

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 28, 2015

CANNAVEST CORP.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

333-173215
(Commission File Number)

80-0944970
(I.R.S. Employer Identification No.)

2688 South Rainbow Boulevard, Suite B
Las Vegas, Nevada 89146
(Address of principal executive offices)

(866) 290-2157
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a -12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d -2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e -4(c))
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Item 2.02 Results of Operations and Financial Condition

The information set forth in Item 7.01 of this Current Report on Form 8-K ("Current Report"), including Exhibit 99.1 attached hereto, is incorporated by reference into this Item 2.02.

Item 3.02 Unregistered Sales of Equity Securities

On January 28, 2015, the Company commenced an offering whereby the Company intends to sell up to \$24 million of its restricted common stock in a private placement to accredited investors at a price per share of \$2.00 (the "Offering"). On January 28, 2015, the Company sold an aggregate of 125,000 shares of its restricted common stock pursuant to the Offering to two investors for an aggregate purchase price of \$250,000.

The issuance of the shares in connection with the Offering was exempt from registration under the Securities Act of 1933, as amended (the "Act"), in reliance on exemptions from the registration requirements of the Act in transactions not involved in a public offering pursuant to Rule 506(b) of Regulation D, as promulgated by the Securities and Exchange Commission under the Act.

The information set forth in Item 7.01 below is incorporated by reference into this Item 3.02.

Item 7.01 Regulation FD Disclosure

In connection with the Offering, on January 28, 2015, the Company disclosed certain information to prospective investors in an offering memorandum (the "Offering Memorandum") and during an investor presentation to prospective investors with whom the Company has a substantive pre-existing relationship. Some of the information in the Offering Memorandum and disclosed in the investor presentation has not previously been disclosed publicly and is furnished as Exhibit 99.1 in the general form presented in the Offering Memorandum.

Exhibit 99.1 is incorporated herein solely for purposes of this Item 7.01 disclosure.

Exhibit 99.1 contains forward-looking statements. These forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed in these forward-looking statements.

The information in Item 7.01 of this Current Report on Form 8-K ("Current Report"), including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of such section. The information in Item 7.01 of this Current Report, including Exhibit 99.1, shall not be incorporated by reference into any filing under the Act or the Exchange Act, regardless of any incorporation by reference language in any such filing. This Current Report will not be deemed an admission as to the materiality of any information in this Current Report that is required to be disclosed solely by Regulation FD.

The information set forth in Item 3.02 above is incorporated by reference into this Item 7.01.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Excerpts from the Offering Memorandum.

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 hereunto duly authorized.

Date: January 29, 2015

CANNAVEST CORP.

By: /s/ Michael Mona, Jr.
Michael Mona, Jr.
President and Chief Executive Officer

The following reprints in their entirety certain sections of the confidential offering memorandum which contain previously undisclosed information.

Operating Summary

A five-year operating forecast is below.

<i>(in thousands)</i>	2014 (est)	2015	2016	2017	2018	2019
Revenues:						
Oil Sales	8,416	16,869	29,364	46,983	70,474	98,664
Product Sales	1,815	4,986	12,875	20,601	30,901	43,261
Total Revenues	10,231	21,855	42,240	67,584	101,375	141,926
COGS	4,297	9,260	19,405	35,819	52,715	72,382
Gross Margin	5,934 58.0%	12,595 57.6%	22,835 54.1%	31,764 53.0%	48,660 52.0%	69,544 51.0%
SG&A	4,579	6,578	8,156	8,971	9,868	10,855
R&D	781	976	1,059	1,165	1,281	1,409
EBITDA	574	5,040	13,621	21,628	37,511	57,279

The worldwide CBD opportunity is included in the cannabis market, which is estimated to have a \$50 billion market potential in the United States alone over the next 5-10 years. The worldwide market opportunity is estimated at \$200 billion over the same timeframe. The immediate addressable CBD market is currently comprised of the following channels:

- Medical Marijuana Dispensaries (approximately 2,500 locations currently in U.S.)
- Early adopters – e-commerce sites
- CannaVest e-commerce
- Early adopters – retail brick & mortar (*Pharmaca*)

Within 1-2 years, we believe the CBD market will expand significantly with the addition of the following channels:

- Natural products
- Vitamin retail
- Cosmetic companies
- Beverage companies
- Food, Drug & Mass

Cash Flow Summary

A five-year cash flow including the financing source and use of funds is below.

<i>(in thousands)</i>	2015	2016	2017	2018	2019
Source of Funds					
EBITDA	5,040	13,621	21,628	37,511	57,279
Proceeds from Financing	24,000	–	–	–	–
Total Source of Funds	<u>29,040</u>	<u>13,621</u>	<u>21,628</u>	<u>37,511</u>	<u>57,279</u>
Use of Funds					
Financing costs	(1,500)	–	–	–	–
Inventory purchases	(17,000)	(6,000)	(6,000)	(6,000)	(6,000)
Working capital change	(3,642)	(3,498)	(4,324)	(5,732)	(6,858)
PP&E/Other	(500)	(1,000)	(1,100)	(1,200)	(1,300)
Estimated Corp tax	(1,616)	(5,048)	(8,251)	(14,604)	(22,512)
Total Use of Funds	<u>(24,259)</u>	<u>(15,546)</u>	<u>(19,675)</u>	<u>(27,536)</u>	<u>(36,670)</u>
BB - Cash	1,500	6,282	4,357	6,310	16,284
EB - Cash	6,282	4,357	6,310	16,284	36,893

The primary cash flow needs are to finance inventory purchases and finance expansion of revenues through increased credit sales (working capital).

CannaVest Strategic Plan – The next 5 years

1. Increase brand awareness of Company's proprietary consumer products and raw materials – "Mainstream CBD as a dietary and beauty product ingredient."
2. Expand the market of innovators, formulators, product development and consumers of CBD products worldwide.
3. Invest in Company infrastructure to produce, market and distribute CBD products worldwide.
4. Expand our internally developed product offerings containing natural, hemp-based CBD.
5. Expand our worldwide network of hemp farmers.
6. Establish the infrastructure to grow hemp domestically.
7. Scale-up our manufacturing process and QA/QC systems to ensure the safety, quality and supply of CBD for the expanding worldwide customer base.
8. Continue to monitor the industry and evaluate strategic acquisitions that will provide additional capabilities to maintain our dominant position in growing, harvesting, and processing hemp-derived products.

Financial Information

The Company is seeking to raise \$24 million to expand operations and finance working capital needs. The two most significant working capital areas include inventory purchases (\$17M in 2015) and financing of working capital (\$3.6M in 2015). Our ability to finance our working capital needs will allow the Company to maintain its dominant supply chain position in the industry and to further expand the market by increasing credit sales.