

Acacia Diversified Holdings, Inc.  
Form 10-Q/A  
May 20, 2015

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

Form 10-Q/A  
Amendment Number 1

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(Mark  
One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2013

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 1-14088

Acacia Diversified Holdings, Inc.  
(Exact name of small business issuer as specified in its charter)

Texas  
(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification No.)

3515 East Silver Springs Blvd. - #243 Ocala, FL  
(Address of principal executive offices)

34470  
(Zip Code)

(877) 513-6294  
(Registrant's telephone number)

(Former name, former address and former fiscal year, if changed since last report)

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. (1) Yes  No  (2) Yes  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  No  (Not required)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller Reporting Company

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

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:**

Indicate by check mark whether the registrant HAS FILED ALL DOCUMENTS AND REPORTS REQUIRED TO BE FILED BY Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes  No

**APPLICABLE ONLY TO CORPORATE ISSUERS**

State the number of shares outstanding of each of the issuer's classes of common equity, as of September 30, 2013: 12,486,809.

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Explanatory Note

Overview of Amendment on this Form 10-Q/A

This first amendment on Form 10-Q/A (this “Amendment”) amends the Quarterly Report on Form 10-Q (the “Original Quarterly Report”) for the quarter ended September 30, 2013, which was originally filed with the Securities and Exchange Commission (the “SEC”) on November 19, 2013. We are filing this Amendment in connection with our accountant’s review of the original Quarterly Report following filing of the Annual Report on Form 10-K for the year ended 12-31-2013.

Acacia Diversified Holdings, Inc. is filing this Amendment to its Quarterly Report on Form 10-Q for the period ended September 30, 2013, to amend and restate financial statements and certain other information for the three months and nine months ended September 30, 2013.

We have determined that our previously reported financial results for the three months and nine months ended September 30, 2013 contained the inclusion of charges related to certain Customer Lists and Trade Secret Agreements as assets, while our accountants elected to not include those assets on the subsequent Annual Report on Form 10-K for the year ended 12-31-2013.

Moreover, we have further determined that management's discussion provided in various parts of that quarterly report required some restatement to provide an accurate basis for review following exclusion of the charges for those assets.

Accordingly, we have made necessary conforming changes in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” resulting from those changes.

Management does not consider any of the previously reported financial information to have contained material deficiencies. As such, this Amendment does not reflect any material changes to the financial statements of the Company, but is changed to properly reflect changes to the Company’s balance sheet and financial statements occurring from that reported on the Quarterly Report on Form 10-Q for the period ending 9-30-2013 and the Annual Report on Form 10-K for the year ending 12-31-2013.

The financial information and discussions presented in the Company’s Annual Report on Form 10-K for the year ended 12-31-2013 incorporate and include the changes reflected in the amendments to the financial information presented in the Quarterly Report as Amended on Form 10-Q/A for the period ended September 30, 2013. Readers are advised that they can rely upon the information presented in that report on Form 10-K as being accurate.

The following sections of this Form 10-Q/A have been revised to reflect the restatement:

Part I

Item 1 – Financial Statements

Item 2 – Management’s Discussion and Analysis of Financial Condition and Results of Operations

Part II

Item 5 – Other Information

Other than those amendments listed above, no attempt has been made in this Amendment to modify or update other disclosures presented in the original Quarterly Report. This Amendment does not reflect events occurring after the

filing of the original Quarterly Report or modify or update those disclosures, including the exhibits to the Original Quarterly Report affected by subsequent events. Accordingly, this Amendment should be read in conjunction with our filings with the SEC subsequent to the filing of the original Quarterly Report, including any amendments to those filings.

In light of the amendments provided herein, readers are warned to not rely on the information disclosed for those three months and nine months ended September 30, 2013 as reported on Form 10-Q by the Company on November 19, 2013. Except to the extent relating to the restatement of our financial statements and other financial information described above, the financial statements and other disclosure in this Form 10-Q/A do not reflect any events that have occurred after this Form 10-Q was initially filed on November 19, 2013. That is, the Company does not make any attempt herein to disclose or otherwise account for events subsequent to the periods contemplated herein, other than those events specifically referenced herein.

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

ACACIA DIVERSIFIED HOLDINGS, INC.  
(Previously Acacia Automotive, Inc.)  
CONSOLIDATED BALANCE SHEETS

|   | September 30,<br>2013<br>(Unaudited)<br>(Restated) | December 31,<br>2012<br>(Audited) |
|---|--|-----------------------------------|
| <b>ASSETS</b>   |  |                                   |
| Current Assets  |  |                                   |
| Cash and cash equivalents   | \$ 2,914   | \$ 189,260                        |
| Account receivable  | -  | 7,500                             |
| Deposits and prepaid expenses   | 5,841  | 4,107                             |
| Total Current Assets  | 8,755  | 200,867                           |
| Property and equipment, net of accumulated depreciation of \$64,061 and \$28,649<br>in 2013 and 2012, respectively  | 702,627  | 25,738                            |
| Total Assets  | \$ 711,382   | \$ 226,605                        |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>   |  |                                   |
| Current Liabilities   |  |                                   |
| Accounts payable  | \$ 233,982   | \$ 46,967                         |
| Accrued liabilities   | 398,343  | 49,044                            |
| Shareholder payable/receivable  | 20,955   | 4,270                             |
| Capital lease obligations, current portion  | -  | 9,234                             |
| Note payable, current portion   | 89,200   | 39,000                            |
| Total Current Liabilities   | 742,480  | 148,515                           |
| Noncurrent Liabilities  |  |                                   |
| Capital lease obligations, less current portion   | -  | -                                 |
| Note payable, long term   | 175,315  | 24,025                            |
| Total Liabilities   | 917,795  | 172,540                           |
| Stockholders' Equity (Deficit)  |  |                                   |
| Common stock, \$0.001 par value, 150,000,000 shares authorized; 12,486,809 and<br>11,562,524 issued and outstanding at September 30, 2013 and December 31,<br>2012. | 12,487   | 11,562                            |
| Additional paid-in capital  | 11,789,589   | 11,553,491                        |
| Retained deficit  | (12,008,489)                                       | (11,510,988)                      |
| Total Stockholders' Equity (Deficit)  | (206,413)  | 54,065                            |
| Total Liabilities and Stockholders' Equity (Deficit)  | \$ 711,382   | \$ 226,605                        |

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

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ACACIA DIVERSIFIED HOLDINGS, INC.  
(Previously Acacia Automotive, Inc.)  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)

|  | Three Months Ended |            | Nine Months Ended |            |
|--|--------------------|------------|-------------------|------------|
|  | September 30,      |            | September 30,     |            |
|  | 2013               | 2012       | 2013              | 2012       |
|  | (Restated)         |            | (Restated)        |            |
| Revenues   | \$ 45,343          | \$ -       | \$ 45,343         | \$ -       |
| Cost of revenues, including depreciation of \$27,091                   | (112,270)          | -          | (112,270)         | -          |
| Gross profit (loss)  | (66,927)           | -          | (66,927)          | -          |
| Costs and expenses   |                    |            |                   |            |
| Employee compensation  | 35,778             | 104,661    | 137,604           | 252,705    |
| General and administrative   | 71,105             | 138,715    | 284,350           | 276,685    |
| (Gain) loss on sale of assets  | -                  | 4,430      | -                 | 4,430      |
| Depreciation and amortization  | 2,770              | 4,249      | 8,321             | 12,784     |
| Total costs and expenses   | 109,653            | 252,055    | 430,275           | 546,604    |
| Operating income (loss) before other income (expense) and income taxes | (176,580)          | (252,055)  | (497,202)         | (546,604)  |
| Other income (expense)   |                    |            |                   |            |
| Other income   | -                  | -          | 10,035            | -          |
| Interest expense   | (6,316)            | 7,477      | (10,334)          | 5,845      |
| Total other income (expense)   | (6,316)            | 7,477      | (299)             | 5,845      |
| Income (loss) before income taxes                                      | (182,896)          | (244,578)  | (497,501)         | (540,759)  |
| Income taxes   | -                  | -          | -                 | -          |
| Income (loss) from continuing operations                               | (182,896)          | (244,578)  | (497,501)         | (540,759)  |
| Gain on discontinued operations  |                    |            |                   |            |
| Gain on discontinued operations, net                                   | -                  | 36,047     | -                 | 337,434    |
| Gain on disposition of discontinued operations                         | -                  | 571,979    | -                 | 571,979    |
| Net gain (loss) from discontinued operations                           | -                  | 608,026    | -                 | 909,413    |
| Net income (loss)  | \$ (182,896)       | \$ 363,448 | \$ (497,501)      | \$ 368,654 |
| Basic and diluted income (loss) per share                              |                    |            |                   |            |
| Loss from continuing operations  | \$ (0.02)          | \$ (0.02)  | \$ (0.04)         | \$ (0.05)  |
| Income from discontinued operations, net                               | \$ -               | \$ 0.05    | \$ -              | \$ 0.08    |
| Net income (loss)  | \$ (0.02)          | \$ 0.03    | \$ (0.04)         | \$ 0.03    |
| Weighted average number of common shares outstanding                   | 12,255,738         | 11,562,524 | 11,839,809        | 11,562,524 |

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





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ACACIA DIVERSIFIED HOLDINGS, INC.  
(Previously Acacia Automotive, Inc.)  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
NINE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012  
(Unaudited)

|   | 2013<br>(Restated) | 2012        |
|---|--------------------|-------------|
| Cash flows from operating activities  |                    |             |
| Net Income (loss)   | \$ (497,501)       | \$ 368,654  |
| Less (income) from discontinued operations, net of income taxes                         | -                  | (909,413)   |
| Net (loss) before discontinued operations   | (497,501)          | (540,759)   |
| Adjustment to reconcile net loss before discontinued operations to net cash provided by |                    |             |
| (used in) operating activities:   |                    |             |
| Depreciation and amortization   | 35,412             | 12,784      |
| Stock options issued for services   | 21,144             | 39,675      |
| Common stock issued for services  | 18,071             | -           |
| (Gain) loss on disposal of assets   | -                  | 4,430       |
| Changes in Operating Assets and Liabilities   |                    |             |
| Deposits and prepaid expenses   | 3,266              | (3,114)     |
| Accounts receivable   | 7,500              | -           |
| Accounts payable  | 187,015            | (142,317)   |
| Accrued liabilities   | 55,906             | (419,950)   |
| Shareholder payable/receivable  | 16,685             | (55,859)    |
| Cash flow provided by (used in) continuing activities                                   | (152,502)          | (1,105,110) |
| Cash flow provided by (used in) discontinuing activities                                | -                  | 242,868     |
| Net cash flow provided by (used in) operating activities                                | (152,502)          | (862,242)   |
| Cash flows provided by (used from) investing activities                                 |                    |             |
| Proceeds from sale of assets  | -                  | 5,818       |
| Purchase of equipment/leasehold improvements  | -                  | (18,874)    |
| Cash flow provided by (used in) continuing activities                                   | -                  | (13,056)    |
| Cash flow provided by (used in) discontinuing activities                                | -                  | 1,240,411   |
| Net cash flow provided by (used in) investing activities                                | -                  | 1,227,355   |
| Cash flow provided by (used in) financing activities                                    |                    |             |
| Cash Overdraft  | -                  | (488)       |
| Capital lease borrowings (payments)   | (9,234)            | (20,056)    |
| Note payable Borrowings (payments)  | (24,610)           | (37,339)    |
| Cash flow provided by (used in) continuing activities                                   | (33,844)           | (57,883)    |
| Cash flow provided by (used in) discontinuing activities                                | -                  | -           |
| Net cash flow provided by (used in) financing activities                                | (33,844)           | (57,883)    |
| Net increase (decrease) in cash and cash equivalents                                    | (186,346)          | 307,230     |
| Cash, beginning of period   | 189,260            | -           |
| Cash, end of period   | \$ 2,914           | \$ 307,230  |
| Supplemental disclosures of cash flow information                                       |                    |             |
| Cash paid during period for:  |                    |             |
| Interest  | \$ (10,334)        | \$ (5,845)  |
| Income tax  | \$ -               | \$ -        |

|   |    |           |      |
|---|----|-----------|------|
| Non-cash investing and financing activities |    |           |      |
| Utility deposit                             | \$ | (5,000)   | \$ - |
| Property and equipment                      |    | (712,300) | -    |
| Related party payable                       |    | 293,393   | -    |
| Notes payable                               |    | 226,100   | -    |
| Common stock                                |    | 900       | -    |
| Additional paid-in capital                  |    | 196,907   | -    |
|   | \$ | -         | \$ - |

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

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ACACIA DIVERSIFIED HOLDINGS, INC.  
(Formerly Acacia Automotive, Inc.)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
September 30, 2013 and 2012

NOTE 1 – THE COMPANY AND BASIS OF PRESENTATION

Acacia Diversified Holdings, Inc., formerly known as Acacia Automotive, Inc., (“Acacia” or the “Company”) is actively engaged in evaluating acquisition opportunities to add to our existing portfolio of businesses and managing that portfolio. Beginning in July, 2007 and continuing until July, 2012, the Company was singularly focuses on operating automotive auctions.

In June, 2007, the Company raised capital through a private offering of its equity securities that enabled the Company’s wholly-owned subsidiary to acquire in July, 2007 the assets and business of Augusta Auto Auction, Inc, in North Augusta, South Carolina. This wholly owned subsidiary, Acacia Augusta Vehicle Auction, Inc., at that time constituted the lone revenue-producing operations of Acacia Automotive, Inc.,

In December, 2009, the Company, through its other wholly-owned subsidiary, Acacia Chattanooga Vehicle Auction, Inc., acquired the assets and business of Chattanooga Auto Auction Limited Liability Company, an automotive auction located in Chattanooga, Tennessee. On August 31, 2010, the Company discontinued operations at its Chattanooga auction, first accounting for those operations as discontinued in its Quarterly Report on Form 10-Q for the period ended June 30, 2010.

On July 31, 2012, a majority of the shareholders of the Company voted to sell the Augusta auction. Following the sale of the lone operating asset of the Company, management embarked upon a plan to evaluate and acquire a diverse array of businesses for the Company. At that time the Company changed its name to Acacia Diversified Holdings, Inc., reflective of its intent to own a diverse portfolio of businesses not focused in any one industry. The sale of the Augusta auction is more particularly described in that Current Report on Form 8-K filed August 27, 2012.

On July 10, 2013 the Company, through its wholly-owned subsidiary Citrus Extracts, Inc., entered into a definitive agreement to acquire certain assets and assumed liabilities related to those assets from Red Phoenix Extracts, Inc., (“RPE” or the “Seller”) a corporation located in Fort Pierce, Florida. The assets included, among other things, furnishings, machinery, and equipment. As consideration for the assets, the Company issued to the holders of RPE nine hundred thousand (900,000) restricted shares of its common stock (the “Shares”). There was no cash consideration in the transaction. The transaction is more particularly described in the Company’s Current Report on Form 8-K dated July 10, 2013.

In addition to acquiring the Assets, the Company assumed certain liabilities of RPE, including responsibility for a forklift lease in the amount of \$465 per month for the remaining 16 months of the lease and indebtedness in the amount of \$519,493 for certain loan and payable obligations.

The Company also assumed two leases for a facility of approximately 14,525 square feet consisting of two adjacent building units located at 3495 S. U.S. Hwy.1, Bldgs. 12-E and 12-W, Ft. Pierce, FL 34982 (the “Leases”).

The Company pays a combined \$4,691 per month for the two leased units to the Florida State Farmer’s Market in Fort Pierce, Florida. The Farmers Market is owned and operated by the State of Florida, and the leases are subject to additional 1-year lease renewals, that being the maximum allowed by the Florida authority operating the facility. The current lease term expired on June 30, 2013 and was renewed for the maximum one-year period, now set to expire on June 30, 2014.

Generally speaking, the citrus season would begin at or near the first of November each year; however, this year's citrus crop experienced a slower maturity of the fruit for juice processing, specifically the acids levels not yet having fallen to the proper levels and the brix (sugar) levels having not yet elevated to the proper level, all of which is anticipated to occur later in November and early December. During the off-season the Company has been engaged in various preparations, updates and maintenance to its machinery and equipment such as to prepare it for the upcoming manufacturing operations.

In addition to issuing 900,000 shares of its common stock in the acquisition of assets during the third quarter of 2013, the Company also issued 24,285 for legal and web design services.

**BASIS OF PRESENTATION** - The Company has elected to prepare its financial statements in accordance with generally accepted accounting principles in the United States (GAAP) with December 31, as its year-end. The consolidated financial statements and notes are representations of the Company's management who are responsible for their integrity and objectivity.

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ACACIA DIVERSIFIED HOLDINGS, INC.  
(Formerly Acacia Automotive, Inc.)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
September 30, 2013 and 2012

NOTE 1 – THE COMPANY AND BASIS OF PRESENTATION (Continued)

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for annual financial information and with the instructions to Form 10-Q and Article 10 of Regulation SX. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete consolidated financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation of the results for the interim period have been included. All such adjustments are of a normal and recurring nature. These interim results are not necessarily indicative of results for a full year. These unaudited consolidated financial statements should be read in connection with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2012.

CONSOLIDATION – The Company had one wholly owned subsidiary, Acacia Augusta Vehicle Auction, Inc., as of December 31, 2011. That subsidiary was sold on July 31, 2012, and the Company accounted for those operations as discontinued at December 31, 2012. The Company acquired the certain assets of Red Phoenix Extracts, Inc. on July 10, 2013, for its new wholly-owned operating subsidiary, Citrus Extracts, Inc.. At September 30, 2013 Citrus Extracts, Inc. was the sole subsidiary of the Company and its only source of revenues, and all significant intercompany accounts and transactions are eliminated in consolidation.

NOTE 2 – GOING CONCERN

As of September 30, 2013, the Company had limited liquid assets and only very limited revenues as it awaited the beginning of full revenue-producing operations at or near the end of November 2013. As such, in the absence of significant revenues arising from the commencement of those operations, the Company will shortly become unable to meet its obligations as they come due. These factors raise substantial doubt as to the ability of the Company to continue as a going concern. Management's plans include attempting to raise funds from the public through the contemplated sale of its equity securities in a private offering made pursuant to Regulation D promulgated under the Securities Act of 1933. Management intends to make every effort to identify and develop sources of funds. There can be no assurance that Management's plans will be successful and should they not be, the Company may be compelled to cease operations.

NOTE 3 – FINANCIAL STATEMENT RESTATEMENT

Prior to July 10, 2013, Red Phoenix Extracts, Inc. ("RPE") had no operations for at least two years. Management's initial assessment of the assets acquired from RPE included values assigned to various intangible assets such as customer lists and product design. However, subsequent to the initial valuations, management determined that due to the passage of time since RPE was in operation, the intangible assets had only nominal or no value. Also, equipment values as recorded were adjusted to reflect actual fair values at the date of purchase.

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## NOTE 3 – FINANCIAL STATEMENT RESTATEMENT (Continued)

The September 30, 2013 consolidated balance sheet and consolidated statement of operations were restated as follows:

## Balance Sheet

|                                      | As Reported   | Change       | Restated      |
|--------------------------------------|---------------|--------------|---------------|
| Current Assets                       | \$8,755       | \$-          | \$8,755       |
| Property and Equipment, net          | 822,792       | (120,165 )   | 702,627       |
| Customer List and Trade Secrets, net | 556,321       | (556,321 )   | -             |
|                                      | \$1,387,868   | \$(676,486 ) | \$711,382     |
| Total Liabilities                    | \$917,795     | \$-          | \$917,795     |
| Stockholder's Equity (Deficit)       |               |              |               |
| Common Stock                         | 12,487        | -            | 12,487        |
| Additional Paid-In Capital           | 12,484,754    | (695,165 )   | 11,789,589    |
| Retained Deficit                     | (12,027,168 ) | 18,679       | (12,008,489 ) |
| Total Stockholder's Equity (Deficit) | 470,073       | (676,486 )   | (206,413 )    |
| Total                                | \$1,387,868   | \$(676,486 ) | \$711,382     |

## Statement of Operations

| Three Months Ended September 30, 2013 | As Reported  | Change      | Restated     |
|---------------------------------------|--------------|-------------|--------------|
| Depreciation and Amortization         | \$48,540     | \$(18,679 ) | \$29,861     |
| Net Loss                              | \$(201,575 ) | \$18,679    | \$(182,896 ) |
| Nine Months Ended September 30, 2013  |              |             |              |
| Depreciation and Amortization         | \$54,091     | \$(18,679 ) | \$35,412     |
| Net Loss                              | \$(516,180 ) | \$18,679    | \$(497,501 ) |

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### Item 1B. Unresolved Staff Comments

None.

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

The Company sold its Augusta auction on July 31, 2012, and accounted for those operations as discontinued effective with its Annual Report on Form 10-K for the year ended December 31, 2011. The Company acquired certain assets of Red Phoenix Extracts, Inc. in Ft. Pierce, Florida on July 10, 2013. The Company is preparing to engage in full production of citrus byproducts effective with the 2014 Florida citrus season at the end of November 2013. The Company has been preparing its facility for production, engaging only in limited test runs and other minimal production runs of products as of this juncture. Accordingly, the Company will provide only limited components of its operational information in this Discussion and Analysis of Financial Condition and Results of Operations, and has elected to eliminate certain information and comparative results to prior periods in this report, as they would not be reflective of similar results or provide a proper basis for review.

#### Forward-Looking Information

The Management's Discussion and Analysis of Financial Condition and Results of Operations and other sections of the Form 10-Q contain forward-looking information. The forward-looking information involves risks and uncertainties that are based on current expectations, estimates, and projections about the Company's business, management's beliefs, and assumptions made by management. Words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", and variations of such words and similar expressions are intended to identify such forward-looking information. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking information due to numerous factors, including, but not limited to, availability of financing for operations, successful performance of internal operations, impact of competition and other risks detailed below as well as those discussed elsewhere in this Form 10-Q and from time to time in the Company's Securities and Exchange Commission filings and reports. In addition, general economic and market conditions and growth rates could affect such statements.

#### General

The Company sold its Augusta auction operation on July 31, 2012, and had no operating revenues until Q3 2013. On July 10, 2013 the Company acquired certain assets of Red Phoenix Extracts, Inc. in Fort Pierce, Florida. The Company intends to use those and other assets in its new Citrus Extracts, Inc. subsidiary, its only revenue-producing operations, anticipating a launch of those operations at the end of November 2013. The Company has heretofore only managed limited test runs of its products with resulting limited revenues as it prepares for the beginning of full operations. As such, the Company will need to find additional capital or other new sources of revenues to support its expenses in order to continue as a going concern. The Company changed its name from Acacia Automotive, Inc. to Acacia Diversified Holdings, Inc. effective October 18, 2012, to reflect the Company's determination to employ a broader scope and direction in expanding its business model into more diversified service and product offerings, and is preparing to consider other merger, acquisition, or business combination opportunities in any industry. The Company may have to raise additional capital to meet its plans, and there is no assurance it will be successful in its attempts.

#### Background

Acacia Diversified Holdings, Inc., formerly known as Acacia Automotive, Inc. ("we", "us", "Acacia", or the "Company") was incorporated in Texas on October 1, 1984 as Gibbs Construction, Inc. ("Gibbs"). In the following years, Gibbs grew to a

full service, national commercial construction company and completed an initial public offering of its common stock pursuant to a registration thereof on Form S-1 in January of 1996. In April of 2000, following the filing of bankruptcy by its largest client which left Gibbs in an untenable financial posture and absent the ability to obtain bonding for new construction projects, Gibbs sought bankruptcy protection in April of 2000. Failing attempts implement various plans over the next six years, Harry K. Myers, Jr., a principal of the entity controlling Gibbs, contacted Steven L. Sample, the current CEO of Acacia, who agreed to assist with the restructuring of Gibbs. Mr. Sample paid the legal costs and other costs of bringing the Company out of bankruptcy and the costs of bringing Gibbs current in its filings with the Securities and Exchange Commission.

On August 15, 2006, following those actions, Mr. Sample acquired from Mr. Myers, for the sum of \$50,000 cash, 4,000,000 shares, or 46.7%, of the 8,561,000 issued and outstanding shares of the common stock of Gibbs.

As consideration for the payment of these expenses by Mr. Sample, and in order to further restructure and rehabilitate the Company and to satisfy its obligations to Mr. Sample, Gibbs' board of directors also recommended: (i) that its stockholders amend the Articles of Incorporation to effect a one for eight reverse stock split and increase the number of authorized shares of common stock to 150,000,000; (ii) that its shareholders authorize 2,000,000 shares of a series of preferred stock; (iii) that the Company issue to Mr. Sample an additional 8,117,500 shares of common stock and 500,000 shares of preferred stock; and, (iv) for the assistance of Mr. Myers in these transactions, to issue to him 450,000 new shares of common stock and 25,000 new shares of preferred stock of the Company.



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Following the submission of a proxy statement by the Company and thereafter holding its First Special Meeting of Shareholders on February 1, 2007, Gibbs' shareholders approved the foregoing actions and also approved changing the Company's name from Gibbs Construction, Inc. to Acacia Automotive, Inc. These amendments to the Company's Articles of Incorporation were effective February 20, 2007. Immediately following the approval of these amendments, the Company also adopted a stock option plan which was ratified by the Company's stockholders in November 2007, reserving 1,000,000 shares thereunder. Following that first Special Meeting of Shareholders in February of 2007, the Company set out to raise over \$1,000,000 in capital, which it accomplished in a private placement offering that closed in June of that same year.

On July 10, 2007, the Company acquired for common stock the assets and the associated business of Augusta Auto Auction, Inc. in North Augusta, South Carolina, becoming the Company's first revenue-producing operations under the management of Acacia. The Company conducted its first weekly auction at Augusta on July 11, 2007. Acacia's management sold the assets of this auction on July 31, 2012. The details of this transaction were reported on the Current Report on Form 8-K dated August 27, 2012, which includes a full detail of the actions taken. The Company first accounted for those operations as discontinued on its Annual Report on Form 10-K for the year ended December 31, 2011.

On December 26, 2009, the Company acquired its second auto auction located in Chattanooga, Tennessee. Following disputes with the seller of those operations and certain related parties, the Company discontinued operations at that location effective August 31, 2010, after which the Company and its CEO, the Seller of the Chattanooga auction, and its related parties entered into litigation in September of that same year. The ongoing litigation between the parties was settled on February 28, 2012. The Company first accounted for those operations as discontinued in its Quarterly Report on Form 10-Q for the period ended June 30, 2010.

On July 10, 2013, the Company, through its wholly-owned Citrus Extracts, Inc., subsidiary, acquired certain assets of Red Phoenix Extracts, Inc. in Fort Pierce, Florida for 900,000 shares of its restricted common stock and assumed \$519,493 of debt and trade obligations. The Company is utilizing those and other assets in the operation of its Citrus Extracts subsidiary, its only revenue producing operations. The Company currently anticipates achieving full operations in December 2013, concurrent with the 2014 Florida citrus season.

### Business of the Company

The Company's Augusta auction subsidiary sold cars and other vehicles from the time it was acquired on July 10, 2007, until its sale July 31, 2012. On November 6, 2011, the Company identified a potential candidate for sale of its Augusta auction, and entered into a non-binding Letter of Intent for that purpose. That Letter of Intent was dependent upon the buyers finding success in obtaining financing and other factors. Following protracted delays in the buyers finding suitable financing, a change in the structure of the buyer's group, and changes in the original terms of the sale, the buyer's group completed the purchase on July 31, 2012. Following the sale of those assets until July 10, 2013, the Company had no revenue-producing operations or corresponding operating revenues. On July 31, 2012, a majority of the shareholders of the Company voted to sell the Augusta auction. Following the sale of the lone operating asset of the Company, management embarked upon a plan to evaluate and acquire a diverse array of businesses for the Company. At that time the Company changed its name to Acacia Diversified Holdings, Inc., reflective of its intent to own a diverse portfolio of businesses not focused in any one industry. The sale of the Augusta auction is more particularly described in that Current Report on Form 8-K filed August 27, 2012.

### Business of Acacia's New Citrus Extracts Subsidiary

The Company's Citrus Extracts subsidiary will utilize citrus peel material that is created when manufacturers extract juice from oranges and lemons (mainly oranges) in rendering its products. In doing so, the Company will

simultaneously eliminate the current negative options available for citrus waste remediation the juice manufacturers face. Specifically, Citrus Extracts will re-process the remediated peels into highly desirable ingredients for use as spices, teas and ground citrus additives for food, beverages, nutraceuticals and cosmaceuticals. The process will not introduce any chemicals or foreign substances into the citrus material or its finished products. This technology will not only allow the Company to generate significant revenues from its subsidiary's finished products, but will also provide a valuable service to processors through safe, efficient, and cost-effective disposal of their citrus peel material. The Company currently anticipates initiating full production in December of 2013.

Discussion Regarding Cost of Revenues (Same as "Costs of Goods Sold" or "Costs of Fees Earned")

As is generally consistent with reporting in most industries, the Company has designed its financial reports to reflect total revenues less costs of goods sold (sometimes indicated in our financial reports as "Costs of Fees Earned" or "Costs of Services") in arriving at a gross profit before deducting operating expenses. Costs of goods sold include costs similar to "production costs", including certain subscribed services; contract labor for operations; outside services, pick up and delivery, rental of vehicles or equipment to facilitate operations, direct tools/supplies/equipment; fuel expense; maintenance; parts; shipping costs; discounts; policy allowance; return allowances; and, miscellaneous operations expenses. The Company's independent accountants have elected to class the salaries, including related taxes, of production personnel as Cost of Revenues.

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### Discussion Regarding the Company's Operations

The Company sold its Augusta auction operations in the Augusta, Georgia, area on July 31, 2012, and has accounted for those operations as discontinued effective with its Annual Report on Form 10-K for the year ended December 31, 2012. On July 10, 2013 the Company acquired certain assets and assumed liabilities related to those assets from Red Phoenix Extracts, Inc. ("RPE"), a corporation located in Fort Pierce, Florida. Those and other assets are being utilized in its new Citrus Extracts, Inc. subsidiary in becoming the Company's only revenue-producing operations. The Company anticipates instituting full production in December 2013. As such, there were no revenue-producing operations at all during Q4 and a portion of Q3 of 2012, and no revenue-producing operations during Q1, Q2 and the first portion of Q3 of 2013. Accordingly, the Company's discussion and analysis of financial condition and results of operations may not provide an adequate basis for comparative review.

#### Three months ended September 30, 2013

In the third quarter of 2013, Citrus Extracts, Inc. was the Company's only revenue-producing subsidiary. The sale of citrus byproducts began on a limited basis in the third quarter of 2013, and therefore there were only limited revenues from citrus byproduct sales for the three-month period ended September 30, 2013. In that three-month period the Company sold about 18,000 pounds of its ingredient products at an average price of \$2.53 per pound. The cost of revenues for this period was \$112,270, resulting in a gross loss of \$66,927 on sales. The cost of revenue included start-up costs and other one-time charges

In that same three-month period the Company sustained a consolidated net loss from continuing operations of approximately \$183,000. This net loss included several components: (i) about \$36,000 represented employee compensation, including executives, most of which was accrued but unpaid; (ii) about \$3,000 represented expenses for amortization and depreciation; (iii) about \$6,000 represented interest expense; (iv) about \$71,000 represented other general and administrative expense, which incurred a charge of about \$7,000 in non-cash operating expenses for options and warrants issued under the Company's 2007 Stock Incentive Plan as the ratable expense for the period resulting from options and warrants issued in 2007 through 2012 but not yet fully vested or exercised; and, (v) cost of revenues of about \$112,000 reflecting certain costs relating to production of finished products.

#### Nine months ended September 30, 2013

The sales of citrus byproducts began on a limited basis in the third quarter of 2013, and for the nine-month period ended September 30, 2013, the Company sold about 18,000 pounds of citrus peel byproducts at an average of \$2.53 per pound. Cost of revenues for this period was \$112,270 resulting in a gross loss of \$66,927 on sales. The cost of revenue included start-up costs and other one-time charges.

In the nine month period ended September 30, 2013, the Company sustained a consolidated net loss from continuing operations of approximately \$498,000. This net loss included several components: (i) about \$138,000 represented employee compensation including our executives; (ii) about \$35,000 represented expenses for amortization and depreciation; (iii) about \$10,000 represented interest expense; (iv) about \$284,000 in other general and administrative expense, which incurred a charge of about \$21,000 in non-cash operating expenses for options and warrants issued under the Company's 2007 Stock Incentive Plan as the ratable expense for the period resulting from options and warrants issued in 2007 through 2012 but not yet fully vested or exercised; and, (v) cost of revenues of about \$112,000 reflecting certain costs relating to production of finished products. (See "Liquidity and Capital Resources".)

### Liquidity and Capital Resources

Our accountants have issued, in their prior audit report, a going concern opinion reflecting a conclusion that our operations may not be able to continue because of a lack of financial resources.

The Company's liquidity in 2012 was provided by management fee revenues assessed to the Company's Augusta Auto Auction operations, by gains realized from the sale of the Augusta auction in July of 2012 and gains associated with the discontinuation of operations at that location, and by personal financial support from the Company's CEO prior to the sale and disposal of the Augusta assets. The Company's liquidity during 2013 was provided in part from proceeds of the 2012 sale of its Augusta auction, by personal financial support from the Company's CEO.

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From July 10, 2007, until July 31, 2012, the Company looked to its auto auction operations to provide cash flow and cash return on our investment. From January 1, 2013 until July 10, 2013, following the Company's sale of its Augusta assets, the Company had no revenue-producing operations and no cash flow from operations. Since the acquisition of certain assets of Red Phoenix Extracts on July 10, 2013, the Company has been preparing for full manufacturing operations at approximately December of 2013, using those and other assets. The Company generated some small revenues from test runs and limited sales during the third quarter of 2013, but those revenues did not provide sufficient cash flow on an ongoing basis to cover the subsidiary's operations or the Parent Company's corporate activity, essentially our executive officers, administrative overhead, and overhead that includes the cost of lawyers and accountants required to be publicly held. As a result of those deficiencies and the loss of its revenue-producing operations for the greater part of the year-to-date, the Company will have to raise capital or institute or acquire additional operations with revenues sufficient to cover the costs of overheads. There can be no assurance that the Company will be successful in selling its securities and that if in fact such securities are sold the resultant proceeds therefrom will be sufficient so as to provide the Company with adequate working capital when taken together with anticipated revenues from operations.

As of September 30, 2013, the Company had a negative consolidated cash flow of about \$186,000 for the year to date. This resulted from negative net cash flow of approximately \$152,000 used in operating activities and about \$34,000 used in financing activities.

### Cash Balances

The Company will require substantial infusions of working capital or a substantial increase in the cash generated from new revenue-producing operations to insure long-term liquidity, and may seek infusions of working capital in the form of equity or debt capital, the former being considered most beneficial to the Company. There is no assurance the Company will be successful in obtaining infusions of capital to fuel its operations or further growth.

### Financing of Planned Expansions and Other Expenditures

The Company plans to grow through acquisitions, mergers, or other business combinations, and anticipates that it will need to raise additional capital to do so, probably through a private placement offering of its common stock. There can be no assurance the Company will be successful in its efforts to do so.

### Dependence on Key Personnel

Our future performance depends in significant part upon the continued service of our Chief Executive Officer, Steven L. Sample and now upon the continued service of William J. Howe, the President of the Company's new Citrus Extracts, Inc. subsidiary in Fort Pierce, Florida. The loss of either of their services could have a material adverse effect on our business, prospects, financial condition and results of operations. The Company does not presently maintain key man life insurance on Mr. Sample or Mr. Howe, but may obtain such insurance at the discretion of its board of directors for such term as it may deem suitable or desirable. Our future success may depend on our ability to attract and retain highly qualified technical, sales and managerial personnel. The competition for such personnel can be intense, and there can be no assurance that we can attract, assimilate or retain highly qualified technical, sales and managerial personnel for favorable compensations in the future.

### Contemplated Business

While the Company originally considered its automobile auctions as indicative of the basis of services rendered by the Company, it determined in 2012 that there are suitable opportunities for success in diverse industries and business models. The Company entered the citrus byproducts manufacturing industry in July of 2013 through its Citrus

Extracts, Inc. subsidiary, its only revenue-producing operations. Accordingly, the Company changed its name from Acacia Automotive, Inc. to Acacia Diversified Holdings, Inc. effective October 18, 2012, to reflect the Company's determination to employ a broader scope and direction in expanding its business model into more diversified service and product offerings, and is preparing to consider merger, acquisition, or business combination opportunities in any industry. (See Part II. Item 5 – "Other Information")

#### Implementation of Business Plan

The Company currently does not have sufficient working capital to pursue its business plans in their entirety as described herein. The Company's ability to implement its business plans will depend on its ability to find new mergers, acquisitions, or business combinations or to obtain sufficient working capital to execute its business plans. No assurance can be given that we will be able to obtain additional capital, or, if available, that such capital will be available at terms acceptable to us, or that we will be able to generate profit from new operations, or if profits are generated, that they will be sufficient to carry out our business plans, or that the plans will not be modified. Moreover, the Company has sought, and may continue to seek, working capital through the sale of its debt and equity securities. There can be no assurance that any such efforts will be successful in providing the Company with adequate working capital to execute its business plan.

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### Conflicts of Interest.

The Company is or may be subject to various conflicts of interest. The Company does not have a fully independent management staff, and will be relying on its management for the day-to-day management and operations of the Company and the Company's assets. As such, certain employees may have conflicts of interest in allocating time, services and functions to the Company in deference to their other activities.

The Company's Secretary, a non-salaried position with the Company, is employed full-time in Nashville, Tennessee in a diverse business. The Secretary does not devote substantial time to the affairs of the Company.

The Parent Company has no full-time corporate officer serving as managerial staff except for its President and CEO, who devotes the majority of his business time and efforts to the management and direction of the Company. As such, there is not now, nor has there previously been considered to be, any material conflict of interest on his part.

The Company has no other full-time corporate officer except for its President and CEO, who devotes the majority of his business time and efforts to the management and direction of the Company and its subsidiaries. The President and CEO of the Company also serves as a director of the Company as well as having served as an officer and director of the Company's subsidiary corporations. Service in those capacities with the subsidiaries is not considered to constitute a conflict of interest on the part of employees, managers, or directors. The Company's President and CEO continues to serve in those capacities as of September 30, 2013. As such, there is not now, nor has there previously been considered to be, any material conflict of interest on his part. However, the CEO of the Company may reasonably be expected to have or gain other affiliations, associations, or ownership interests in other entities which could under certain conditions be considered to be conflicts of interest.

Investment in the Company will not carry with it the right to invest in any other property or venture of the CEO or other officers, employees, and directors of the Company.

### Item 4T. Controls and Procedures

#### Management's Report on Internal Control over Financial Reporting

As is typical with most similar type enterprises, our control processes are oriented toward operations, and production of financial statements reflects an outgrowth of operations and results of those operations. Internally, financial statements are a management tool to evaluate the operations and not an end of those operations. We closely monitor the daily results of our cash position and attempt to make certain that our cash position is adequate for the foreseeable future. Our financial statements are generated as part of the reporting on our operations, one metric of our operations, and as part of our obligations as a public entity.

Management, including our Chief Executive Officer who acts as our Chief Financial Officer, does not expect that our disclosure controls and procedures will prevent all errors and fraud, and our present efforts are oriented on improving the availability and thoroughness of information to management and its efficient reduction to generate financial statements. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. Further, the design of a control system must reflect the fact that there are resource constraints, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. 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's override of the 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, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.



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Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Exchange Act reports, such as this report on Form 10-Q, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, particularly our Chief Executive Officer, to allow timely decisions regarding operations and required disclosure.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of our management, particularly our chief executive officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework set forth in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's Securities Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer who acts as our Chief Financial Officer to allow timely decisions regarding required disclosure. During the 90-day period prior to the date of this report, an evaluation was performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures to provide reasonable assurance of achieving their objective pursuant to Exchange Act Rule 13a-14. Based upon that evaluation, the Chief Executive Officer concluded that the Company's disclosure controls and procedures were not effective as of September 30, 2013.

Changes in Internal Control over Financial Reporting

During the third quarter of 2013 the Company did not make changes in its internal control.

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PART II. OTHER INFORMATION

Item 5. Other Information.

Amendment to the Original Filing of This Form 10-Q

The Company's management has now deemed as inaccurate the Consolidated Balance Sheets, Consolidated Statement of Operations, and Consolidated Statement of Cash Flows for the three months and nine months ended September 30, 2013 as originally filed on November 19, 2013 as a result of changes in valuation of assets acquired on July 10, 2013 to reflect fair values.

Users of this Form 10-Q/A are encouraged to not rely on the information contained in the original Quarterly Report on Form 10-Q for the period ended 9-30-2013, but rather should rely upon this Amended Form 10-Q for the same period and on the Annual Report on Form 10-K for the year ended 12-31-2013, which is also inclusive of the period covered herein. As such, the Company has no current plan to address this deficiency beyond the filing of this amended report.

Appointment of New Directors

At the July 8, 2013 meeting of the Company's Board of Directors, four new directors were appointed to serve beginning on September 1, 2013 and continuing until standing for election at the next Annual Meeting of Shareholders. Two of those directors had previously served on the Company's Board of Directors until September 29, 2011, and were reappointed to the board on July 8, 2013. The other two directors had not previously served with the Company, and were appointed to begin service on September 1, 2013. The four new directors are:

Dr. David L. Sadler, age 65 (his first appointment to the Board of Directors). Since 1987, Dr. Sadler has served as a Partner in a private practice of Cardiothoracic and Vascular Surgery in Longview, Texas. Born, reared and educated in Texas, Dr. Sadler co-founded the Cardiovascular and Thoracic Surgery programs at two Longview, Texas hospitals where he has practiced for the past twenty years. He also co-founded Longview Thoracic and Cardiovascular Associates of Longview, Texas where he is a Managing Partner. Dr. Sadler received his Bachelor of Science from Texas A&M University in 1970 and served his General and Vascular Surgery Residency along with his Cardiovascular and Thoracic Residency at Parkland Memorial Hospital in Dallas, Texas. Dr. Sadler received his Doctor of Medicine degree from the University of Texas Southwestern Medical School in Dallas, Texas in 1974. Dr. Sadler currently serves as the Chairman of the Board of Directors of Natural Citrus Products Corporation and is a Managing Member of Alarma Patents, LLC. In an 8-K dated June 13, 2014 the Company sadly announced the untimely passing on June 2, 2014 of Dr. Sadler from natural causes.

Dan L. Rigdon, Age 64 (his first appointment to the Board of Directors). Dan Rigdon has served as Senior Pastor and most recently, Pastor Emeritus, in the Dallas Metroplex for the past 32 years and has held numerous officer and director positions with a variety of organizations. At the age of 24, Reverend Rigdon was elected Executive Vice President of Christian Life College in Stockton, California after which he was elected Director of Promotions and Publications for the Youth Division of the United Pentecostal Church International ("UPCI"). Following that assignment, Reverend Rigdon was elected to the position of General Youth Secretary of UPCI, an organization of more than 9,800 ministers, ultimately being elected to General Youth President of that organization. Following his tenure as General Youth President of UPCI, Reverend Rigdon was elected President of Christian Life College, Stockton, California. Reverend Rigdon was also a major contributor in the envisioning and formation of "Compassion Services International", serving as a driving force in the development of its philosophy and scope of endeavor and served as Chairman of its first Board of Directors in the early 1980's. For the past six years Reverend Rigdon has served on the Board of Directors of Natural Citrus Products Corporation.

Danny R. Gibbs, age 56 (reappointed to the Board of Directors). Mr. Gibbs was President of Gibbs Construction, Inc. from its inception in October of 1984 until April of 2000. He was a charter member of the Company's Board of Directors from its formation in 1984 until 2000, and in 2007, Mr. Gibbs agreed to serve on Acacia's board, where he served until December of 2011. The Company is pleased to welcome Mr. Gibbs' return to its Board of Directors as he brings decades of experience in the public domain. From 2000 through 2003, Mr. Gibbs served as Senior Project Manager for TOC Companies in the Dallas, Texas area. From the beginning of 2004 through the present, he has served in a similar capacity with Dimensional Construction, Inc. Both companies were located in Garland, Texas where Mr. Gibbs resides with his family. Mr. Gibbs previously served on the Company's board of directors when it was operated as Gibbs Construction, Inc. from 1984 through 2000, and under Acacia Automotive, Inc. from February 1, 2007, through September 29, 2011.

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V. Weldon Hewitt, age 75 (reappointed to the Board of Directors). Mr. Hewitt was originally appointed to the Company's Board of Directors on February 1, 2007, and served until December of 2011. Mr. Hewitt has served as President and CEO of Hewitt Marketing since 1985, where he has been instrumental in establishing numerous OEM supplier contracts providing radios and other media devices and electronics, mobile cellular telephones, power-actuated equipment and accessories to many major vehicle manufacturers. Prior to that time, Mr. Hewitt founded and served as CEO of a manufacturing concern with annual sales of more than \$20 Million in audio sound systems for the luxury car market. His extensive experience in providing a wide variety of products and services to the automotive industry spans more than four decades. Mr. Hewitt resides near Louisville, Kentucky with his family. Mr. Hewitt previously served on the Company's board of directors under Acacia Automotive, Inc. from February 1, 2007, through September 29, 2011.

Mr. Steven L. Sample, age 66, will continue to serve as the Company's President, CEO, and Chairman of the Board of Directors, positions he has held continuously since June 25, 2006.

Submission of Matters to a Vote of Security Holders

On July 26, 2012, a majority of the shareholders of the Company entered into a series of Written Consent Resolutions in Lieu of a Special Meeting of Shareholders. These included: (i) the shareholders of the Company voted to change the name of the Company to Acacia Diversified Holdings, Inc., which name became effective on October 18, 2012; (ii) the shareholders of the Company authorized and approved the sale of certain assets of the Company's Augusta Vehicle Auction, Inc. to Southern Vehicle Auctions, Inc.; (iii) the shareholders of the Company approved an amendment to the Company's Articles of Incorporation as to conform with the newly enacted Texas Business Organizations Code; (iv) the shareholders of the Company voted to authorize to update and extend the Company's Acacia Automotive, Inc. 2007 Stock Incentive Plan and to rename it the Acacia Diversified Holdings, Inc. 2012 Stock Incentive Plan; (v) the shareholders of the Company voted in favor of extending the employment contract of the Company's CEO for an additional two years; and finally, (vi) the shareholders of the Company authorized the Secretary of the Company to take those steps reasonably necessary for effectuating the foregoing resolutions. These matters are more particularly described in the Company's Current Report on Form 8-K filed August 27, 2012.

Item 6. Exhibits

Exhibit

Number Exhibit Description

31.1 Certification Pursuant To 18 U.S.C. Section 1350 As Adopted Pursuant to Section 302 of Sarbanes-Oxley Act Of 2002

32.1 Certification Pursuant To 18 U.S.C. Section 1350 As Adopted Pursuant to Section 906 of Sarbanes-Oxley Act Of 2002

101.INS XBRL Instance Document

101.SCH Taxonomy Extension Schema Document

101.CAL Taxonomy Extension Calculation Linkbase Document

101.DEF Taxonomy Extension Definition Linkbase Document

101.LAB Taxonomy Extension Label Linkbase Document

101.PRE Taxonomy Extension Presentation Linkbase Document

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SIGNATURES

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

Acacia Diversified Holdings, Inc.

Date: MAY 20, 2015

By: /s/ Steven L. Sample  
Steven L. Sample  
Chief Executive Officer and  
Principal Financial Officer

