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
Three Months Ended March 31, 2018

[ ] 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 an 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.

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

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 May 7, 2018, the registrant had 54,154,483 shares of common stock issued and 47,551,787 shares of common stock outstanding, par value $0.001.

PROFIRE ENERGY, INC.
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PROFIRE ENERGY, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets

	As of	
	March 31, 2018	December 31, 2017
	(Unaudited)	
CURRENT ASSETS		
Cash and cash equivalents	$ 12,196,578	$ 11,445,799
Short-term investments	300,345	300,817
Short-term investments - other	4,165,493	4,009,810
Accounts receivable, net	8,717,607	8,069,255
Inventories, net	7,265,623	6,446,083
Prepaid expenses & other current assets	357,532	437,304
Total Current Assets	33,003,178	30,709,068
LONG-TERM ASSETS		
Net deferred tax asset	184,223	72,817
Long-term investments	8,435,512	8,517,182
Long-term investments - other	400,000	—
Property and equipment, net	7,118,971	7,197,499
Goodwill	997,701	997,701
Intangible assets, net	475,133	494,792
Total Long-Term Assets	17,611,540	17,279,991
TOTAL ASSETS	$ 50,614,718	$ 47,989,059
CURRENT LIABILITIES		
Accounts payable	1,727,194	1,780,977
Accrued vacation	230,399	196,646
Accrued liabilities	927,116	1,044,284
Income taxes payable	1,512,844	919,728
Total Current Liabilities	4,397,553	3,941,635
TOTAL LIABILITIES	4,397,553	3,941,635
STOCKHOLDERS' EQUITY		
Preferred shares: $0.001 par value, 10,000,000 shares authorized: no shares issued or outstanding	—	—
Common shares: $0.001 par value, 100,000,000 shares authorized: 54,131,158 issued and 48,806,416 outstanding at March 31, 2018 and 53,931,167 issued and 48,606,425 outstanding at December 31, 2017	54,131	53,931
Treasury stock, at cost	(6,890,349)	(6,890,349)
Additional paid-in capital	28,101,146	27,535,469
Accumulated other comprehensive loss	(2,472,826)	(2,200,462)
Retained earnings	27,425,063	25,548,835
TOTAL STOCKHOLDERS' EQUITY	46,217,165	44,047,424
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 50,614,718	$ 47,989,059

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 March 31,	
	2018	2017
REVENUES		
Sales of goods, net	$ 11,454,615	$ 7,292,228
Sales of services, net	715,103	532,267
Total Revenues	12,169,718	7,824,495
COST OF SALES		
Cost of goods sold-product	5,557,710	3,055,300
Cost of goods sold-services	481,867	402,022
Total Cost of Goods Sold	6,039,577	3,457,322
GROSS PROFIT	6,130,141	4,367,173
OPERATING EXPENSES		
General and administrative expenses	3,341,903	2,948,089
Research and development	403,220	198,966
Depreciation and amortization expense	128,717	149,076
Total Operating Expenses	3,873,840	3,296,131
INCOME FROM OPERATIONS	2,256,301	1,071,042
OTHER INCOME (EXPENSE)		
Gain on sale of fixed assets	64,831	2,101
Other expense	(1,792)	(5,414)
Interest income	50,708	31,278
Total Other Income	113,747	27,965
INCOME BEFORE INCOME TAXES	2,370,048	1,099,007
INCOME TAX EXPENSE	493,820	498,936
NET INCOME	$ 1,876,228	$ 600,071
OTHER COMPREHENSIVE INCOME (LOSS)		
Foreign currency translation gain (loss)	$ (239,129)	$ 75,113
Unrealized gains (losses) on investments	(33,235)	36,288
Total Other Comprehensive Income (Loss)	(272,364)	111,401
NET COMPREHENSIVE INCOME	$ 1,603,864	$ 711,472
BASIC EARNINGS PER SHARE	$ 0.04	$ 0.01
FULLY DILUTED EARNINGS PER SHARE	$ 0.04	$ 0.01
BASIC WEIGHTED AVG NUMBER OF SHARES OUTSTANDING	48,670,305	50,632,275
FULLY DILUTED WEIGHTED AVG NUMBER OF SHARES OUTSTANDING	49,744,101	51,287,405

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 Three Months Ended March 31,	
	2018	2017
OPERATING ACTIVITIES		
Net income	$ 1,876,228	$ 600,071
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	220,245	237,116
Gain on sale of fixed assets	(64,731)	(2,101)
Bad debt expense	63,566	45,313
Stock awards issued for services	581,619	181,318
Changes in operating assets and liabilities:		
Changes in accounts receivable	(746,179)	249,844
Changes in income taxes receivable/payable	591,277	568,065
Changes in inventories	(863,148)	(399,410)
Changes in prepaid expenses	104,008	33,698
Changes in deferred tax asset/liability	(111,406)	(49,520)
Changes in accounts payable and accrued liabilities	(198,540)	500,552
Net Cash Provided by Operating Activities	1,452,939	1,964,946
INVESTING ACTIVITIES		
Proceeds from sale of equipment	139,763	30,451
Purchase of investments	(484,142)	(500,408)
Purchase of fixed assets	(234,778)	(52,720)
Net Cash Used in Investing Activities	(579,157)	(522,677)
FINANCING ACTIVITIES		
Value of equity awards surrendered by employees for tax liability	(83,600)	—
Cash received in exercise of stock options	74,241	—
Purchase of Treasury stock	—	(318,904)
Net Cash Used in Financing Activities	(9,359)	(318,904)
Effect of exchange rate changes on cash	(113,644)	20,158
NET INCREASE IN CASH	750,779	1,143,523
CASH AT BEGINNING OF PERIOD	11,445,799	7,669,644
CASH AT END OF PERIOD	$ 12,196,578	$ 8,813,167
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest	$ —	$ —
Income taxes	$ —	$ 78

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

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements
As of March 31, 2018, and December 31, 2017

NOTE 1 - CONDENSED FINANCIAL STATEMENTS

Except where the context otherwise requires, all references herein to the "Company," "we," "us," "our," or similar words and phrases 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) necessary to present fairly the financial position, results of operations, and cash flows at March 31, 2018 and for all periods presented herein 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 ("US GAAP") 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 annual report on Form 10-K for the year ended December 31, 2017 ("Form 10-K"). The results of operations for the periods ended March 31, 2018 and 2017 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 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 Form 10-K, except as discussed below.

Revenue Recognition

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2014-09 (Topic 606) "Revenue from Contracts with Customers," which supersedes the revenue recognition requirements in Topic 605 “Revenue Recognition” (Topic 605). Topic 606 requires entities to recognize revenue when control of the promised goods or services is transferred to customers. The amount of revenue recognized must reflect the consideration the entity expects to be entitled to receive in exchange for those goods or services. We adopted Topic 606 as of January 1, 2018 using the modified retrospective transition method. See Note 6 for further details.

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.

Reclassification

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 3 – INVENTORY

Inventories consisted of the following at each balance sheet date:

	As of	
	March 31, 2018	December 31, 2017
Raw materials	$ 183,617	$ 225,735
Finished goods	7,393,606	6,417,494
Work in process	—	—
Subtotal	7,577,223	6,643,229
Reserve for Obsolescence	(311,600)	(197,146)
Total	$ 7,265,623	$ 6,446,083

NOTE 4 – STOCKHOLDERS' EQUITY

As of March 31, 2018, and December 31, 2017, the Company held 5,324,742 shares of its common stock in treasury at a total cost of $6,890,349. All purchases of treasury stock have been made at market rates.

On March 2, 2018, the Compensation Committee (the "Committee") of the Company's Board of Directors approved the "2018 Executive Incentive Plan," ("EIP") for Brenton Hatch, the Company's President and Chief Executive Officer, and Ryan Oviatt, the Company's Chief Financial Officer. The EIP provides for the potential award of bonuses to participants based on the Company's financial performance in fiscal year 2018. Under the terms of the EIP, each participating executive officer has been assigned a target bonus amount for fiscal year 2018. The target bonus amount for Mr. Hatch is $ 400,000 and the target bonus for Mr. Oviatt is $ 87,500. Under no circumstance can the participants receive more than two times the assigned target bonus. The bonus amounts, if any, will be paid 50% in cash and 50% in shares of restricted stock based on the volume weighted average price per share over the five trading days prior to the date of the final determination of the bonus amount. The stock portion of the bonuses is intended to constitute an award under the Company's 2014 Equity Incentive Plan. Performance metrics for the awards include revenues, net income, and free cash flow. On March 29, 2018, the EIP was amended to add Cameron Tidball, the Company's Chief Business Development Officer, with a target bonus of $81,900 and Jay Fugal, the Company's Vice President of Operations, with a target bonus of $ 40,000 under the same terms. The maximum compensation expense that could be incurred for this award is $1,218,800 and this award will be accounted for as a liability until it is settled. As of March 31, 2018, the amount of expense expected to be incurred is $662,985.

On March 2, 2018, the Committee approved as a long-term incentive plan (the "LTIP") the grant of a restricted stock unit award to Mr. Oviatt, pursuant to the Company's 2014 Equity Incentive Plan. The agreement is similar to the Long-Term Incentive Plan that was approved in 2017 and provides for the award of up to 70,423 restricted stock units ("Units") under the Company's 2014 Equity Incentive Plan. Subject to performance vesting requirements, each Unit entitles Mr. Oviatt to receive one share of the Company's common stock. The performance period of the LTIP begins on January 1, 2018 and terminates on December 31, 2020. Performance metrics include three-year average revenue growth rate, operating income as a percentage of revenue, and return on invested capital. On March 30, 2018, the LTIP was amended to additionally grant Mr. Tidball up to 34,285 shares and Mr. Fugal up to 29,304 shares under the same terms. The maximum compensation expense that could be incurred for this award is $317,876. As of March 31, 2018, the amount of expense expected to be incurred is $151,089.

On March 6, 2018, our Board of Directors approved a grant of 91,000 restricted stock units ("RSUs") to various employees. The awards vest annually over five years and will result in total compensation expense of $ 193,830 to be recognized over the vesting period. On the same day, the Board of Directors also approved a one-time executive bonus of $ 511,000 to Mr. Hatch and $ 121,500 to Mr. Oviatt for a combined total value of $632,500. The bonuses were paid 50% in cash and 50% in restricted stock. The stock

portion of the bonus payment was paid by granting awards of shares of restricted stock under the Company's 2014 Equity Incentive Plan, which was fully vested on the date of grant. The number of shares awarded was 119,953 for Mr. Hatch and 28,521 for Mr. Oviatt.

NOTE 5 – 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 March 31,	
Sales	2018	2017
Canada	$ 1,298,832	$ 1,083,898
United States	10,870,886	6,740,597
Total Consolidated	$ 12,169,718	$ 7,824,495

	For the Three Months Ended March 31,	
Profit (Loss)	2018	2017
Canada	$ (434,667)	$ (582,046)
United States	2,310,895	1,182,117
Total Consolidated	$ 1,876,228	$ 600,071

	As of	
Long-lived assets	March 31, 2018	December 31, 2017
Canada	$ 1,444,598	$ 1,508,943
United States	16,166,942	15,771,048
Total Consolidated	$ 17,611,540	$ 17,279,991

NOTE 6 – REVENUE

On January 1, 2018, we adopted Topic 606. We elected to use the modified retrospective approach for contracts that were not completed as of January 1, 2018. Results for reporting periods beginning after January 1, 2018 are presented in accordance with Topic 606, while prior period amounts are not adjusted and continue to be reported in accordance with our historic accounting method under Topic 605. As a result of applying the new standard, there were no changes to any financial statement line item.

Performance Obligations
Our performance obligations include delivery of product, installation of product, and servicing of product. We recognize product revenue performance obligations when the product is delivered to the customer. Upon delivery and at that point in time, the control of the product is transferred to the customer. When product is installed or serviced, we recognize service revenue when the work has been completed and we are entitled to bill the customer for the hours worked. We do not engage in transactions acting as an agent. We usually satisfy our performance obligations within a few months of entering into the contract. Depending on the size of the project, the performance obligations could be satisfied sooner or later.

Our customers have the right to return certain unused and unopened products within 90 days and incur an appropriate restocking fee. We provide a warranty on some of our products ranging from 90 days to two years, depending on the product. The amount accrued for expected returns and warranty claims was immaterial as of March 31, 2018.

Contract Balances
All of the current contracts are expected to be completed within one year. We have elected to use the practical expedient in 340-40-25-4 (regarding the incremental costs of obtaining a contact) for costs related to contracts that are estimated to be complete within one year and as a result, we have not recognized a contract asset account. If we had chosen not to use this practical expedient, we would not expect a material difference in the contract balances. We also did not have any contract liabilities because we have not received any payments in advance of recognizing revenue.

Significant Judgments

For most revenue contracts, we invoice the customer when the performance obligation is satisfied and payment is due 30 days later. Occasionally, other terms such as progress billings or longer terms are agreed to on a case-by-case basis. We do not have significant financing components, non-cash consideration, or variable consideration. We estimate the transaction price between performance obligations based on stand-alone product prices. As of March 31, 2018, we had $3,665,646 allocated to performance obligations that were unsatisfied and we expect those obligations to be satisfied within one year.

Disaggregation of Revenue

All revenue recognized in the income statement is considered to be revenue from contracts with customers. The table below shows revenue by category:

Category	Three Months Ended March 31, 2018
Electronics	$ 4,807,030
Manufactured	954,779
Re-Sell	5,692,806
Other	715,103
	$ 12,169,718

NOTE 7 – BASIC AND DILUTED EARNINGS PER SHARE

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

	For the Three Months Ended March 31,					
	2018			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	1,876,228	48,670,305	$ 0.04	600,071	50,632,275	$ 0.01
Effect of Dilutive Securities						
Stock options & RSUs	—	1,073,796		—	655,130	
Diluted EPS						
Net income available to common stockholders + assumed conversions	1,876,228	49,744,101	$ 0.04	600,071	51,287,405	$ 0.01

Options to purchase 266,000 and 1,199,000 shares of common stock at a weighted average price of $3.89 and $2.03 per share were outstanding during the three months ended March 31, 2018 and 2017, respectively, but were not included in the computation of diluted EPS because the impact of these shares would be antidilutive. These options, which expire between November 2019 and May 2020, were still outstanding at March 31, 2018.

NOTE 8 – CONTINGENCIES

As discussed in our most recent 10-K, during Q1 2018 we became aware of a mechanical issue affecting one of the actuators we manufacture and sell. The actuator is an ancillary product sold separately from our burner-management systems (BMS) and chemical-management systems (CMS). We do not believe the mechanical issue presents any significant safety concerns for customers.

At the time we filed our 10-K, we did not have enough information to effectively estimate the warranty costs we expected to incur, so we disclosed a wide possible range. Since filing the 10-K, we have been able to collect additional data regarding solutions to the problem and we currently estimate the warranty costs related to this product will be approximately $65,000. This amount has been accrued and is included in accrued liabilities on the balance sheet.

NOTE 9 – SUBSEQUENT EVENTS

In accordance with ASC 855 "Subsequent Events," Company Management reviewed all material events through May 9, 2018, and the following subsequent events occurred:

On May 7, 2018, Profire Energy, Inc. (the “Company”) entered into Stock Redemption Agreements (the “Agreement”) with Hatch Family Holdings Company, LLC, which is wholly owned by Brenton W. Hatch, the Company’s Chairman and Chief Executive Officer and Harold Albert, the Company’s co-founder and member of the Board of Directors. Pursuant to the Agreement, the Company repurchased 638,977 shares (“Redemption Shares") of its Common Stock from each of Messrs. Hatch and Albert, for an aggregate cash purchase price of $3,999,996.02, which amount represents the number of Redemption Shares multiplied by the 30-day average of the closing price for the Profire Common Stock as reported by the Nasdaq Capital Market for the 30 trading days immediately preceding May 2, 2018.

Mr. Hatch entered into this agreement to sell approximately 5% of his shares of the Company in order to diversify his holdings and to take advantage of estate planning opportunities. After the sale of these shares Mr. Hatch still owns 11,930,976 shares representing approximately 25% of the Company’s total shares outstanding and continues to be the largest shareholder of the Company.

Mr. Albert decided to enter into this agreement to sell just under 6% of his shares of the Company to diversify his investment portfolio as part of his previously communicated retirement from day-to-day operations of the Company. After the sale of these shares Mr. Albert still owns 10,453,448 shares representing approximately 22% of the Company’s total shares outstanding.

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-month periods ended March 31, 2018 and 2017. 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 annual report on Form 10-K for the year ended December 31, 2017.

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. 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. Forward-looking 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 oil and gas 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 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.

Forward-looking statements in this report speak only as of their dates. 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 oil and gas 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, atmospheric burners, pilots, secondary air control components, 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. Applications such as combustors, enclosed flares, gas production units, treaters, glycol and amine reboilers, indirect line-heaters, heated tanks, process heaters require heat as part of their production or processing functions, which is provided by a burner flame. This burner flame is integral to the process of separating, treating, storing, and transporting oil and gas. Factors such as the API gravity, presence of hydrates, temperature and H2s content contribute to the requirement for heat in oil and gas production and processing applications. 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.

Oil and gas producers can use our burner-management systems to achieve increased safety, greater operational efficiencies, and improved compliance with changing industry regulations. We believe 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, ConocoPhillips, Devon, Encana, XTO, CNRL, 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

The PF3100 is the Company's next generation burner-management system which is designed to operate, monitor, and control more complex, multi-faceted oilfield applications. The PF3100, is an advanced system designed to work with other Profire-engineered modules thus allowing the system to expertly manage a wide variety of applications.

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-draft applications.

The Company frequently assesses market needs by participating in industry conferences and soliciting feedback from existing and potential customers, which enables the Company 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 most recent quarter to prior quarters:

	For the three months ended				
	March 31, 2018	**December 31, 2017**	**September 30, 2017**	**June 30, 2017**	**March 31,2017**
Total Revenues	$12,169,718	$10,946,738	$10,050,192	$9,464,951	$7,824,495
Gross Profit Percentage	50.4%	53.5%	50.4%	52.6%	55.8%
Operating Expenses	$3,873,840	$3,766,299	$3,216,388	$3,145,669	$3,296,131
Net Income	$1,876,228	$1,318,899	$1,217,918	$1,312,647	$600,071
Operating Cash Flow	$1,452,939	$3,367,476	$1,579,809	$800,580	$1,964,946

As oil prices have increased over the past year or so, we have seen increased capital budgets from our customers and an increased willingness to invest in new equipment. Our revenues have steadily increased each quarter for the past five quarters primarily due to increased sales volumes. If oil prices remain at or above current levels and our customers' capital budgets increase, we expect that sales volumes will continue to increase at a moderate pace. From the quarter ended March 31, 2017 to the quarter ended March 31, 2018, revenues increased 56% with only an 18% increase in operating expenses, which enabled us to significantly increase net income 213% between the two periods.

Our gross profit percentage fluctuates each quarter due to changes in product mix. Over the past year it has stayed fairly consistent and we expect it to remain so, with normal product mix fluctuations, in future periods. We believe that our gross profit percentage could improve 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. Our operating expenses for the quarter ended March 31, 2018 increased $577,709 compared to the same quarter in 2017, primarily due to additional staffing and labor costs required to support the revenue growth we have experienced.

Due to the reasons discussed above, net income increased 213% during the quarter ended March 31, 2018 compared to the same quarter last year. Operating cash flows decreased 26% in that same time frame due to increases in accounts receivable and inventories necessary to support our continued growth. We believe we are well positioned for continued growth in future periods.

Liquidity and Capital Resources

Working capital at March 31, 2018 was $28,605,625 compared to $26,767,433 at December 31, 2017. This change was due to increases in cash and accounts receivable from revenues and related collections, short-term investments, and inventories, which were partially offset by increased income tax payable as a result of higher net income. 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 controls and procedures were not effective due to material weaknesses identified as part of our 2017 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 annual report on Form 10-K for the year ended December 31, 2017.

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

The material weaknesses mentioned above were originally discovered in an independent audit performed at the end of fiscal year 2015. Since that time the Company has not been required to have another audit on the effectiveness of internal controls; however, Management has been actively developing and implementing remediation plans for new controls and processes to address and prepare to remove the aforementioned deficiencies in future audits. We continue to work with auditors and third-party consultants to improve our control environment.

As part of the remediation efforts, Management has worked with consultants to update the Company's active risk control matrix. Through this process the Company has improved the documentation of control narratives and flow charting of all controls. In

addition to updated documentation, the Company is utilizing software to automate the control documentation and testing. It is anticipated that these efforts will allow the Company to streamline its internal audit efforts and provide greater confidence in the Company's overall control environment.

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 Annual Report on Form 10-K for the year ended December 31, 2017, which lists risks that 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.

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 of our common stock were sold by the Company and 1,500,000 shares of our common stock 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, acquire the CMS technology, and stock repurchases, our existing cash balances continue to reflect some 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 additional stock repurchases or 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 March 31, 2018, the Company had repurchased a total of 5,324,742 shares of common stock pursuant to the repurchase programs for an aggregate purchase price of $6,890,349.

The table below sets forth additional information regarding our share repurchases during the three months ended March 31, 2018:

Period	(a) Total Number of Shares Purchased(1)	(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
January	—	$ —	—	$ 1,403,223
February	—	$ —	—	$ 1,403,223
March	—	$ —	—	$ 1,403,223
Total	—		—	

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	2018 Annual Executive Incentive Plan+* (link to PDF)
Exhibit 10.2	Restricted Stock Unit Agreement between Profire Energy and Ryan Oviatt dated March 2, 2018+* (link to PDF)
Exhibit 10.3	Restricted Stock Unit Agreement between Profire Energy and Cameron Tidball dated March 30, 2018+* (link to PDF)
Exhibit 10.4	Restricted Stock Unit Agreement between Profire Energy and Jay Fugal dated March 30, 2018+* (link to PDF)
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:	May 9, 2018	By:	/s/ Brenton W. Hatch Brenton W. Hatch Chief Executive Officer
Date:	May 9, 2018	By:	/s/ Ryan W. Oviatt Ryan W. Oviatt Chief Financial Officer

Profire Energy, Inc.
2018 Executive Incentive Plan

1. Purpose. The purpose of this 2018 Executive Incentive Plan (the "**Plan**") is to enable Profire Energy, Inc., a Nevada corporation (the "**Company**"), to attract, retain, motivate and reward management employees by providing them with the opportunity to earn annual incentive bonuses linked to Company performance.

2. Effective Date and Performance Period. The effective date of the Plan is January 1, 2018. The performance period under the Plan will commence on January 1, 2018 and terminate on December 31, 2018.

3. Administration. The Plan is being entered into pursuant to the Company's 2014 Equity Incentive Plan (the "**2014 Plan**") as a Performance Award. Under the 2014 Plan, the Compensation Committee (the "**Committee**") of the Board of Directors of the Company (the "**Board**") may make incentive grants subject to certain additional terms and conditions (not inconsistent with the 2014 Plan). The Committee, acting under the authority of the Board, shall administer and interpret the Plan. The Plan shall conform in all respects to the terms of the 2014 Plan and the Board's interpretations and determinations under the Plan shall be final and conclusive.

4. Participation. The Committee has determined the management employees eligible to participate in the Plan (the "**Participants**") and the target bonus amounts determined as a percentage of the Participant's base salary (the "**Target Bonus Amount**") of each Participant as set forth in **Exhibit A**.

5. Bonus Calculation. The Committee shall determine bonuses to Participants under the Plan as follows:

(a) Performance Objectives. The distribution of bonuses shall be determined based on the achievement of the following three target performance objectives (the "**Performance Objectives**"):

Performance Objectives for fiscal year 2018	Weight	Target Level
1. Revenue	33%	$40,422,635
2. Net Income	33%	$5,553,117
3. Free Cash Flow (Adjusted EBITDA - Capex)	33%	$6,262,906
	100%	

(i) "**Net Income**" means NET INCOME (LOSS) as presented on the Company's Statement of Operations and Other Comprehensive Income (Loss) in accordance with U.S. generally accepted accounting principles and filed with the U.S. Securities and Exchange Commission ("**SEC**").

(ii) "**Adjusted EBITDA**" means net income for that year as adjusted by adding thereto, to the extent deducted in calculating net income for the year, net interest

expense, taxes, depreciation, amortization, noncash charges for equity-related compensation, and other noncash charges as agreed with the Committee. Calculation of all components of Adjusted EBITDA shall be in accordance with GAAP and based on the consolidated financial statements of the Company for fiscal 2018 or otherwise determined from the Company's accounting records on a consistent basis.

(iii) "**Capex**" means an amount which is the greater of (A) zero and (B) the net amount from the Company's Statement of Cash Flows as filed with the SEC for the applicable period of (x) purchases of fixed assets and (y) proceeds from sales of equipment.

(iv) "**Free Cash Flow**" means an amount equal to Adjusted EBITDA less Capex.

Adjustments to the definitions of "Net Income", "Adjusted EBITDA" and "Capex" may be made by the Committee in the event of the occurrence of extraordinary, unusual or non-recurring circumstances and for non-cash items that, in the judgment of the Committee, would cause such definition to fail to fairly reflect the performance of the Company. These circumstances may include acquisitions, divestitures, joint ventures, regulatory developments, tax law changes, accounting changes, restructuring or other special charges, other occurrences and non-cash items. The Committee shall make the final determination as to the calculations of "Net Income", "Adjusted EBITDA", "Capex", and the amounts up to the Maximum Payout Amount (as defined below) to be paid to Participants.

(b) Performance Ratio. The "**Performance Ratio**" for any Performance Objective shall be the ratio expressed as a percentage resulting from dividing (x) the actual amount achieved for such Performance Objective in fiscal 2018 by (y) the Target Level specified in Section 5(a) for such Performance Objective for fiscal 2018.

(c) Calculation. Subject to any limitations set forth in Section 6 relating to the 2014 Plan and the Maximum Payout Amount (as defined in Section 6), a Participant's bonus under the Plan shall be calculated as the sum of the following for each Performance Objective (for each, the "**Performance Objective Payout Amount**"):

(i) if the Performance Ratio for such Performance Objective is less than 85%, then the Performance Objective Payout Amount is zero ($0);

(ii) if the Performance Ratio for such Performance Objective is at least 85% but not greater than 115%, then the Performance Objective Payout Amount is the amount which is (A) the Performance Ratio times (B) the applicable Performance Objective Weight (as stated in Section 5(a)) times (C) the Target Bonus Amount for such Participant; and

(iii) if the Performance Ratio for such Performance Objective is greater than 115%, then the Performance Objective Payout Amount is the sum of (A) (w) 115% times (x) the applicable Performance Objective Weight times (y) the Target Bonus Amount for such Participant, plus (B) (w) the

Performance Ratio minus 115%, times (x) two-and-a-half (2.5) times (y) the applicable Performance Objective Weight times (z) the Target Bonus Amount for such Participant.

(d) Payout Split. Bonus amounts earned under the Plan shall be paid out 50% in cash (the "**Cash Portion**") and 50% in shares of the Company's common stock (the "**Stock Portion**"). In determining the number of shares of common stock to be issued to the Participant for the Stock Portion, the Company shall divide (x) 50% of such Participant's aggregate bonus amount by (y) the volume weighted average price per share of the Company's common stock over the five trading days prior to the date of the Committee's final determination of the bonus amount (the "**Bonus Determination Date**").

6. Compliance with 2014 Plan and Bonus Amount Limitations.

(a) Compliance with 2014 Plan. In no event shall bonuses paid out under the Plan exceed the limitations set forth in the 2014 Plan. In the event this Plan conflicts with the terms of the 2014 Plan, this Plan shall be modified to the extent necessary to comply with the terms of the 2014 Plan.

(b) Additional Limitations. In addition to the limitations set forth in Section 6(a) above, in no event shall a Participant receive a bonus under the Plan that is in excess of 200% of such Participant's Target Bonus Amount (the "**Maximum Payout Amount**").

7. Payment of Bonuses. The payment of the Cash Portion and the Stock Portion of the bonus amount shall be made to Participants as soon as practicable following the Bonus Determination Date and in any event by the 15th day of the third month following the end of the fiscal year 2018 (the "**Bonus Delivery Date**"), subject to a Participant's satisfaction of all required tax withholding obligations as set forth in the Plan. Provided a Participant has satisfied all required tax withholding obligations in respect of the Stock Portion of the bonus amount, the Company shall cause to be issued and delivered to the Participant by the Bonus Delivery Date a certificate or certificates evidencing the applicable number of shares of the Company's common stock registered in the name of the Participant (or in the name of the Participant's legal representatives, beneficiaries or heirs, as the case may be) or to instruct the Company's transfer agent to electronically deliver such Shares to Participant (or applicable representative, beneficiary or heir). If it is administratively impracticable to issue such shares within the time frame described above because issuances of shares are prohibited or restricted pursuant to the policies of the Company that are reasonably designed to ensure compliance with applicable securities laws or stock exchange rules, then such issuance shall be delayed until such prohibitions or restrictions lapse.

8. Termination of Employment. If a Participant's employment with the Company is terminated by the Company with Cause or by the Participant without Good Reason (both as defined in the Participant's employment agreement), the Participant (a) shall not be entitled to receive any bonus payment for the fiscal year during which the termination of employment occurred and (b) shall be entitled to receive the bonus payment for any prior fiscal year for which the bonus payment has not been paid, with such amount payable at the same time the applicable bonus payments are made to the other Participants. If a Participant's employment with the

Company is terminated by the Company without Cause or by the Participant with Good Reason, the Participant (or the Participant's beneficiary) shall be entitled to receive (a) a pro rata bonus payment for the fiscal year during which the termination of employment occurred equal to the amount the Participant would have received if employed for the entire fiscal year multiplied by a fraction, the numerator of which is the number of days in the fiscal year the Participant was employed and the denominator of which is 365, which amount shall be payable at the same time the applicable bonus payments are made to the other Participants and (b) the bonus payment for any prior fiscal year for which the bonus payment has not been paid, with such amount payable at the same time the applicable bonus payments are made to the other Participants.

9. General Provisions.

(a) Termination; Amendment. Subject to the terms of the 2014 Plan, the Board or the Committee may at any time amend the Plan, except that any amendment applicable to the Plan made after the Board or Committee has determined the Participants and the Target Bonus Amounts shall apply only to Participants who have agreed in writing to the amendment.

(b) No Employment Rights. Nothing in this Plan confers upon any Participant any right to continue in the employment of the Company or any of its subsidiaries or to be selected as a Participant in any subsequent year.

(c) Nonalienation of Benefits. Except as expressly provided herein or otherwise required by applicable law, no Participant or beneficiary may alienate, transfer, anticipate, sell, assign, pledge, attach, or otherwise encumber the Participant's interest under the Plan.

(d) Withholding. The Cash Portion of any bonus payable to a Participant or a beneficiary under the Plan will be subject to any applicable federal, state and local income and employment taxes and any other amounts that the Company or a subsidiary is required at law to deduct and withhold from such Cash Portion of the bonus. Regarding the Stock Portion of any bonus payable to a Participant or a beneficiary under the Plan, such Participant acknowledges that, not later than the Bonus Delivery Date, the value of the delivered shares of common stock will be treated as ordinary compensation income for federal and state income and FICA tax purposes, and that the Company will be required to withhold taxes on this income amount. The Company will notify the Participant of the required withholding amount at least ten days prior to the Bonus Delivery Date. Concurrently with or prior to the delivery of the shares of common stock as set forth in Section 7, the Participant, at his or her election (which election must be made on or before the Bonus Delivery Date), shall (x) pay to the Company the required withholding amount for the Stock Portion in cash or (y) notify the Company that the Participant requests the Company to reduce the number of shares otherwise deliverable for the Stock Portion by a sufficient number to cover the applicable withholding obligations for the Stock Portion. If a Participant elects to pay the withholding for the Stock Portion by a reduction in shares received, the Company shall pay to the Participant in cash the amount of any resulting over payment ascribed to such shares retained to cover withholding obligations.

(e) Plan Unfunded. The entire cost of the Plan shall be paid from the general assets of the Company. The rights of any Participant or beneficiary to receive an award under the Plan shall be only those of a general unsecured creditor, and neither the Company nor the

Board shall be responsible for the adequacy of the general assets of the Company to meet and discharge Plan liabilities.

(f) Severability. If any provision of the Plan is held unenforceable, the remainder of the Plan will continue in full force and effect without regard to such unenforceable provision and will be applied as though the unenforceable provision were not contained in the Plan.

(g) Governing Law. The Plan will be construed in accordance with and governed by the laws of the State of Utah, without reference to the principles of conflict of laws.

(h) Headings. Headings are inserted in the Plan for convenience of reference only and are to be ignored in any construction of the provisions of the Plan.

(i) Section 409A. This Plan and the payments contemplated herein are intended to be exempt from or in compliance with Section 409A and shall be interpreted and administered consistent with such intent.

Exhibit A

Participant	**Target Bonus**
Brent Hatch	$400,000
Ryan Oviatt	$87,500
Cameron Tidball	$81,900
Jay Fugal	$40,000

PROFIRE ENERGY, INC.
2014 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This **RESTRICTED STOCK UNIT AWARD AGREEMENT** (this "*Agreement*") is made this 2nd day of March, 2018 (the "*Effective Date*"), by and between **Profire Energy, Inc.**, a Nevada corporation (the "*Company*"), and Ryan Oviatt ("*Participant*"). All capitalized terms used herein but not defined herein shall have the meanings given to them in the Profire Energy, Inc. 2014 Equity Incentive Plan, as amended (the "*Plan*").

1. Award. The Company hereby grants to Participant a restricted stock unit award (the "*Award*") covering up to 70,423[1] shares (the "*Shares*") of Common Stock, par value $0.001 per share, of the Company according to the terms and conditions set forth herein and in the Plan. Each restricted stock unit (a "*Unit*") represents the right to receive one Share, subject to the vesting requirements of this Agreement and the terms of the Plan. The Units are granted under Section 6(c) of the Plan. A copy of the Plan will be furnished upon request of Participant.

2. Performance Metrics and Vesting.

(a) Except as otherwise provided in this Agreement, the number of Units granted under this Award that actually vest will be vested on the date (the "*Vesting Date*") that the Committee certifies that the Company has achieved the following performance metrics (each a "*Performance Metric*"):

Performance Metric	Weight	Target	Above Target	Outstanding
Three Year Average Revenue Growth Rate	33%	25%	30%	35%
Operating Income as a Percentage of Revenue (Three Year Target)	33%	15%	20%	25%
Return on Invested Capital (Three Year Target)	33%	20%	30%	42%

(b) The performance period (the "*Performance Period*") shall commence on January 1, 2018 and terminate on December 31, 2020. The Committee shall certify whether the Company has achieved the Performance Metrics as soon as administratively feasible following the end of the Performance Period, but in no event later than 90 days following the end of the Performance Period. The Committee, in its sole discretion, shall have the right to determine how the Performance Metrics are defined and whether they have been achieved.

(c) The vesting of the Award will be weighted 33% for each of the three Performance Metrics. Separately from the other Performance Metrics, each Performance Metric will

[1] Insert a number of shares equal to 60% of Ryan's base salary or $150,000 based on closing price on date of grant.

determine the vesting for 23,474[2] Units subject to this Award. The number of Units that will vest for each Performance Metric on the Vesting Date shall be determined as follows: (i) if the "Target" level for such Performance Metric is not achieved, none of the Units relating to such Performance Metric will vest; (ii) if the "Target" level for such Performance Metric is achieved, 50% of the Units relating to such Performance Metric will vest; (iii) if the "Above Target" level for such Performance Metric is achieved, 75% of the Units relating to such Performance Metric will vest; and (iv) if the "Outstanding" level for such Performance Metric is achieved, 100% of the Units relating to such Performance Metric will vest.

3. Restrictions on Transfer. Until the Units vest pursuant to Section 2 hereof or unless the Committee determines otherwise, none of the Units may be transferred other than by will or by the laws of descent and distribution and no Units may be pledged, alienated, attached or otherwise encumbered, and any purported pledge, alienation, attachment or encumbrance thereof shall be void and unenforceable against the Company or any Affiliate. The Committee may establish procedures as it deems appropriate for Participant to designate a person or persons, as beneficiary or beneficiaries, to exercise the rights of Participant and receive any property distributable with respect to the Units in the event of Participant's death.

4. Forfeiture. Except as otherwise determined by the Committee, upon Participant's termination of providing service as an Eligible Person for the Company or any Affiliate ("*Service*") (in either case, as determined under criteria established by the Committee) prior to vesting of the Units pursuant to Section 2 hereof, all unvested Units held by such Participant at such time shall be forfeited and reacquired by the Company; *provided*, *however*, that the Committee may waive in whole or in part any or all remaining restrictions with respect to the unvested Units. Upon forfeiture, Participant will no longer have any rights relating to the unvested Units.

5. Miscellaneous

(a) Issuance of Shares. As soon as administratively practicable following the Vesting Date, and Participant's satisfaction of any required tax withholding obligations (but in no event later than 60 days following the Vesting Date), the Company shall cause to be issued and delivered to Participant a certificate or certificates evidencing Shares registered in the name of Participant (or in the name of Participant's legal representatives, beneficiaries or heirs, as the case may be) or to instruct the Company's transfer agent to electronically deliver such Shares to Participant (or applicable representative, beneficiary or heir). The number of Shares issued shall equal the number of Units vested, reduced as necessary to cover applicable withholding obligations in accordance with Section 5(c) hereof. If it is administratively impracticable to issue Shares within the time frame described above because issuances of Shares are prohibited or restricted pursuant to the policies of the Company that are reasonably designed to ensure compliance with applicable securities laws or stock exchange rules, then such issuance shall be delayed until such prohibitions or restrictions lapse.

(b) No Rights as Shareholder. Units are not actual Shares, but rather, represent a right to receive Shares according to the terms and conditions set forth herein and the terms of the Plan.

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[2] Insert a number equal to 33% of the Award Shares.

Accordingly, the issuance of a Unit shall not entitle Participant to any of the rights or benefits generally accorded to shareholders unless and until a Share is actually issued under Section 5(a) hereof.

(c) Taxes. Participant hereby agrees to make adequate provision for any sums required to satisfy the applicable federal, state, local or foreign employment, social insurance, payroll, income or other tax withholding obligations (the "*Withholding Obligations*") that arise in connection with this Agreement. The Company may establish procedures to ensure satisfaction of all applicable Withholding Obligations arising in connection with this Agreement, including any means permitted in Section 8 of the Plan. Participant hereby authorizes the Company, at its sole discretion and subject to any limitations under applicable law, to satisfy any such Tax Obligations by (1) withholding a portion of the Shares otherwise to be issued in payment of the Units having a value equal to the amount of Withholding Obligations in accordance with such rules as the Company may from time to time establish; provided, however, that the amount of the Shares so withheld shall not exceed the amount necessary to satisfy the required Withholding Obligations using applicable minimum statutory withholding rates; (2) withholding from the wages and other cash compensation payable to Participant or by causing Participant to tender a cash payment or other Shares to the Company; or (3) selling on Participant's behalf (using any brokerage firm determined acceptable to the Company for such purpose) a portion of the Shares issued in payment of the Units as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the Withholding Obligations; provided, however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee shall establish the method of withholding from the above alternatives and, if the Committee does not exercise its discretion prior to the withholding event, then Participant shall be entitled to elect the method of withholding from the alternatives above. Participant shall be responsible for all brokerage fees and other costs of sale, and Participant further agrees to indemnify and hold the Company harmless from any losses, costs, damages or expenses relating to any such sale. The Company may refuse to deliver Shares if Participant fails to comply with Participant's obligations in connection with the Withholding Obligations described in this paragraph.

(d) Plan Provisions Control. This Award is subject to the terms and conditions of the Plan, but the terms of the Plan shall not be considered an enlargement of any benefits under this Agreement. In addition, this Award is subject to the rules and regulations promulgated pursuant to the Plan, now or hereafter in effect. A copy of the Plan will be furnished upon request of Participant. In the event that any provision of the Agreement conflicts with or is inconsistent in any respect with the terms of the Plan, the terms of the Plan shall control. This Agreement (and any addendum hereto) and the Plan together constitute the entire agreement between the parties hereto with regard to the subject matter hereof.

(e) No Right to Employment. The issuance of the Award shall not be construed as giving Participant the right to be retained in the employ, or as giving a director of the Company or an Affiliate the right to continue as a director of the Company or an Affiliate, nor will it affect in any way the right of the Company or an Affiliate to terminate such employment or position at any time, with or without cause. In addition, the Company or an Affiliate may at any time dismiss Participant from employment, or terminate the term of a director of the Company or an Affiliate, free from any liability or any claim under the Plan or the Agreement. Nothing in the Agreement shall confer on any person any legal or equitable right against the Company or any

Affiliate, directly or indirectly, or give rise to any cause of action at law or in equity against the Company or an Affiliate. The Award granted hereunder shall not form any part of the wages or salary of Participant for purposes of severance pay or termination indemnities, irrespective of the reason for termination of employment. Under no circumstances shall any person ceasing to be an employee of the Company or any Affiliate be entitled to any compensation for any loss of any right or benefit under the Agreement or Plan which such employee might otherwise have enjoyed but for termination of employment, whether such compensation is claimed by way of damages for wrongful or unfair dismissal, breach of contract or otherwise. By participating in the Plan, Participant shall be deemed to have accepted all the conditions of the Plan and the Agreement and the terms and conditions of any rules and regulations adopted by the Committee (as defined in the Plan) and shall be fully bound thereby.

(f) Governing Law. The validity, construction and effect of the Plan and the Agreement, and any rules and regulations relating to the Plan and the Agreement, shall be determined in accordance with the internal laws, and not the law of conflicts, of the State of Nevada.

(g) Severability. If any provision of the Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify the Agreement under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan or the Agreement, such provision shall be stricken as to such jurisdiction or the Agreement, and the remainder of the Agreement shall remain in full force and effect.

(h) No Trust or Fund Created. Neither the Plan nor the Agreement shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and Participant or any other person.

(i) Section 409A Provisions. The payment of Shares under this Agreement are intended to be exempt from the application of section 409A of the Internal Revenue Code, as amended ("*Section 409A*") by reason of the short-term deferral exemption set forth in Treasury Regulation §1.409A-1(b)(4). Notwithstanding anything in the Plan or this Agreement to the contrary, to the extent that any amount or benefit hereunder that constitutes "deferred compensation" to Participant under section 409A of the Internal Revenue Code, as amended ("*Section 409A*") and applicable guidance thereunder is otherwise payable or distributable to Participant under the Plan or this Agreement solely due to Participant's disability or "separation from service" (as such term is defined under Section 409A), such amount or benefit will not be payable or distributable to Participant by reason of such circumstance unless the Committee determines in good faith that (i) the circumstances giving rise to such disability or separation from service meet the definition of disability, or separation from service, as the case may be, in Section 409A(a)(2)(A) of the Code and applicable final regulations, or (ii) the payment or distribution of such amount or benefit would be exempt from the application of Section 409A by reason of the short-term deferral exemption or otherwise (including, but not limited to, a payment made pursuant to an involuntary separation arrangement that is exempt from Section 409A under the "short-term deferral" exception). Any payment or distribution that otherwise would be made to a Participant who is a specified employee (as determined by the Committee in

good faith) on account of separation from service may not be made before the date which is six months after the date of the specified employee's separation from service (or if earlier, upon the specified employee's death) unless the payment or distribution is exempt from the application of Section 409A by reason of the short term deferral exemption or otherwise.

(j) Headings. Headings are given to the Sections and subsections of the Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Agreement or any provision thereof.

(k) Securities Matters. The Company shall not be required, and shall not have any liability for failure, to deliver Shares until the requirements of any federal or state securities or other laws, rules or regulations (including the rules of any securities exchange) as may be determined by the Company to be applicable are satisfied.

(l) Consultation with Professional Tax and Investment Advisors. Participant acknowledges that the grant, exercise, vesting or any payment with respect to this Award, and the sale or other taxable disposition of the Shares acquired pursuant to the exercise thereof, may have tax consequences pursuant to the Internal Revenue Code of 1986, as amended, or under local, state or international tax laws. Participant further acknowledges that Participant is relying solely and exclusively on Participant's own professional tax and investment advisors with respect to any and all such matters (and is not relying, in any manner, on the Company or any of its employees or representatives). Finally, Participant understands and agrees that any and all tax consequences resulting from the Award and its grant, exercise, vesting or any payment with respect thereto, and the sale or other taxable disposition of the Shares acquired pursuant to the Plan, is solely and exclusively the responsibility of Participant without any expectation or understanding that the Company or any of its employees or representatives will pay or reimburse Participant for such taxes or other items.

[*Signature page follows*]

IN WITNESS WHEREOF, the Company and Participant have executed this Agreement as of the Effective Date.

PROFIRE ENERGY, INC.

By: _____
Name: Brenton W. Hatch
Title: Chief Executive Officer

PARTICIPANT:

_____
Ryan W. Oviatt

PROFIRE ENERGY, INC.
2014 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This **RESTRICTED STOCK UNIT AWARD AGREEMENT** (this "*Agreement*") is made this 30th day of March, 2018 (the "*Effective Date*"), by and between **Profire Energy, Inc.**, a Nevada corporation (the "*Company*"), and Cameron Tidball ("*Participant*"). All capitalized terms used herein but not defined herein shall have the meanings given to them in the Profire Energy, Inc. 2014 Equity Incentive Plan, as amended (the "*Plan*").

1. Award. The Company hereby grants to Participant a restricted stock unit award (the "*Award*") covering up to 34,285 shares (the "*Shares*") of Common Stock, par value $0.001 per share, of the Company according to the terms and conditions set forth herein and in the Plan. Each restricted stock unit (a "*Unit*") represents the right to receive one Share, subject to the vesting requirements of this Agreement and the terms of the Plan. The Units are granted under Section 6(c) of the Plan. A copy of the Plan will be furnished upon request of Participant.

2. Performance Metrics and Vesting.

(a) Except as otherwise provided in this Agreement, the number of Units granted under this Award that actually vest will be vested on the date (the "*Vesting Date*") that the Committee certifies that the Company has achieved the following performance metrics (each a "*Performance Metric*"):

Performance Metric	Weight	Target	Above Target	Outstanding
Three Year Average Revenue Growth Rate	33%	25%	30%	35%
Operating Income as a Percentage of Revenue (Three Year Target)	33%	15%	20%	25%
Return on Invested Capital (Three Year Target)	33%	20%	30%	42%

(b) The performance period (the "*Performance Period*") shall commence on January 1, 2018 and terminate on December 31, 2020. The Committee shall certify whether the Company has achieved the Performance Metrics as soon as administratively feasible following the end of the Performance Period, but in no event later than 90 days following the end of the Performance Period. The Committee, in its sole discretion, shall have the right to determine how the Performance Metrics are defined and whether they have been achieved.

(c) The vesting of the Award will be weighted 33% for each of the three Performance Metrics. Separately from the other Performance Metrics, each Performance Metric will determine the vesting for 11,428 Units subject to this Award. The number of Units that will vest for each Performance Metric on the Vesting Date shall be determined as follows: (i) if the "Target" level for such Performance Metric is not achieved, none of the Units relating to such

Performance Metric will vest; (ii) if the "Target" level for such Performance Metric is achieved, 50% of the Units relating to such Performance Metric will vest; (iii) if the "Above Target" level for such Performance Metric is achieved, 75% of the Units relating to such Performance Metric will vest; and (iv) if the "Outstanding" level for such Performance Metric is achieved, 100% of the Units relating to such Performance Metric will vest.

3. Restrictions on Transfer. Until the Units vest pursuant to Section 2 hereof or unless the Committee determines otherwise, none of the Units may be transferred other than by will or by the laws of descent and distribution and no Units may be pledged, alienated, attached or otherwise encumbered, and any purported pledge, alienation, attachment or encumbrance thereof shall be void and unenforceable against the Company or any Affiliate. The Committee may establish procedures as it deems appropriate for Participant to designate a person or persons, as beneficiary or beneficiaries, to exercise the rights of Participant and receive any property distributable with respect to the Units in the event of Participant's death.

4. Forfeiture. Except as otherwise determined by the Committee, upon Participant's termination of providing service as an Eligible Person for the Company or any Affiliate ("*Service*") (in either case, as determined under criteria established by the Committee) prior to vesting of the Units pursuant to Section 2 hereof, all unvested Units held by such Participant at such time shall be forfeited and reacquired by the Company; *provided, however*, that the Committee may waive in whole or in part any or all remaining restrictions with respect to the unvested Units. Upon forfeiture, Participant will no longer have any rights relating to the unvested Units.

5. Miscellaneous

(a) Issuance of Shares. As soon as administratively practicable following the Vesting Date, and Participant's satisfaction of any required tax withholding obligations (but in no event later than 60 days following the Vesting Date), the Company shall cause to be issued and delivered to Participant a certificate or certificates evidencing Shares registered in the name of Participant (or in the name of Participant's legal representatives, beneficiaries or heirs, as the case may be) or to instruct the Company's transfer agent to electronically deliver such Shares to Participant (or applicable representative, beneficiary or heir). The number of Shares issued shall equal the number of Units vested, reduced as necessary to cover applicable withholding obligations in accordance with Section 5(c) hereof. If it is administratively impracticable to issue Shares within the time frame described above because issuances of Shares are prohibited or restricted pursuant to the policies of the Company that are reasonably designed to ensure compliance with applicable securities laws or stock exchange rules, then such issuance shall be delayed until such prohibitions or restrictions lapse.

(b) No Rights as Shareholder. Units are not actual Shares, but rather, represent a right to receive Shares according to the terms and conditions set forth herein and the terms of the Plan. Accordingly, the issuance of a Unit shall not entitle Participant to any of the rights or benefits generally accorded to shareholders unless and until a Share is actually issued under Section 5(a) hereof.

(c) Taxes. Participant hereby agrees to make adequate provision for any sums required to satisfy the applicable federal, state, local or foreign employment, social insurance, payroll, income or other tax withholding obligations (the "*Withholding Obligations*") that arise in connection with this Agreement. The Company may establish procedures to ensure satisfaction of all applicable Withholding Obligations arising in connection with this Agreement, including any means permitted in Section 8 of the Plan. Participant hereby authorizes the Company, at its sole discretion and subject to any limitations under applicable law, to satisfy any such Tax Obligations by (1) withholding a portion of the Shares otherwise to be issued in payment of the Units having a value equal to the amount of Withholding Obligations in accordance with such rules as the Company may from time to time establish; provided, however, that the amount of the Shares so withheld shall not exceed the amount necessary to satisfy the required Withholding Obligations using applicable minimum statutory withholding rates; (2) withholding from the wages and other cash compensation payable to Participant or by causing Participant to tender a cash payment or other Shares to the Company; or (3) selling on Participant's behalf (using any brokerage firm determined acceptable to the Company for such purpose) a portion of the Shares issued in payment of the Units as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the Withholding Obligations; provided, however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee shall establish the method of withholding from the above alternatives and, if the Committee does not exercise its discretion prior to the withholding event, then Participant shall be entitled to elect the method of withholding from the alternatives above. Participant shall be responsible for all brokerage fees and other costs of sale, and Participant further agrees to indemnify and hold the Company harmless from any losses, costs, damages or expenses relating to any such sale. The Company may refuse to deliver Shares if Participant fails to comply with Participant's obligations in connection with the Withholding Obligations described in this paragraph.

(d) Plan Provisions Control. This Award is subject to the terms and conditions of the Plan, but the terms of the Plan shall not be considered an enlargement of any benefits under this Agreement. In addition, this Award is subject to the rules and regulations promulgated pursuant to the Plan, now or hereafter in effect. A copy of the Plan will be furnished upon request of Participant. In the event that any provision of the Agreement conflicts with or is inconsistent in any respect with the terms of the Plan, the terms of the Plan shall control. This Agreement (and any addendum hereto) and the Plan together constitute the entire agreement between the parties hereto with regard to the subject matter hereof.

(e) No Right to Employment. The issuance of the Award shall not be construed as giving Participant the right to be retained in the employ, or as giving a director of the Company or an Affiliate the right to continue as a director of the Company or an Affiliate, nor will it affect in any way the right of the Company or an Affiliate to terminate such employment or position at any time, with or without cause. In addition, the Company or an Affiliate may at any time dismiss Participant from employment, or terminate the term of a director of the Company or an Affiliate, free from any liability or any claim under the Plan or the Agreement. Nothing in the Agreement shall confer on any person any legal or equitable right against the Company or any Affiliate, directly or indirectly, or give rise to any cause of action at law or in equity against the Company or an Affiliate. The Award granted hereunder shall not form any part of the wages or salary of Participant for purposes of severance pay or termination indemnities, irrespective of the reason for termination of employment. Under no circumstances shall any person ceasing to be an

employee of the Company or any Affiliate be entitled to any compensation for any loss of any right or benefit under the Agreement or Plan which such employee might otherwise have enjoyed but for termination of employment, whether such compensation is claimed by way of damages for wrongful or unfair dismissal, breach of contract or otherwise. By participating in the Plan, Participant shall be deemed to have accepted all the conditions of the Plan and the Agreement and the terms and conditions of any rules and regulations adopted by the Committee (as defined in the Plan) and shall be fully bound thereby.

(f) Governing Law. The validity, construction and effect of the Plan and the Agreement, and any rules and regulations relating to the Plan and the Agreement, shall be determined in accordance with the internal laws, and not the law of conflicts, of the State of Nevada.

(g) Severability. If any provision of the Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify the Agreement under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan or the Agreement, such provision shall be stricken as to such jurisdiction or the Agreement, and the remainder of the Agreement shall remain in full force and effect.

(h) No Trust or Fund Created. Neither the Plan nor the Agreement shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and Participant or any other person.

(i) Section 409A Provisions. The payment of Shares under this Agreement are intended to be exempt from the application of section 409A of the Internal Revenue Code, as amended ("*Section 409A*") by reason of the short-term deferral exemption set forth in Treasury Regulation §1.409A-1(b)(4). Notwithstanding anything in the Plan or this Agreement to the contrary, to the extent that any amount or benefit hereunder that constitutes "deferred compensation" to Participant under section 409A of the Internal Revenue Code, as amended ("*Section 409A*") and applicable guidance thereunder is otherwise payable or distributable to Participant under the Plan or this Agreement solely due to Participant's disability or "separation from service" (as such term is defined under Section 409A), such amount or benefit will not be payable or distributable to Participant by reason of such circumstance unless the Committee determines in good faith that (i) the circumstances giving rise to such disability or separation from service meet the definition of disability, or separation from service, as the case may be, in Section 409A(a)(2)(A) of the Code and applicable final regulations, or (ii) the payment or distribution of such amount or benefit would be exempt from the application of Section 409A by reason of the short-term deferral exemption or otherwise (including, but not limited to, a payment made pursuant to an involuntary separation arrangement that is exempt from Section 409A under the "short-term deferral" exception). Any payment or distribution that otherwise would be made to a Participant who is a specified employee (as determined by the Committee in good faith) on account of separation from service may not be made before the date which is six months after the date of the specified employee's separation from service (or if earlier, upon the specified employee's death) unless the payment or distribution is exempt from the application of Section 409A by reason of the short term deferral exemption or otherwise.

(j) Headings. Headings are given to the Sections and subsections of the Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Agreement or any provision thereof.

(k) Securities Matters. The Company shall not be required, and shall not have any liability for failure, to deliver Shares until the requirements of any federal or state securities or other laws, rules or regulations (including the rules of any securities exchange) as may be determined by the Company to be applicable are satisfied.

(l) Consultation with Professional Tax and Investment Advisors. Participant acknowledges that the grant, exercise, vesting or any payment with respect to this Award, and the sale or other taxable disposition of the Shares acquired pursuant to the exercise thereof, may have tax consequences pursuant to the Internal Revenue Code of 1986, as amended, or under local, state or international tax laws. Participant further acknowledges that Participant is relying solely and exclusively on Participant's own professional tax and investment advisors with respect to any and all such matters (and is not relying, in any manner, on the Company or any of its employees or representatives). Finally, Participant understands and agrees that any and all tax consequences resulting from the Award and its grant, exercise, vesting or any payment with respect thereto, and the sale or other taxable disposition of the Shares acquired pursuant to the Plan, is solely and exclusively the responsibility of Participant without any expectation or understanding that the Company or any of its employees or representatives will pay or reimburse Participant for such taxes or other items.

[*Signature page follows*]

IN WITNESS WHEREOF, the Company and Participant have executed this Agreement as of the Effective Date.

PROFIRE ENERGY, INC.

By: _____
Name: Ryan W. Oviatt
Title: Chief Financial Officer

PARTICIPANT:

_____
Cameron M. Tidball

PROFIRE ENERGY, INC.
2014 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This **RESTRICTED STOCK UNIT AWARD AGREEMENT** (this "*Agreement*") is made this 30th day of March, 2018 (the "*Effective Date*"), by and between **Profire Energy, Inc.**, a Nevada corporation (the "*Company*"), and Jay Fugal ("*Participant*"). All capitalized terms used herein but not defined herein shall have the meanings given to them in the Profire Energy, Inc. 2014 Equity Incentive Plan, as amended (the "*Plan*").

1. Award. The Company hereby grants to Participant a restricted stock unit award (the "*Award*") covering up to 29,304 shares (the "*Shares*") of Common Stock, par value $0.001 per share, of the Company according to the terms and conditions set forth herein and in the Plan. Each restricted stock unit (a "*Unit*") represents the right to receive one Share, subject to the vesting requirements of this Agreement and the terms of the Plan. The Units are granted under Section 6(c) of the Plan. A copy of the Plan will be furnished upon request of Participant.

2. Performance Metrics and Vesting.

(a) Except as otherwise provided in this Agreement, the number of Units granted under this Award that actually vest will be vested on the date (the "*Vesting Date*") that the Committee certifies that the Company has achieved the following performance metrics (each a "*Performance Metric*"):

Performance Metric	Weight	Target	Above Target	Outstanding
Three Year Average Revenue Growth Rate	33%	25%	30%	35%
Operating Income as a Percentage of Revenue (Three Year Target)	33%	15%	20%	25%
Return on Invested Capital (Three Year Target)	33%	20%	30%	42%

(b) The performance period (the "*Performance Period*") shall commence on January 1, 2018 and terminate on December 31, 2020. The Committee shall certify whether the Company has achieved the Performance Metrics as soon as administratively feasible following the end of the Performance Period, but in no event later than 90 days following the end of the Performance Period. The Committee, in its sole discretion, shall have the right to determine how the Performance Metrics are defined and whether they have been achieved.

(c) The vesting of the Award will be weighted 33% for each of the three Performance Metrics. Separately from the other Performance Metrics, each Performance Metric will determine the vesting for 9,768 Units subject to this Award. The number of Units that will vest for each Performance Metric on the Vesting Date shall be determined as follows: (i) if the "Target" level for such Performance Metric is not achieved, none of the Units relating to such

Performance Metric will vest; (ii) if the "Target" level for such Performance Metric is achieved, 50% of the Units relating to such Performance Metric will vest; (iii) if the "Above Target" level for such Performance Metric is achieved, 75% of the Units relating to such Performance Metric will vest; and (iv) if the "Outstanding" level for such Performance Metric is achieved, 100% of the Units relating to such Performance Metric will vest.

3. Restrictions on Transfer. Until the Units vest pursuant to Section 2 hereof or unless the Committee determines otherwise, none of the Units may be transferred other than by will or by the laws of descent and distribution and no Units may be pledged, alienated, attached or otherwise encumbered, and any purported pledge, alienation, attachment or encumbrance thereof shall be void and unenforceable against the Company or any Affiliate. The Committee may establish procedures as it deems appropriate for Participant to designate a person or persons, as beneficiary or beneficiaries, to exercise the rights of Participant and receive any property distributable with respect to the Units in the event of Participant's death.

4. Forfeiture. Except as otherwise determined by the Committee, upon Participant's termination of providing service as an Eligible Person for the Company or any Affiliate ("*Service*") (in either case, as determined under criteria established by the Committee) prior to vesting of the Units pursuant to Section 2 hereof, all unvested Units held by such Participant at such time shall be forfeited and reacquired by the Company; *provided, however*, that the Committee may waive in whole or in part any or all remaining restrictions with respect to the unvested Units. Upon forfeiture, Participant will no longer have any rights relating to the unvested Units.

5. Miscellaneous

(a) Issuance of Shares. As soon as administratively practicable following the Vesting Date, and Participant's satisfaction of any required tax withholding obligations (but in no event later than 60 days following the Vesting Date), the Company shall cause to be issued and delivered to Participant a certificate or certificates evidencing Shares registered in the name of Participant (or in the name of Participant's legal representatives, beneficiaries or heirs, as the case may be) or to instruct the Company's transfer agent to electronically deliver such Shares to Participant (or applicable representative, beneficiary or heir). The number of Shares issued shall equal the number of Units vested, reduced as necessary to cover applicable withholding obligations in accordance with Section 5(c) hereof. If it is administratively impracticable to issue Shares within the time frame described above because issuances of Shares are prohibited or restricted pursuant to the policies of the Company that are reasonably designed to ensure compliance with applicable securities laws or stock exchange rules, then such issuance shall be delayed until such prohibitions or restrictions lapse.

(b) No Rights as Shareholder. Units are not actual Shares, but rather, represent a right to receive Shares according to the terms and conditions set forth herein and the terms of the Plan. Accordingly, the issuance of a Unit shall not entitle Participant to any of the rights or benefits generally accorded to shareholders unless and until a Share is actually issued under Section 5(a) hereof.

(c) Taxes. Participant hereby agrees to make adequate provision for any sums required to satisfy the applicable federal, state, local or foreign employment, social insurance, payroll, income or other tax withholding obligations (the "*Withholding Obligations*") that arise in connection with this Agreement. The Company may establish procedures to ensure satisfaction of all applicable Withholding Obligations arising in connection with this Agreement, including any means permitted in Section 8 of the Plan. Participant hereby authorizes the Company, at its sole discretion and subject to any limitations under applicable law, to satisfy any such Tax Obligations by (1) withholding a portion of the Shares otherwise to be issued in payment of the Units having a value equal to the amount of Withholding Obligations in accordance with such rules as the Company may from time to time establish; provided, however, that the amount of the Shares so withheld shall not exceed the amount necessary to satisfy the required Withholding Obligations using applicable minimum statutory withholding rates; (2) withholding from the wages and other cash compensation payable to Participant or by causing Participant to tender a cash payment or other Shares to the Company; or (3) selling on Participant's behalf (using any brokerage firm determined acceptable to the Company for such purpose) a portion of the Shares issued in payment of the Units as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the Withholding Obligations; provided, however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee shall establish the method of withholding from the above alternatives and, if the Committee does not exercise its discretion prior to the withholding event, then Participant shall be entitled to elect the method of withholding from the alternatives above. Participant shall be responsible for all brokerage fees and other costs of sale, and Participant further agrees to indemnify and hold the Company harmless from any losses, costs, damages or expenses relating to any such sale. The Company may refuse to deliver Shares if Participant fails to comply with Participant's obligations in connection with the Withholding Obligations described in this paragraph.

(d) Plan Provisions Control. This Award is subject to the terms and conditions of the Plan, but the terms of the Plan shall not be considered an enlargement of any benefits under this Agreement. In addition, this Award is subject to the rules and regulations promulgated pursuant to the Plan, now or hereafter in effect. A copy of the Plan will be furnished upon request of Participant. In the event that any provision of the Agreement conflicts with or is inconsistent in any respect with the terms of the Plan, the terms of the Plan shall control. This Agreement (and any addendum hereto) and the Plan together constitute the entire agreement between the parties hereto with regard to the subject matter hereof.

(e) No Right to Employment. The issuance of the Award shall not be construed as giving Participant the right to be retained in the employ, or as giving a director of the Company or an Affiliate the right to continue as a director of the Company or an Affiliate, nor will it affect in any way the right of the Company or an Affiliate to terminate such employment or position at any time, with or without cause. In addition, the Company or an Affiliate may at any time dismiss Participant from employment, or terminate the term of a director of the Company or an Affiliate, free from any liability or any claim under the Plan or the Agreement. Nothing in the Agreement shall confer on any person any legal or equitable right against the Company or any Affiliate, directly or indirectly, or give rise to any cause of action at law or in equity against the Company or an Affiliate. The Award granted hereunder shall not form any part of the wages or salary of Participant for purposes of severance pay or termination indemnities, irrespective of the reason for termination of employment. Under no circumstances shall any person ceasing to be an

employee of the Company or any Affiliate be entitled to any compensation for any loss of any right or benefit under the Agreement or Plan which such employee might otherwise have enjoyed but for termination of employment, whether such compensation is claimed by way of damages for wrongful or unfair dismissal, breach of contract or otherwise. By participating in the Plan, Participant shall be deemed to have accepted all the conditions of the Plan and the Agreement and the terms and conditions of any rules and regulations adopted by the Committee (as defined in the Plan) and shall be fully bound thereby.

(f) Governing Law. The validity, construction and effect of the Plan and the Agreement, and any rules and regulations relating to the Plan and the Agreement, shall be determined in accordance with the internal laws, and not the law of conflicts, of the State of Nevada.

(g) Severability. If any provision of the Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify the Agreement under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan or the Agreement, such provision shall be stricken as to such jurisdiction or the Agreement, and the remainder of the Agreement shall remain in full force and effect.

(h) No Trust or Fund Created. Neither the Plan nor the Agreement shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and Participant or any other person.

(i) Section 409A Provisions. The payment of Shares under this Agreement are intended to be exempt from the application of section 409A of the Internal Revenue Code, as amended ("*Section 409A*") by reason of the short-term deferral exemption set forth in Treasury Regulation §1.409A-1(b)(4). Notwithstanding anything in the Plan or this Agreement to the contrary, to the extent that any amount or benefit hereunder that constitutes "deferred compensation" to Participant under section 409A of the Internal Revenue Code, as amended ("*Section 409A*") and applicable guidance thereunder is otherwise payable or distributable to Participant under the Plan or this Agreement solely due to Participant's disability or "separation from service" (as such term is defined under Section 409A), such amount or benefit will not be payable or distributable to Participant by reason of such circumstance unless the Committee determines in good faith that (i) the circumstances giving rise to such disability or separation from service meet the definition of disability, or separation from service, as the case may be, in Section 409A(a)(2)(A) of the Code and applicable final regulations, or (ii) the payment or distribution of such amount or benefit would be exempt from the application of Section 409A by reason of the short-term deferral exemption or otherwise (including, but not limited to, a payment made pursuant to an involuntary separation arrangement that is exempt from Section 409A under the "short-term deferral" exception). Any payment or distribution that otherwise would be made to a Participant who is a specified employee (as determined by the Committee in good faith) on account of separation from service may not be made before the date which is six months after the date of the specified employee's separation from service (or if earlier, upon the specified employee's death) unless the payment or distribution is exempt from the application of Section 409A by reason of the short term deferral exemption or otherwise.

(j) Headings. Headings are given to the Sections and subsections of the Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Agreement or any provision thereof.

(k) Securities Matters. The Company shall not be required, and shall not have any liability for failure, to deliver Shares until the requirements of any federal or state securities or other laws, rules or regulations (including the rules of any securities exchange) as may be determined by the Company to be applicable are satisfied.

(l) Consultation with Professional Tax and Investment Advisors. Participant acknowledges that the grant, exercise, vesting or any payment with respect to this Award, and the sale or other taxable disposition of the Shares acquired pursuant to the exercise thereof, may have tax consequences pursuant to the Internal Revenue Code of 1986, as amended, or under local, state or international tax laws. Participant further acknowledges that Participant is relying solely and exclusively on Participant's own professional tax and investment advisors with respect to any and all such matters (and is not relying, in any manner, on the Company or any of its employees or representatives). Finally, Participant understands and agrees that any and all tax consequences resulting from the Award and its grant, exercise, vesting or any payment with respect thereto, and the sale or other taxable disposition of the Shares acquired pursuant to the Plan, is solely and exclusively the responsibility of Participant without any expectation or understanding that the Company or any of its employees or representatives will pay or reimburse Participant for such taxes or other items.

[*Signature page follows*]

IN WITNESS WHEREOF, the Company and Participant have executed this Agreement as of the Effective Date.

PROFIRE ENERGY, INC.

By: _____
Name: Ryan W. Oviatt
Title: Chief Financial Officer

PARTICIPANT:

_____
Jay G. Fugal

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: May 9, 2018

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: May 9, 2018

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 March 31, 2018, 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: May 9, 2018

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 March 31, 2018, 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: May 9, 2018

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