.

(j) **Construction**. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Utah, which internal laws exclude any provision or interpretation of such laws that would call for, or permit, the application of the laws of any other state or jurisdiction, and any dispute arising therefrom and the remedies available shall be determined solely in accordance with such internal laws. Whenever the context requires, the singular shall include the plural and the plural shall include the singular, the whole shall include any part thereof, and any gender shall include all other genders. Time is of the essence and performance of this Agreement.

(k) **Nonwaiver**. No failure by any party to take action on account of any default, whether in a single instance or repeatedly, shall constitute a waiver of any such default or of the performance required under this Agreement. No express waiver by any party of any provision of or performance under this Agreement or of any default shall be construed as a waiver of any other or future provision, performance, or default. Any waiver to be effective must be in writing and signed by an appropriate officer of the Corporation or by Hatch, as the case may be.

(l) **Entire Agreement-Modification**. This Agreement supersedes all prior agreements or understandings of the Parties on the subject matter of this Agreement. Any prior negotiations, correspondence, agreements, proposals, or understandings relating to the subject matter of this Agreement shall be deemed to be merged into this Agreement and to the extent inconsistent with this Agreement, such negotiations, correspondence, agreements, proposals, or understandings shall be deemed to be of no force or effect. There are no representations, warranties, or agreements, whether express or implied, or oral or written, with respect to the subject matter of this Agreement, except as set forth in this Agreement.

This Agreement shall not be modified by any oral agreement, either express or implied, and all modifications of this Agreement shall be in writing and be signed by all of the Parties. The provisions of this Paragraph 6(l) may not be modified, either orally or by conduct, either expressly or impliedly, and it is the declared intention of the Parties that no provision of this Agreement, including this Paragraph 6(l), shall be in any way modifiable in any manner whatsoever except through a written document signed by all of the Parties.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Profire Energy, Inc. has caused this Agreement to be signed on its behalf and Brenton Hatch has signed on behalf of Hatch Family Holding, LLC all on the date indicated in the first paragraph of this Agreement.

PROFIRE ENERGY, INC.,
a Nevada corporation (the "Corporation")

By: ______________________________
Ryan W. Oviatt
Chief Financial Officer

By: ______________________________
Hatch Family Holding Company, LLC

[Signature Page to Stock Redemption Agreement]

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934

I, Brenton W. Hatch, certify that:

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

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

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

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

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

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

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

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

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

Date: August 9, 2017

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

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934

I, Ryan W. Oviatt, certify that:

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

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

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

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

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

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

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

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

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

Date: August 9, 2017

By: /s/ Ryan W. Oviatt
Ryan W. Oviatt
Chief Financial Officer

EXHIBIT 32.1

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

In connection with this quarterly report on Form 10-Q of Profire Energy, Inc. (the “Company”) for the period ended June 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the*"Report"*), I, Brenton W. Hatch, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: August 9, 2017

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

EXHIBIT 32.2

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

In connection with this quarterly report on Form 10-Q of Profire Energy, Inc. (the "Company") for the period ended June 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the *"Report"*), I, Ryan W. Oviatt, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: August 9, 2017

By: /s/ Ryan W. Oviatt
Ryan W. Oviatt
Chief Financial Officer