Zacks Small-Cap Research

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Jammin Java Corp. (JAMN-OTCQB)

JAMN: Reports FY 2014 results. Management outlines goals for FY 2015.

Current Recommendation	**Outperform**
Prior Recommendation	N/A
Date of Last Change	10/13/2013
Current Price (05/23/14)	$0.31
Six- Month Target Price	**$0.47**

OUTLOOK

Jammin Java is a growth company in the premium coffee industry. Management is implementing a growth strategy based on business models of multi-channel geographic penetration and brand awareness-based volume growth. Having expanded through traditional retail grocery and distribution channels during the last 18 months, management's goals for fiscal 2015 are to generate organic revenue growth, to improve the gross margin to 20%+ and to expand distribution to 10,000 retail locations. Mother Parkers made a strategic equity investment in Jammin Java, which is helping fund the company's growth initiatives and increase Canadian distribution.

SUMMARY DATA

52-Week High	**$0.48**
52-Week Low	**$0.29**
One-Year Return (%)	**N/A**
Beta	**N/A**
Average Daily Volume (shrs.)	**550,724**
Shares Outstanding (million)	**114**
Market Capitalization ($mil.)	**$35.5**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**13.6**
Insider Ownership (%)	**20.7**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2015 Estimate	**N/M**
P/E using 2016 Estimate	**15.5**
Zacks Rank	**3**

Risk Level	**Above Average**
Type of Stock	**Small-Growth**
Industry	**Beverages-Soft**
Zacks Rank in Industry	**7 of 16**

ZACKS ESTIMATES

Net Revenue
(in thousands of $)

	Q1 (Apr)	Q2 (Jul)	Q3 (Oct)	Q4 (Jan)	Year (Jan)
2013	309 A	559 A	536 A	411 A	1,816 A
2014	817 A	1,605 A	2,193 A	1,029 A	5,654 A
2015	2,359 E	2,731 E	3,019 E	3,393 E	11,501 E
2016					13,500 E

Earnings per Share
(EPS is operating earnings before non recurring items)

	Q1 (Apr)	Q2 (Jul)	Q3 (Oct)	Q4 (Jan)	Year (Jan)
2013	-$0.01 A	-$0.01 A	-$0.01 A	-$0.02 A	-$0.05 A
2014	-$0.00 A	-$0.01 A	-$0.01 A	-$0.04 A	-$0.07 A
2015	-$0.01 E	-$0.01 E	-$0.01 E	-$0.01 E	-$0.05 E
2016					$0.02 E

Zacks Projected EPS Growth Rate - Next 5 Years % **N/A**

Quarterly EPS may not equal annual EPS total due to rounding.

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KEY POINTS

- Jammin Java Corp. is a producer, marketer and distributor of premium roasted gourmet coffees sold under the **brand name of Marley Coffee**.
- Management executed a **growth strategy** of geographic expansion through multiple distribution channels, which drove dramatic, **triple-digit, year-over-year revenue growth**. Now, management's overall objective is to generate organic growth. Specifically, **management's goals** for fiscal 2015 include generating **$10 million in gross revenues**, expanding distribution to **10,000 retail locations** and improving the **gross margin to 20% or above**.
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- **Expanded distribution network** through
  - National and regional grocery chains (Ahold, BI-LO, Winn Dixie, Kroger, Safeway, etc.)
    - The domestic availability of Jammin Java's coffees and teas through the retail grocery channel has expanded geographically from southern California in 2010 to a national footprint in 2013
  - Independent domestic distributors, like United Natural Foods and Gourmet Merchants Int'l
  - E-tailers, such as amazon.com, cooking.com, coffeewiz.com, shoffee.com, etc.
  - Office Coffee Service (OCS) in partnership with National Coffee Service & Vending and its acquisition of Denver-based Black Rock Beverage Service.
  - Alternative distribution through vending (in partnership with AVT) and BikeCaffe coffee carts
  - Internationally in Canada, Chile, Japan, the UK, Continental Europe, South America, South Korea and Japan.
  - Jammin Java continues to gain penetration in the grocery market with Marley Coffee, which is available at approximately **8,000 retail locations**.
- In November 2011, Jammin Java **entered the ground coffee segment** with **8 oz. bags** of ground coffee.
- In November 2012, Jammin Java **entered the fast growing single-serve market** with **RealCups™**, a K-Cup compatible product.
- In early March, Marley Coffee launched several new products, specifically, **Rainforest Alliance Certified versions** of Buffalo Soldier, Mystic Morning and Smile Jamaica and two new flavor blends: **Catch a Fire** (Jamaican chili flavor) and **Spiced Root Rum** (Jamaican rum flavor).
- During 2013, Jammin Java benefitted from approximately **$4.8 million in capital** through the settlement of trade payables with **Ironridge Global IV, Ltd**. The funds are allowing for an accelerated pace of distribution expansion.
- In April 2014, **Mother Parkers Tea & Coffee** entered into a strategic transaction with Jammin Java by purchase 7,333,529 Units of Jammin Java for **$2.5 million**. In addition, Mother Parkers intends to provide $2.0 million in marketing funds over the next two years.
- Management continues to build awareness and promote increased distribution through attending trade shows, new distribution events, etc.
- Through sponsorship agreements, Marley Coffee has strategic partnerships with the Denver Broncos and Colorado Rockies and Colorado Rapids.
- Management continues to aggressively pursue strategies to increase distribution, marketing and product innovation
- We maintain our Outperform rating, but lower our price target to $0.47.

RECENT NEWS

New Products

At the Natural Products EXPO WEST trade show held in Anaheim during early March, Marley Coffee launched several new products, namely, **Rainforest Alliance Certified versions** of Buffalo Soldier,

Mystic Morning and Smile Jamaica in 8 ounce ground and RealCup formats, along with two new flavor blends in the RealCup format: **Catch a Fire** (Jamaican chili flavor) and **Spiced Root Rum** (Jamaican rum flavor).

Financial results for Fiscal 2014

On May16, 2014, Marley Coffee reported **financial results for the fourth fiscal quarter** and fiscal year ending January 31, 2014. **For the quarter, net revenue increased 150%** to $1.03 million versus $411 thousand in the comparable fiscal quarter last year, primarily due to expanded distribution into the retail grocery market and growth of other distribution channels. Other comparative analysis for the fourth fiscal quarter is distorted by year-end adjustments, which are primarily related to aggregate adjustments made throughout the year for manufacturer allowances, discounts and promotions. Also, a shortage of Jamaican Blue Mountain beans was a factor. (see Risks Section).

In fiscal 2014, net revenue increased 211% to $5.64 million versus $1.82 million in fiscal 2013, primarily due to expanded distribution into the retail grocery market and growth of other distribution channels. Gross income increased 84.1% to $703,665 compared with $382,214; however, the **gross profit margin contracted 857 basis points** (bps) from 21.0% to 12.5% due to expansion into new markets with lower initial margins on sales.

Operating expenses increased 24.9%, which was driven by an 88.8% increase in G&A expenses from the overall expansion of the business. Compensation and benefit expenses declined 5.7% to $2.30 million as shares of common stock were issued in consideration for services rendered by officers, directors and employees. Jammin Java continues accrue salaries (or pay such salaries in common shares) in order to utilize cash on hand to fund the company's operations and growth. Management now plans to continue this practice in fiscal 2015. Selling and marketing expenses declined 30.5% to $182,251 due to the absence of a large marketing campaign and the categorization of new marketing staff under G&A expenses. However, management anticipates significant marketing expenses throughout 2014. Interest expense decreased 27.8% to $108 thousand due to conversion of interest bearing liabilities into equity as a result of the Ironridge Global transactions. On the other hand, the Ironridge transactions caused Other expense to increase significantly to $2,164,008 (compared to $200,640 in fiscal 2013) as a result of the $2,130,993 loss on extinguishment of debt from the issuance of shares**.**

The company's net loss expanded from $4.02 million ($0.05 per diluted share) to $6.70 million ($0.07 per diluted share) as average weighted shares outstanding increased 20.8% from 77.3 million to 93.4 million, primarily through the settlement of the Ironridge Global IV transactions which extinguished $4.8 million of accounts payable and accrued expenses through the issuance of common shares.

During fiscal 2014, the company's operations and liquidity position benefited from Ironridge Global IV's purchase of $4,795,802 worth of accounts payables and accrued expenses, which is being satisfied through the issuance of shares (23,243,907 shares to date). In July and August 2013, a private offering of 647,137 Units to accredited investors provided **net proceeds of $246,000**. Consequently, working capital improved dramatically to $1.61 million.

Subsequently, in April 2014, Mother Parkers provided **$2.5 million** to Jammin Java through an equity purchase of 7,333,529 Units. Importantly, management continues to state that **anticipated working capital needs for the next 24 months should be met through operations and funds being raised through an ongoing offering** to accredited investors. The private offering of units, each of consists of one share of common stock and ½ of one warrant to purchase one share of common stock. Units are priced at 20% discount to the closing price of the stock on the date of subscription (the exercise price of the warrants is equal to 150% of the closing price on the date of subscription).

Letter to Shareholders

In May 2014, Brent Toevs, CEO, issued a Letter to Shareholders wherein he recapped the accomplishments of Jammin Java during the last 18 months and outlined management's growth plan for fiscal 2015. During the last year-and-one-half, the company established a national grocery distribution network, gaining distribution in over 5,000 stores (sic) in North America, including Safeway and Kroger. In addition, Jammin Java has authorization in approximately 10,000 locations. Meanwhile, net revenues increased from year-over-year from $1.8 million in fiscal 2013 to $5.6 million in fiscal 2014.

During fiscal 2015, management is concentrating on increasing volume (which management terms turn rate or velocity) by building brand awareness (especially through promotions and trial programs), introducing new products, increasing international distribution and growing local Office Coffee Service (OCS) programs. An annual promotional calendar (for store-level discounts, in-store tastings, etc.) was established during the fourth fiscal quarter, and to-date, results have been positive. Management's overall objective is to generate organic growth which will be manifest in sequential-quarter revenue increases throughout fiscal 2015. Specifically, **management's goals** include generating **$10 million in gross revenues**, expanding distribution to **10,000 retail locations** and improving the **gross margin to 20% or above**.

New Distribution Announcements

On February 5, 2014, Marley Coffee announced that the **Intermountain Division stores of Albertsons** will carry 8 ounce bags of seven varieties of Marley Coffee products in two formats: RealCups of Lively Up!, One Love, and Get Up, Stand Up and 8-ounce bags of Lively Up!, One Love, Get Up, Stand Up and Mystic Morning. Albertsons is a major food retailer with over 600 locations in 16 states.

On February 19, 2014, the company announced new distribution relationships with **Alliance Sales & Marketing** (a food broker based in North Carolina) and **National Sales Associates** (a national brokerage company based in Pennsylvania). Alliance Sales & Marketing provides retail distribution and merchandising to supermarket, natural and specialty channels in 44 states of the lower 48, with an especially strong presence in the eastern United States. National Sales Associates is composed of six distribution partner organizations that provide national brokerage coverage to natural, organic, specialty/gourmet and supermarket channels. Marley Coffee is using National Sales Associates to enhance its distribution in the natural sector for the western U.S. The two brokerage companies (Alliance Sales & Marketing and National Sales Associates) have a combined staff of over 500 field representatives that will promote addition distribution of Marley Coffee's products and will receive a total of 5% of revenues on accounts they represent.

On March 5, 2014, Marley Coffee announced that the **Schnucks** supermarket chain will carry Marley Coffee RealCups of One Love, Lively Up! and Get Up, Stand Up in up to 40 of their stores in the Midwest. Based in St. Louis, Schnucks is a retail grocery chain with over 100 locations.

On March 25, 2014, Jammin Java (d/b/a Marley Coffee) expanded its retail presence to five supermarket chains in the northeastern U.S. **Kings Food Markets** (which operates 25 stores in NJ, NY and CT) and **Balducci's Food Lovers Market** (six stores in CT, NY, MD and VA) will be carrying One Love, Get Up, Stand Up and Lively Up in RealCup and 8 ounce bag formats at all of their locations. In addition, the Great Atlantic & Pacific Tea Company (A&P) will carry RealCups of One Love, "Get Up, Stand Up and Lively Up at its 125 **A&P**, **Waldbaum's** and **Pathmark** stores in the New York City-New Jersey region.

On April 9, 2014, Marley Coffee announced that another 133 retail stores will be carrying Marley Coffee. The distribution relationship with **Giant Eagle** (PA, OH, WV and MD) has expanded from 140 to 189 out of its 192 stores, which includes its Market District stores Also, **Foodtown** (59 stores in NY, NJ and PA) and **Dierbergs** (25 stores in the St. Louis area) will shelve RealCups of Get Up Stand Up, One Love and Lively Up in all of their locations. Foodtown will also carry 8 ounce bags of all three blends, along with Buffalo Soldier. The expansion of Marley Coffee's relationship with Giant Eagle is evidence that Marley

Coffee's products are selling well and merit expansion into additional stores. Also, the expansion is indicative that Marley Coffee should be able to further penetrate the retail grocery market channel with both existing products and potentially expand shelve space when new products are introduced.

On May 6, 2014, Jammin Java announced that Marley Coffee's Lively Up and One Love will be available at 184 **Hannaford Supermarkets** located across New England (MA, ME, NH, VT and NY).

New Sponsorship Agreements

On March 13, 2014, Marley Coffee announced the signing of a **five-year partnership contract** with the **Colorado Rockies**. The partnership platform includes Marley Coffee being the exclusive coffee provider at concession stands, suites, restaurants, cafés and the clubhouse in Coors Field, along with being designated as a "Proud Coffee Partner of the Colorado Rockies." Not only does the Marley Coffee logo appear on co-branded coffee & hot chocolate cups, but also Marley Coffee has signage along the left field line and a presence on menu boards throughout the stadium. At every home game, additional brand exposure will come from a full-page color advertisement in the Rockies Magazine and a main scoreboard matrix announcement.

On May 12, 2014, Marley Coffee announced the signing a **five-year partnership contract** with the **Colorado Rapids**, Denver's Major League Soccer club. Marley Coffee is now the exclusive coffee served at Dick's Sporting Goods Park and the designated Official Coffee of the Colorado Rapids. Marley Coffee will be served at concession stands, suites and the Restaurant Club. Also large, static advertising sign will be located on the concourse, and at some home games, Marley Coffee BikeCaffes will be stationed outside the stadium.

Strategic Relationship with Mother Parkers

Mother Parkers Tea & Coffee Inc. is a family-owned company based in Ontario that produces Marley Coffee's RealCup single-serve capsules and is also a major food service distributor of Marley Coffee in Canada, accounting for 20% of Jammin Java's sales in fiscal 2013.[1] Mother Parkers was instrumental in developing many Canadian relationships, and as a result, distributes Marley Coffee to Loblaw's, Sobeys (245 stores in Ontario), Metro (120 stores in Ontario), IGA (280 stores in Quebec), COOP (50 stores), ID Foods and all Bed Bath & Beyond stores in Canada. [Jammin Java distributes directly to other retailers, such as London Drugs and Best Buy in Canada.] Within the next few months, management expects the relationship with Mother Parkers will result in Marley Coffee being deployed in approximately 2,000 retail locations throughout Canada.

To further reinforce the collaboration between the two companies, **Mother Parkers has taken an equity stake** in Jammin Java (d/b/a Marley Coffee), the net proceeds of which will be used fund Marley's Coffee's expansion. Mother Parkers will receive a seat on the (yet-to-be-formed) Board of Advisors of Marley Coffee that will aid in guiding the company's growth agenda. In addition, Rohan Marley will be appointed lead ambassador for WaterWise, Mother Parkers' environmental sustainability project.

On April 24, 2014, Mother Parkers entered into an agreement to purchase 7,333,529 Units of Jammin Java for **$2.5 million**. Each Unit consists of one common share and one 3-year warrant exercisable at $0.51135 per share. Mother Parkers also has obtained a right of first refusal to purchase up to 10% of any future public or private equity offerings for the next two years. In **addition, Mother Parkers intends to provide $2.0 million in marketing funds** over the next two years, some of which have already been deployed in partnership with the Colorado Rockies and toward listing fees in the Canadian retail grocery market.

[1] Concentration of sales was not broken out by individual customers for fiscal 2014; however, in fiscal 2013, four customers accounted for 73% of net revenues (the second largest was Mother Parkers) and in fiscal 2014, three customers accounted for 57% of net revenues (one of which was Mother Parkers).

Launch of New Corporate Website

On February 6, 2014, Marley Coffee announced the inaugural of a **new corporate website** at www.MarleyCoffee.com which has replaced the prior URL of www.jamminjavacoffee.com. The new website has enhanced graphics and interactivity, including YouTube videos on the history of Marley Coffee and information on sustainability. The home page has the look and feel of Windows 8 with a tile-based modern UI (User Interface). Management plans on launching an e-commerce on the website platform, which will also offer "coffee of the month" club and a loyalty program. Also, the company lists retailers where Marley coffee and teas may be purchased.





Vending Developments (AVT)

According to AVT's website dedicated to its Marley Coffee vending initiatives (marleycoffeestores.com), there are now 19 locations of Marley Coffee Automated Stores in 17 metro markets.



Also, in mid-April, AVT demonstrated its newest Android-based Marley Coffee Kiosk at NAMA Show in Las Vegas

With Outerwall (OUTR: NASDAQ-GS) having discontinued its Rubi coffee kiosk venture with Seattle's Best Coffee, Marley Coffee Automated Stores hired Ron Miceli, a former executive at the Rubi venture. In January 2014, AVT announced the creation of an independent investment fund (Automated Retail Income Development or ARID) for the sole purpose of purchasing Marley Coffee Automated Kiosks. The ARID Fund plans to raise up to $4.9 million for the purchase of up to 300 Marley Coffee Automated Kiosks. Marley Coffee Automated Stores and Automated Retail Income Development forecast that over 1,200 Marley Coffee kiosks will be placed over the next 12 months.

Recent and Upcoming Trade Shows

For the few years, management has been cultivating interest in Jammin Java's brand name Marley products through **exhibitions at national and regional trade shows**. Thus far in 2014, management has attended the Fancy Foods Winter Show in San Francisco (January 19-21), the KEHE Summer Selling & Innovation Show in New Orleans (February 4-5), the UNFI East Spring Summer Show at Disney's Contemporary Resort in Lake Buena (February 13-14), the Snack & Dry Grocery EPPS in Denver (Feb 17-19), EXPO WEST Naturals in Anaheim (March 7-9) and UNFI East Winter Holiday Show in Ledyard, CT (May 14-15). The company plans to be represented at the upcoming trade shows: UNFI West Winter Holiday Show in Portland (May 29-30), the KEHE Holiday Show (June 9-11), the Fancy Foods Summer Show in NYC (June 29-July 1) and EXPO East Naturals in Baltimore (September 17-20).

OVERVIEW

Headquartered in Denver, Jammin Java Corp. (JAMN: OTCQB) is a producer, marketer and distributor of sustainably-grown, ethically-farmed, artisan-roasted premium coffees sold under the brand name of Marley Coffee. **All the company's coffees are positioned as USDA Organic, Fair Trade Certified and/or Rainforest Alliance Certified**. The company also distributes tea and has the rights to sell coffee-related products (cups, mugs, milk steamers, grinders, brewing machines, etc.) with the Marley trademark, along with chocolates. Management is **developing deeper distribution** in the retail channels of grocery, online sales, service & hospitality, office coffee service and club stores. Currently, Marley Coffee is **available at approximately 8,000 locations**, well above FY 2014 distribution goal of having Marley products available at 6,000 venues.

Jammin Java was founded in February 2008 by Rohan Marley, son of reggae entertainer Bob Marley, as Marley Coffee Inc. Through a series of business development initiatives, Marley Coffee Inc. has been transformed into Jammin Java Corp. Rohan's vision is to produce and acquire sustainably-grown coffee

and market the artesian-roasted beans under the Marley Coffee brand, which reflects the personality of Bob Marley. Rohan Marley acts as a brand ambassador for the many Marley licensed brands, including Marley Coffee. Awareness of Marley Coffee has been greatly enhanced through events celebrating new distribution opportunities where Rohan has been present. Other marketing efforts include social media (Twitter and Facebook), tradeshows, general advertising and public relations.

The company is targeting a specific market niche within the specialty gourmet coffee industry that wishes to support sustainable farming practices while enjoying premium and super-premium specialty coffees. Management's core business model involves the implementation of a multi-channel geographic penetration strategy, which entails expanding distribution both through multiple channels and through geographic expansion. The use of multiple distribution channels increases the awareness and presence of the company's coffees. Through distributors and direct relationships, Jammin Java provides organic, sustainable coffees through the channels of supermarkets, E-tailers, Office Coffee Service (OCS), independent distributors, foodservice, vending and automated retailing. Geographically, the company's operations were concentrated in the western US and western Canada until 2012, when the company entered into a multitude of relationships across the US, Canada and overseas. Sales cycles for national grocery and retail chains are very long and the efforts made to broaden distribution last year came to fruition during fiscal 2014.

Marley Coffee's strategy is to establish strong retail grocery distribution in major metropolitan areas across North America and drive consumer purchasing decisions through brand awareness, customer satisfaction by trial and consumption of Marley coffees in the office and at Kiosks. **Jammin Java coffee products are currently available at approximately 8,000 stores**, which represents approximately a 22% retail grocery market share. During the second half of fiscal 2014, the company continued to expand into new geographies and markets through increased distribution and product innovation.

Sales growth over the last two fiscal years, and especially the latest fiscal quarters, has been very robust. The company has transitioned from a development stage to an operating company. In the process, Jammin Java has reported eight consecutive quarters of triple-digit sales growth. The challenge of maintaining positive working capital during this period of rapid growth has been met by 1) equity capital financing of trade payables by Ironridge Global IV, Ltd., a firm specializing in consumer nondurable investments and which now owns a substantial equity position in Jammin Java and 2) a strategic relationship with Mother Parkers Tea and Coffee, which took an equity stake in Jammin Java and will provide marketing support for Marley Coffee.

CORPORATE EVOLUTION OF JAMMIN JAVA

Jammin Java entered into an eight-year lease for 52 acres of coffee farmland in Portland, Jamaica, which is situated in the proper geographic location and altitude to be classified as Blue Mountain Coffee. The farm is owned by Rohan Marley, Chairman of Marley Coffee, Ltd, Chairman of Jammin Java and co-manager of Marley Coffee, LLC. The farm lease agreement was assigned to Marley Coffee LLC in March 2010 for a sub-license for the non-exclusive worldwide rights to use the Marley Coffee trademark, which has since been upgraded to an exclusive license.

Through the most recent licensing agreement with Fifty-Six Hope Road Music Limited (the entity that owns and controls the intellectual property rights to the Bob Marley name), Jammin Java has the exclusive, worldwide license to utilize the "Marley Coffee" trademarks. Though the company may not open retail coffee houses, the company has the right to use the trademarks not only on coffees and teas, but also for advertising and promotional materials that pertain to the sale of coffee cups, coffee mugs, coffee glasses, saucers, milk steamers, machines for brewing coffee, espresso and/or cappuccino, grinders, water treatment products, tea products, chocolate products and instant coffee products.

Marley Coffee became a publically-traded company, which was initially OTCBB listed with the symbol MYCF, through a reverse merger with publically-traded Global Electronic Recovery Corp. in March 2008. In July 2009, the company's name was changed to Jammin Java Corp. and the stock symbol became JAMN on September 17, 2009.

Corporate Timeline

1999	Rohan Marley purchases 52-acre Jamaican Blue Mountain farm
February 5, 2008	Marley Coffee Inc. founded by Rohan Marley
February 25, 2008	Reverse merger with Global Electronic Recovery Corp.
February 25, 2008	Name changed to Marley Coffee Inc. (MYCF)
June 11, 2009	Marley Coffee LLC introduces 12 oz. bags of whole bean coffees
July 13, 2009	Name changed to Jammin Java Corp. (JAMN)
March 2010	Jammin Java introduces 2.2 lb. bags of whole bean Marley coffees
March 31, 2010	Initial non-exclusive License Agreement with Marley Coffee LLC
December 8, 2010	Launch corporate website at jamminjavacoffee.com
August 5, 2011	License Agreement amended to exclusive and expanded in scope
Nov. 2, 2011	Introduce 8 oz. ground bags of Marley coffees
May 1, 2012	Introduce Marley Coffee RealCups - compatible with Keurig's K-Cup
September 13, 2012	more expansive Licensed Products Agreement supersedes prior License
July 31, 2013	Marley Coffee available at 7,500 retail locations
August 1, 2013	LOI to acquire Black Rock Beverage Services (coffee svc. co. in Denver)
December 11, 2013	Acquire BikeCaffe Franchising Inc. (mobile coffee & snack carts)

U.S. DISTRIBUTION

In June 2009, Marley Coffee began to offer bags of whole bean coffee, primarily online. Today, Jammin Java provides multiple formats of coffee (whole bean, ground, RealCups™, pods, fractional packages) and tea through numerous channels of distribution (grocery, online retail, office coffee services, independent distributors, foodservice, vending and automated retailing). Significant events in the development and evolution of the distribution of Marley coffees and teas include 1) the amended license agreement that consolidated all Marley Coffee and Jammin Java products under one cohesive development program (in August 2011), 2) the acceleration of the OCS effort through the distributor agreement with National Coffee Service & Vending (April 2011) and the subsequent product introductions of coffee and tea pods (April 2011), 3) the decision to market 8 oz. bags of ground coffee (November 2011) and the development of RealCups™, which began shipping in November 2012.

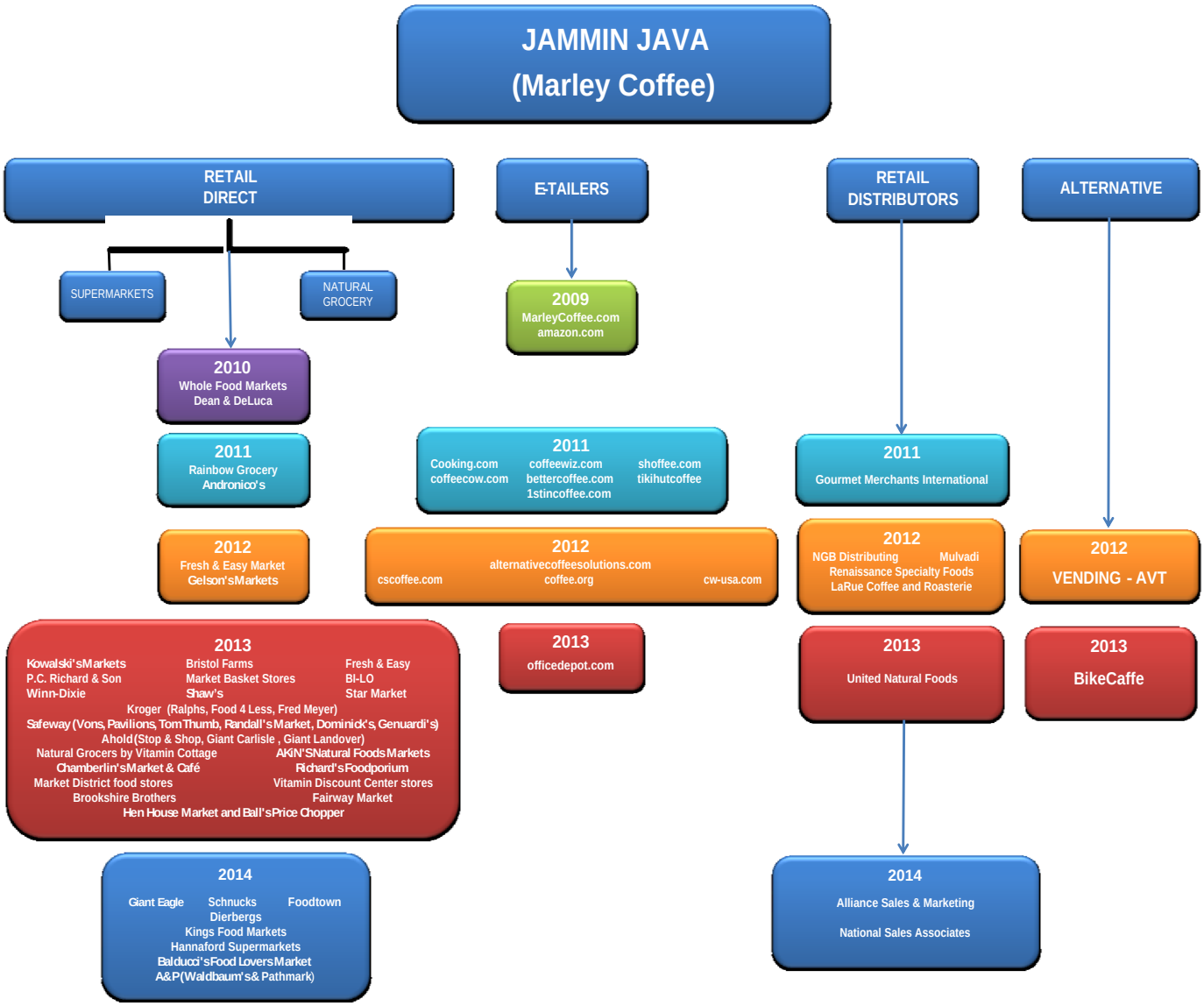
Having expanded geographically, management anticipates further expansion into 10,000 retail locations from the current 8,000 stores; however, the next stage of growth focuses on volume growth through promotional programs and product innovation.

Domestic Distribution Timeline

June 11, 2009	Marley Coffee introduces **12 oz. bags** of 5 varieties of whole bean coffee
January 2, 2010	Initial distribution by **Whole Foods** in Los Angeles, Las Vegas & Canada
January 2, 2010	***Introduce 2.2 lb. and 12 oz. bags*** of another 3 varieties whole bean coffee
January 10, 2010	Marley Coffee available at **Dean & DeLuca** (NY, DC, CA, NC & KS)
January 13, 2011	Begin selling coffee through **Cooking.com**
March 31, 2011	Three Marley coffees available on **amazon.com**
March 16, 2011	**Gourmet Merchants International** becomes distributor in southern CA
March 2011	Add Internet venues of **Coffeewiz.com**, **Shoffee.com** & **Coffeecow.com**
April 25, 2011	**Nat'l Coffee Svc. & Vending** to supervise office & break-room initiative
June 16, 2011	Office Coffee Service distribution deals with **Blue Tiger Coffee** (Seattle),

		Distillata (OH) and **Good as Gold Coffee** (MA)
•	June 27, 2011	Office Coffee Service distribution deal with **BC Coffee & Supplies** (FL)
•	Nov. 2, 2011	***Introduce 8 oz. ground bags*** of Marley coffees
•	Nov. 30, 2011	Available in **Rainbow Grocery** (San Francisco) & **Andronico's** (Berkeley)
•	Dec. 6, 2011	Marley coffees available at **Whole Foods Market Colfax** (CO)
•	Feb. 16, 2012	Add distributors of **NGB Distributing** (PA, NJ, DE & MD) and **Mulvadi** (HI)
•	April 2, 2012	Distribution agreement with **Renaissance Specialty Foods** (northern CA)
•	April 19, 2012	License partnership agreement with **AVT** for **360 Automated Kiosks**
•	April 25, 2012	Agreement with **Seaga Manufacturing** for **OCS Vending Machines**
•	April 25, 2012	Partnership agreement with **BikeCaffe** for **coffee service by bike**
•	May 1, 2012	**Introduce Marley Coffee RealCups** - compatible with Keurig's K-Cup
•	May 31, 2012	Available in **Fresh & Easy Neighborhood Market** (CA, AZ & NV)
•	July 2012	Distribution agreement with **LaRue Coffee and Roasterie** (NB, CO, KS)
•	July 31, 2012	Available in **Gelson's Markets** (southern CA)
•	Feb. 14, 2013	Available at **Kowalski's Markets** (MN) & **Bristol Farms** (CA)
•	March 4, 2013	Marley RealCups available at **Office Depot** throughout North America
•	April 1, 2013	Marley RealCups available in **P.C. Richard & Son** (NY, NJ, CT & PA)
•	April 26, 2013	Marley RealCups available at all 69 **Market Basket Stores** (NH & MA)
•	June 2, 2013	Marley RealCups available in **Kroger** nationwide (includes Ralphs, Food 4 Less and Fred Meyer)
•	June 3, 2013	Marley 8 oz. bags available in **Fresh & Easy** (AZ, CA & NV)
•	June 5, 2013	Distribution by **United Natural Foods** across United States
•	June 11, 2013	Marley RealCups available in **BI-LO** and **Winn-Dixie**
•	June 19, 2013	Marley RealCups available in **Shaw's** (New England) and **Star Market**
•	August 16, 2013	Marley RealCups available in **Ahold**'s key supermarket chains (including Stop & Shop, Giant Carlisle and Giant Landover)
•	August 21, 2013	Marley coffee bags and RealCups available in **Safeway** (includes Vons, Pavilions, Tom Thumb, Randall's Market, Dominick's and Genuardi's)
•	October 15, 2013	Marley coffees to be available at all 73 locations of **Natural Grocers by Vitamin Cottage** (western U.S.)
•	October 17, 2013	Marley Coffee RealCups and 8 oz. bags to be available at **AKiN'S** Natural Foods Markets (southwest U.S.) and **Chamberlin's Market & Café** (FL)
•	October 17, 2013	Marley Coffee RealCups to be available **Richard's Foodporium** (FL)
•	October 24, 2013	Marley Coffee RealCups and 8 oz. bags to be available at **Market District** food stores (PA OH), **Vitamin Discount Center** stores (FL), **Brookshire Brothers** (TX) and **Hen House Market** & **Ball's Price Chopper** (KS, MO)
•	Dec. 12, 2013	Marley Coffee RealCups available at **Fairway Market** stores (NYC)
•	January 27, 2014	Marley Coffee RealCups to be available at **Giant Eagle** (PA, OH, WV, MD)
•	February 19, 2014	Marley Coffee begins utilizing distribution services of **Alliance Sales & Marketing** and **National Sales Associates**
•	March 5, 2014	Marley Coffee RealCups available at up to 40 of **Schnucks** 100+ locations
•	March 25, 2014	Marley Coffee available at **Kings Food Markets** (NJ, NY & CT)
•	March 5, 2014	Marley Coffee RealCups available at **A&P** (125 locations in NYC & NJ)
•	March 5, 2014	Marley Coffee available at **Foodtown** (59 stores in NY, NJ and PA)
•	March 5, 2014	Marley Coffee RealCups available at **Dierbergs** (St. Louis area)
•	March 5, 2014	Marley Coffee available at **Hannaford Supermarkets** (New England)

Graphic Depicting Timing of Initiation of Domestic Distribution Relationships
(OCS omitted)



PRODUCTS

Jammin Java offers a portfolio of coffee and tea products that overtime has expanded both by new product introductions and by format. Initially offered only in bags of whole beans, the form of coffee products has been augmented by developing single-serve pods, fractional packages and RealCups™, along with the introduction of ground coffee in bags. In addition, package sizing has been improved to better target specific distribution channels and to enhance merchandising effectiveness. All Marley coffees are composed of quality Arabica coffee beans that are organically grown and ethically farmed.

During the summer of 2011, a significant catalyst would jump start the growth of Marley Coffee through the introduction of variety of new products and development of traditional and innovative distribution channels. On August 8, 2011, it was announced that the licensing agreement between Jammin Java and Marley LLC had been amended. Prior to this date, Marley Coffee LLC was responsible for retail, grocery and online distribution while Jammin Java concentrated on the OCS and wholesale markets. The amended license consolidated all distribution channels under Jammin Java and expanded the product breadth to include ready-to-drink coffee drinks, teas, chocolates and coffee-related equipment (e.g.

machines and grinders). Also, under the terms of the amended license, Jammin Java Corp. could now conduct business as Marley Coffee in order to reduce confusion in the marketplace. Within a couple of months, the OCS and foodservice product lines were revamped. By October, internet web sites like Cooking.com and amazon.com were selling the **new pods** in 15-count and 18-count boxes, along with **newly designed 2.5 oz. fractional** portion packages of ground coffee and tea. The products are available through many OSC providers on their websites too.

Product Timeline

•	June 11, 2009	Marley Coffee LLC introduces **12 oz. bags** of *Mystic Morning* Wake Up, *Simmer Down*, *One Love*, *Lively Up!* and *Jammin Java* (all whole bean)
•	December 2010	Marley Coffee LLC introduces *Talkin' Blues* (100% Jamaica Blue Mountain)
•	March 2011	Jammin Java introduces **2.2 lb. (1 kg.) bags** and **2.5 oz. (71 g.) fractional packages** of ground coffee of *Lion's Blend*, *Kingston City Roast* and *Mountain Roast* for OSC and foodservice channels
•	April 2011	Introduce *Buffalo Soldier* and discontinue *Jammin Java* Bold Full City Roast
•	April 27, 2011	Introduce ***single-serve pods*** at NAMA OneShow
•	June 2011	Introduce *Top Rankin* (100% Jamaica Grade 1 beans)
•	August 8, 2011	All Marley Coffee brands consolidated under Jammin Java
•	October 2011	Introduce *Get Up, Stand Up*
•	October 2011	Single-serve pods available on Cooking.com and amazon.com
•	Nov. 2, 2011	Introduce ***8 oz. bags of ground coffee***
•	Late 2011	Introduce 2 lb. bags and discontinue 2.2 lb. bags
•	May 1, 2012	Introduce ***RealCups***™ at NAMA OneShow
•	Sept. 16, 2012	Two patents expire on Green Mountain Coffee's K-Cups
•	November 2012	Marley Coffee RealCups™ begin shipping
•	August 16, 2013	Garden of Life launches Marley Coffee flavored Raw Protein Raw Meal
•	Sept. 6, 2013	Introduce ***Marley Coffee Espresso Capsules*** for Martello Cafe Machines
•	October 2, 2013	Introduce ***Smile Jamaica*** (Jamaican Blue Mountain coffee blend)
•	March 2014	Introduce ***Catch a Fire*** and ***Spiced Root Rum***

By November, Jammin Java **launched a product line of ground coffee** for the retail grocery market. The certified organic coffees of *Mystic Morning*, *Lively Up!*, *One Love*, *Simmer Down*, *Buffalo Soldier* and *Get Up Stand Up* became available in **8 oz. bags** of pre-ground coffee. Not only did the addressable market dramatically increase since the ground market is approximately three times larger than the whole bean market in the U.S., but also the package sizes were realigned to 8 oz. and **2 lb. bags**. Prior to this announcement, Marley coffees had been only in the formats of whole bean, pods and individual fractional packs of pre-ground coffee.



In a **milestone event**, on May 1, 2012, Jammin Java expanded into the single-serve arena with the announcement of Marley Coffee single-serve **RealCups**™, a new line of coffee and tea products compatible with Keurig K-Cup brewer systems. Again, the addressable market radically increased to tremendous opportunities, especially in the retail and office coffee service (OCS) distribution channels. The proliferation of Keurig K-cup machines and other Keurig compatible brewers that brew single-serve beverages was an important driver of the growth in premium coffee consumption over the last five years. Two months after Green Mountain Coffee's K-Cup patents expired in September, Marley Coffee RealCups began shipping in four varieties (*One Love*, *Lively Up!, Talkin' Blues and Get Up, Stand Up*) in an assortment of counts (12-count & 24-count boxes, and 36-count variety packs). The response to the

introduction of Real Cups was overwhelming with over 500,000 RealCups being shipping during the first month of distributing the single-serve product. Many subsequent retail and OSC relationships were subsequently announced.



Today, Jammin Java / Marley Coffee offers 8.0 oz. (retail) and 2 lb. (food service) whole bean and ground coffee bags of *Get Up Stand Up, Mystic Morning*, *Lion's Blend*, *Buffalo Soldier*, *Kingston City Roast*, *Lively Up!* and *Simmer Down*. Also, three single-source coffees are offered: *One Love* (Ethiopian Yirgacheffe), *Talkin Blues* (100% Jamaica Blue Mountain) and *Top Rankin (*100% Grade 1 Jamaica Blue Mountain).

Recent new product introductions include *Smile Jamaica*, a blend of 20% Jamaican Blue Mountain and 80% of Rainforest Alliance Certified coffee, Rainforest Alliance Certified versions of *Buffalo Soldier* and *Mystic Morning* and *Smile Jamaica*, along with two new flavor blends in the RealCup format: *Catch a Fire* (Jamaican chili flavor) and *Spiced Root Rum* (Jamaican rum flavor).

The Sustainable Philosophy Conveyed by the Marley Brand

Though almost all consumer packaged goods companies pay lip service to sustainability with initiatives designed to invoke demand for products based on green credentials, consumers are both overwhelmed by the multitude of sustainability stamps of approval and also wary of the genuineness of intent espoused by these companies. Jammin Java was founded on the principle of **sustainability**, which is specifically related to the company's natal event when Rohan Marley acquired a property in the Blue Mountain region of Jamaica. His father's dream of farming and Rohan's passionate interviews convey that Marley Coffee is built upon the philosophy of providing socially and environmentally responsible products. Consumers should have no doubt that sustainability is integrated into every aspect of Marley Coffee's business.









Marley Coffee is committed to supporting sustainable and organic farming practices, along with the ethical responsibility to support coffee-growing communities worldwide. The company's products are

labeled with at least one of the following: USDA Organic, Fair Trade Certified and/or ITAL. Each has different connotations.

INSIDER TRADING AND OWNERSHIP

Corporate insiders own 13.6% of the outstanding common stock. Rohan Marley (Chairman of the Board) beneficially controls 12,977,955 shares, Brent Toevs (CEO) 777,118 shares and Anh Tran (President) 1,825,765 shares. Over the last three months, Brent Toevs and Anh Tran acquired 94,309 shares and 71,176 shares through option awards, respectively, while Rohan Marley sold 75,000 shares.

Institutional investors own 20.7% of the shares outstanding of Jammin Java Corporation as of the end of the latest reporting period, with Ironridge Global IV, Ltd. holding 10,143,033 shares, Mother Parkers Tea & Coffee owning 7,333,529 shares and Straight Path Capital holding 6,250,000 shares. Ironridge and Mother Parkers are strategic investors in Jammin Java. Ironridge acquired its position through the receipt of shares through the exchange of trade payables (cost of goods sold) that the company has incurred during the recent rapid expansion of distribution, while Mother Parkers made a direct equity investment in Jammin Java.

RISKS

- Jammin Java has creatively funded the company's operations and rapid distribution growth through the issuance of common shares in consideration for services rendered and accrual of salaries for several of officers and employees. In prior filings, management indicated its plan to transition from equity-based compensation to cash compensation in fiscal 2015; however, management now plans to continue this practice during the current fiscal year. All told, common stock was used in lieu of cash to satisfy expenses of $2,110,826 in fiscal 2014 and $2,375,156 in fiscal 2013. Nonetheless, successful companies in the consumer staples sector generate strong cash flow once a critical mass of shelf space is attained. Knowledgeable executives at two companies closely attuned to the coffee beverage industry (Ironridge Global IV and Mother Parkers Tea & Coffee) have decided to take sizable equity positions in Jammin Java. Obviously, these industry professionals believe in Jammin Java's future and are helping funding the distribution channel growth of this nascent beverage company. Importantly, management continues to state that anticipated working capital needs for the next 24 months should be met through operations and funds being raised through an ongoing offering.
- Analysis of fourth fiscal quarter financial results is perplexing. Since fourth fiscal quarter results were not separately broken out (a common occurrence) and not discussed in the company's MD&A (a less common occurrence), one must back into the quarter's results by subtracting the results of the first three quarters from year-end results. Under this procedure, net revenues appear to have declined 53.1% sequentially. On one hand, in the prior fiscal year, the fourth fiscal quarter of 2013 was also weak, declining 23.3% sequentially, indicating a potential seasonality in the company's business. Alternatively, the extremely competitive pricing environment in the retail coffee industry may be affecting results. Management did indicate that a shortage of Jamaican Blue Mountain beans (due to Hurricane Sandy and coffee leaf rust) reduced production by approximately 40% and a slow recovery is expected until 2016. The limited supply of Jamaican Blue Mountain beans hampered Jammin Java's growth in fiscal 2014. In addition, the dramatic sequential increase in Cost of Goods Sold in the fourth fiscal quarter of 2014 accompanied by gross margin compression for fiscal year was indicative of year-end accounting adjustments appearing in the last quarter of the year. Management relates that fiscal fourth quarter numbers reflected aggregate adjustments made throughout the year for manufacturer allowances, shelf slotting fees, discounts and promotions. As these accounts mature, management expects the gross margin to return to 20%+ in fiscal 2015. It will be important to closely monitor the revenue growth and the gross margin in the upcoming

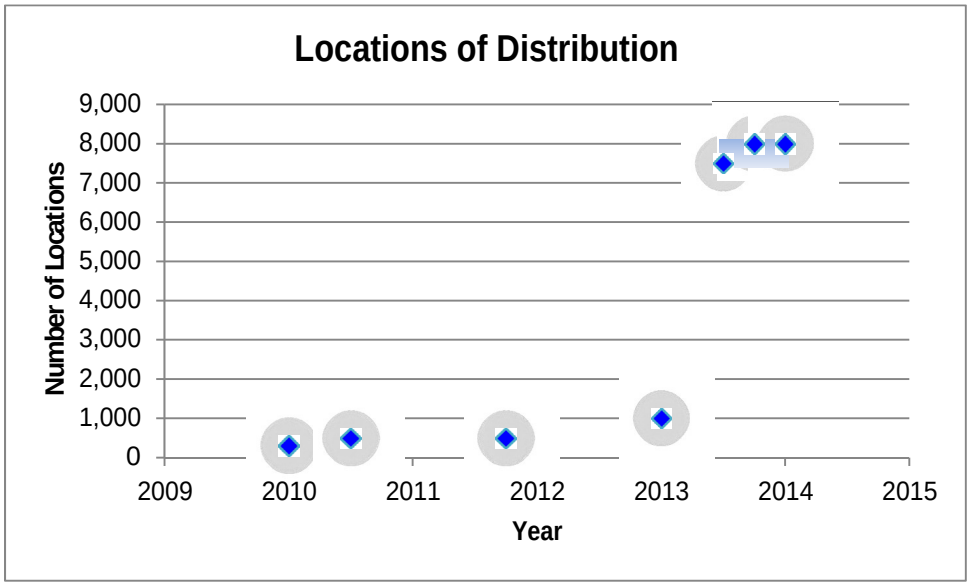
quarters in order to better ascertain the company's top-line growth potential and gross margin structure.

VALUATION

Generally, the appropriate valuation methodology for consumer non-durable companies is based on P/E (Price/Earnings) reflecting the sector's characteristics of profitability and cash flow generation. However, Jammin Java is in the emerging growth phase of its corporate history and is still in the early stage of establishing its grocery store distribution footprint. With the majority of locations of availability in the grocery channel having been announced in the last nine months, the full potential and financial impact of management's distribution strategy has yet to be observed financially.

The appropriate **valuation methodology** for Jammin Java is based on **price-to-sales** (P/S) due the character of the company's enterprise, namely a small-capitalization company, currently with negative profitability, but with an expected sales profile that should continue to grow rapidly as the company's coffee products begin to appear on grocery shelves and the OCS channel increases brand awareness. Price-to-sales valuation incorporates the company's ability to generate revenues with the expectation that ultimately the growing revenue stream will manifest itself into positive earnings when the break-even point is surpassed.

Jammin Java's revenue profile is expected to continue experiencing rapid growth since the significant distribution agreements with the major grocery chains of Safeway and Kroger are relatively recent. In the valuation process, it is important to incorporate a mechanism which takes into account that Jammin Java has experienced **triple-digit revenue growth**. Comparable companies should share this same fundamental attribute of revenue growth. Regretfully, smaller, rapidly-growing coffee companies cannot be valued currently since they have been acquired, namely Diedrich Coffee, Timothy's Coffees, Tully's Coffee, D.E Master Blenders (Douwe Egberts), Caribou Coffee, etc. It is typical for the price-to-sales multiples of young firms that appear to have vast potential to be well above those of moderately growing companies, sometimes expanding well above 30 times trailing twelve-month (TTM) sales. Therefore, Jammin Java's current P/S ratio of 6.3 based on TTM revenues is not disconcerting.



The P/S valuation range for comparable coffee-related companies with moderately growing sales profiles (relative to Jammin Java) is between 2.4 and 6.6 times TTM revenues with a mean P/S valuation of 4.0 times, namely Starbucks, Green Mountain Coffee Roasters, Dunkin Brands and Tim Hortons.

Industry Comparables	% Chg YTD	P/E Current FY	EPS Growth 5Yr Est	TTM Price/ Book	TTM Price/ Sales	TTM Gross Margin
JAMMIN JAVA CORP.	-12.5	N/M	20.0	7.6	6.3	12.5%
S&P 500	2.4	16.2	10.8	4.6	3.0	N/A
Industry Mean	9.9	22.2	13.0	4.5	4.0	45.6%
Industry Median	-0.6	21.8	12.1	3.8	3.6	37.3%
GREEN MTN. COFFEE	50.1	30.2	18.6	5.2	3.7	37.2%
STARBUCKS CORP.	-8.9	26.8	18.2	10.9	3.4	57.1%
DUNKIN BRANDS	-7.3	24.8	15.4	12.1	6.6	81.6%
TIM HORTONS INC.	-7.2	18.1	10.2	6.7	2.4	39.4%

Since Jammin Java has the potential and is expected to generate meaningful increased revenues over the upcoming quarters, our price target is based on a price-to-sales ratio valuation **using estimated forward revenues**. Given the company's exposure to the attractive premium coffee industry, extremely strong revenue growth exhibited by reported financial results and rapidly growing grocery-store presence, we are projecting TTM revenues of $11.5 million through January 2015. Based on evaluating current price-to-sales multiples of comparable companies within the industry and an expectation that Jammin Java will be valued at **4.0 times** projected TTM sales, our **target** for Jammin Java is **$0.47**.

The valuation process for small and mid-cap companies is also dependent upon profiling the potential level of a specific company's profitability through gross margin analysis, and then applying that input to help verify the price-to-sales valuation methodology. Analyzing a company's level of profitability is often the most important aspect of equity valuation analysis. Utilizing the gross margin, which takes into account the company's structural costs, it should be noted that JAMN's gross margin is almost at the industry comparable median and is still expanding. Fundamentally, the company's new distribution opportunities are skewed towards RealCups, which have higher gross margins than whole bean or ground coffee products.

Industry comparables should be carefully chosen such that the character of revenues and the related profitability are similar. Accordingly, coffee-related companies with low gross margins ought to be avoided, along with firms whose coffee operations do not generate at least half the company's revenues.

BALANCE SHEET &PROJECTED INCOME STATEMENT

JAMMIN JAVA CORP.					
Year ending January 31	1/31/2010	1/31/2011	1/31/2012	1/31/2013	1/31/2014
ASSETS					
Cash	27,513	2,467	835,878	0	857,122
Restricted cash	-	-	-	65,382	-
Accounts receivable	0	0	34,782	415,721	1,085,947
Notes receivable -related party	0	0	0	0	2,724
Inventory	0	0	0	0	354,932
Prepaid expenses	0	218,163	144,726	173,264	1,163,914
Other current assets	0	0	41,560	24,387	41,430
Total Current Assets	**27,513**	**220,630**	**1,056,946**	**678,754**	**3,506,069**
Property and equipment, net	1,294	555	9,903	19,705	440,194
License agreement	0	640,000	766,000	705,667	657,001
Intangible assets	-	-	-	-	47,525
Deferred financing costs	0	0	0	43,490	0
Other assets	0	0	0	0	15,716
Goodwill	-	-	-	-	88,162
TOTAL ASSETS	**28,807**	**861,185**	**1,832,849**	**1,447,616**	**4,754,667**
Liabilities and Stockholders' Equity					
Accounts payable	6,973	24,061	22,485	762,663	1,181,510
Payable to Ironridge in common shares	-	-	-	-	369,589
Accounts payable- related party				2,258	0
Accrued expenses	0	0	14,723	92,586	123,856
Accrued royalty & other exp. - related party				30,073	219,799
Bank Overdraft				8,931	0
Notes payable - related party	37,911	47,936	51,275	9,454	0
Secured promissory note, net	0	0	0	320,075	0
Notes payable - current	0	0	0	0	4,965
Derivative liability	0	0	0	120,006	0
Total Current Liabilities	**44,884**	**71,997**	**88,483**	**1,346,046**	**1,899,719**
TOTAL LIABILITIES	**44,884**	**71,997**	**88,483**	**1,346,046**	**1,899,719**
Common stock	98,910	69,297	76,744	79,377	103,166
Shares due from Ironridge	0	0	0	0	0
Additional paid-in-capital	358,604	1,294,717	4,708,487	7,081,011	16,514,630
Subscription receivable	(50,000)	-	-	-	-
Accumulated deficit	(423,591)	(574,826)	(3,040,865)	(7,058,818)	(13,762,848)
Total Stockholders' Equity	(16,077)	789,188	**1,744,366**	**101,570**	**2,854,948**
TOTAL LIABILITIES & STOCKHOLDERS" EQUITY	**28,807**	**861,185**	**1,832,849**	**1,447,616**	**4,754,667**
Shares outstanding	98,910,594	69,297,650	76,744,150	79,373,540	104,085,210

JAMMIN JAVA CORP.

Income Statement Period ending	FY FY 2011 1/31/2011	1Q FY2012 4/30/2011	2Q FY201 7/31/2011	3Q FY2012 10/31/2011	4Q FY2012 1/31/2012	FY FY 2012 1/31/2012
Revenue	**1,037**	27,955	43,742	126,786	204,215	**402,698**
Cost of sales:						
Cost of sales products	1,691	23,184	46,291	96,231	174,689	340,395
Total cost of sales	1,691	23,184	46,291	96,231	174,689	340,395
Gross Income	**(654)**	4,771	(2,549)	30,555	29,526	**62,303**
Operating Expenses:						
Compensation and benefits		0	0	478,999	460,318	939,317
Selling and marketing		19,870	50,353	60,572	91,093	221,888
General and administrative	150,581	165,918	432,159	386,492	384,803	1,369,372
Farming cost	-	-	-	-	-	-
Impairment of property and equipment	-	-	-	-	-	-
Impairment of license	0	0	0	0	0	0
Total operating expenses	150,581	185,788	482,512	926,063	936,214	2,530,577
Other income (expense):						
Interest income	0	(34)	970	940	598	2,474
Interest (expense)	0	0	(69)	(68)	(102)	(239)
Other expense	0	0	0	0	0	0
Total other income (expense)	0	(34)	901	872	496	2,235
Net Income (Loss)	**(151,235)**	(181,051)	(484,160)	(894,636)	(906,192)	**(2,466,039)**
Net loss per share:						
Basic and diluted loss per share	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.03)
Wgted avg. shares - basic & diluted	95,508,310	69,654,925	74,275,802	76,744,150	76,744,150	74,393,386
Gross Margin	N/M	17.1%	-5.8%	24.1%	14.5%	15.5%

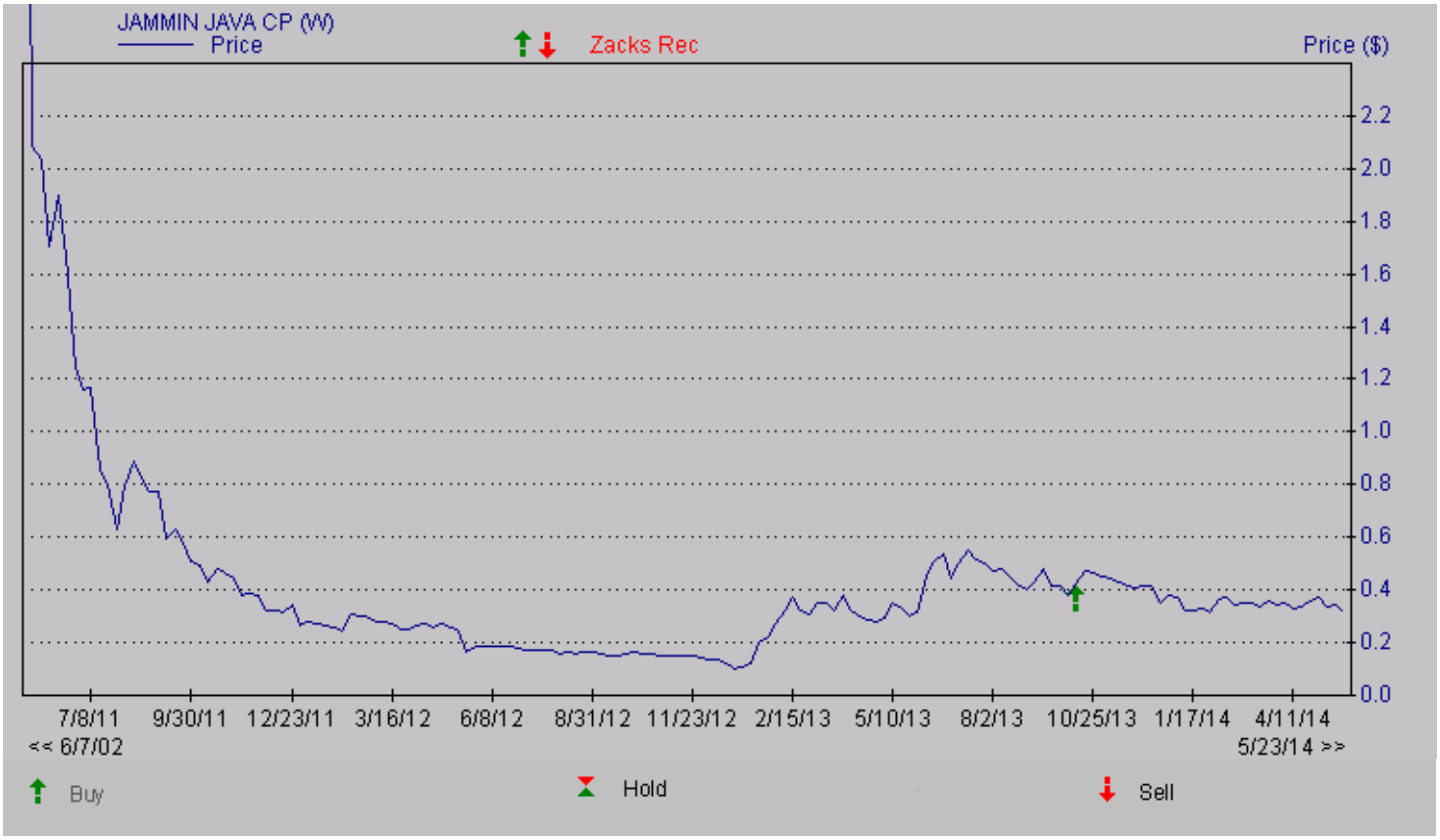
Income Statement Period ending	FY FY 2012 1/31/2012	1Q FY2013 4/30/2012	2Q FY201 7/31/2012	3Q FY2013 10/31/2012	4Q FY2013 1/31/2013	FY FY 2013 1/31/2013
Revenue	**402,698**	309,614	559,485	536,055	411,278	**1,816,432**
Cost of sales:						
Cost of sales products	340,395	234,533	492,728	382,741	324,216	1,434,218
Total cost of sales	340,395	234,533	492,728	382,741	324,216	1,434,218
Gross Income	**62,303**	75,081	66,757	153,314	87,062	**382,214**
Operating Expenses:						
Compensation and benefits	939,317	575,663	635,066	567,668	659,389	2,437,786
Selling and marketing	221,888	177,778	124,994	191,566	(232,108)	262,230
General and administrative	1,369,372	216,060	277,712	237,774	731,965	1,463,511
Farming cost	-	-	-	-	-	-
Impairment of property and equipment	-	-	-	-	-	-
Impairment of license	0	0	0	36,000	0	36,000
Total operating expenses	2,530,577	969,501	1,037,772	1,033,008	1,159,246	4,199,527
Other income (expense):						
Interest income	2,474	310	103	48	(461)	0
Interest (expense)	(239)	(69)	(15,320)	(53,896)	(80,895)	(150,180)
Other expense	0	0	0	(11,200)	(39,260)	(50,460)
Total other income (expense)	2,235	241	(15,217)	(65,048)	(120,616)	(200,640)
Net Income (Loss)	**(2,466,039)**	(894,179)	(986,232)	(944,742)	(1,192,800)	**(4,017,953)**
Net loss per share:						
Basic and diluted loss per share	(0.03)	(0.01)	(0.01)	(0.01)	(0.02)	(0.05)
Wgted avg. shares - basic & diluted	74,393,386	76,744,150	76,744,150	77,618,723	78,500,000	77,338,169
Gross Margin	15.5%	24.2%	11.9%	28.6%	21.2%	21.0%

JAMMIN JAVA CORP.

Income Statement	FY	1Q	2Q	3Q	4Q	FY
	FY 2013	FY2014	FY201	FY2014	FY2014	FY 2014
Period ending	1/31/2013	4/30/2013	7/31/2013	10/31/2013	1/31/2014	1/31/2014
Net Revenue	**1,816,432**	817,049	1,605,438	2,193,118	1,028,606	**5,644,211**
Cost of sales:						
Cost of sales products	1,434,218	318,161	1,133,359	1,382,067	2,106,959	4,940,546
Total cost of sales	1,434,218	318,161	1,133,359	1,382,067	2,106,959	4,940,546
Gross Income	**382,214**	498,888	472,079	811,051	(1,078,353)	**703,665**
Operating Expenses:						
Compensation and benefits	2,437,786	275,157	411,996	686,241	925,557	2,298,951
Selling and marketing	262,230	86,213	37,719	15,777	42,542	182,251
General and administrative	1,463,511	451,802	416,946	758,635	1,135,102	2,762,485
Farming cost	-	-	-	-	-	-
Impairment of property and equipment	-	-	-	-	-	-
Impairment of license	36,000	0	0	0	0	0
Total operating expenses	4,199,527	813,172	866,661	1,460,653	2,103,201	5,243,687
Other income (expense):						
Interest income	0	0	0	0	0	0
Interest (expense)	(150,180)	(107,498)	(1,176)	(244)	494	(108,424)
Other income (expense)	(50,460)	3,135	(319,321)	(728,705)	(1,010,693)	(2,055,584)
Total other income (expense)	(200,640)	(104,363)	(320,497)	(728,949)	(1,010,199)	(2,164,008)
Net Income (Loss)	**(4,017,953)**	(418,647)	(715,079)	(1,378,551)	(4,191,753)	**(6,704,030)**
Net loss per share:						
Basic and diluted loss per share	(0.05)	(0.00)	(0.01)	(0.01)	(0.04)	(0.07)
Wgted avg. shares - basic & diluted	77,338,169	83,903,387	90,108,517	96,466,602	103,766,462	93,430,025
Gross Margin	21.0%	61.1%	29.4%	37.0%	-104.8%	12.5%

Income Statement	FY	1Q E	2Q E	3Q E	4Q E	FY
	FY 2014	FY 201	FY 2015	FY 2015	FY 201	FY 2015 E
Period ending	1/31/2014	4/30/2014	7/31/2014	10/31/2014	1/31/2015	1/31/2015
Revenue	**5,644,211**	2,358,000	2,731,000	3,019,000	3,393,000	**11,501,000**
Cost of sales:						
Cost of sales products	4,940,546	1,909,980	2,157,490	2,324,630	2,510,820	8,902,920
Total cost of sales	4,940,546	1,909,980	2,157,490	2,324,630	2,510,820	8,902,920
Gross Income	**703,665**	448,020	573,510	694,370	882,180	**2,598,080**
Operating Expenses:						
Compensation and benefits	2,298,951	750,000	772,500	795,675	819,545	3,137,720
Selling and marketing	182,251	75,456	81,930	84,532	91,611	333,529
General and administrative	2,762,485	1,049,310	1,160,675	1,162,315	1,170,585	4,542,885
Farming cost	-	-	-	-	-	-
Impairment of property and equipment	-	-	-	-	-	-
Impairment of license	0	0	0	0	0	0
Total operating expenses	5,243,687	1,874,766	2,015,105	2,042,522	2,081,741	8,014,134
Other income (expense):						
Interest income	0	150	0	0	0	150
Interest (expense)	(108,424)	0	0	(15,000)	(25,000)	(40,000)
Other income (expense)	(2,055,584)	0	0	0	0	0
Total other income (expense)	(2,164,008)	150	0	(15,000)	(25,000)	(39,850)
Net Income (Loss)	(6,704,030)	(1,426,596)	(1,441,595)	(1,363,152)	(1,224,561)	**(5,455,904)**
Net loss per share:						
Basic and diluted loss per share	(0.07)	(0.01)	(0.01)	(0.01)	(0.01)	(0.05)
Wgted avg. shares - basic & diluted	93,430,025	105,000,000	114,600,000	117,600,000	120,600,000	114,450,000
Gross Margin	12.5%	19.0%	21.0%	23.0%	26.0%	22.6%

HISTORICAL ZACKS RECOMMENDATIONS



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