

Blue Earth, Inc.
Form 424B3
May 26, 2015

Registration Statement No. 333-202973

Filed pursuant to Rule 424(b)(3)

PROSPECTUS

20,250,038 Shares

BLUE EARTH, INC.

Common Stock

This prospectus relates to the resale of an aggregate of 20,250,038 shares of common stock that may be offered and sold from time to time by the selling stockholders named in this prospectus.

The selling stockholders and their permitted transferees may offer and sell the shares from time to time at market prices in negotiated transactions or otherwise. The timing and amount of any sale are within the sole discretion of the selling stockholders. The selling stockholders may sell the shares directly or through underwriters, brokers or dealers. The selling stockholders will pay commissions or discounts to underwriters, brokers or dealers in amounts to be negotiated prior to the sale. We will not receive any of the proceeds from the sale of the shares by the selling stockholders. See Plan of Distribution on page 14 for more information on this topic.

Our common stock is listed on the Nasdaq Capital Market and trades under the symbol **BBLU**. The closing price of our common stock on the Nasdaq Capital Market on May 22, 2015 was \$1.51 per share.

Investing in our securities involves a high degree of risk, including those contained or incorporated by reference herein described under Risk Factors beginning on page 10 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is May 26, 2015.

TABLE OF CONTENTS

	Page
<u>ABOUT THIS PROSPECTUS</u>	3
<u>PROSPECTUS SUMMARY</u>	4
<u>RISK FACTORS</u>	10
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION</u>	11
<u>USE OF PROCEEDS</u>	11
<u>SELLING STOCKHOLDERS</u>	11
<u>MATERIAL RELATIONSHIPS WITH SELLING STOCKHOLDERS</u>	13
<u>PLAN OF DISTRIBUTION</u>	14
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	16
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	16
<u>LEGAL MATTERS</u>	17
<u>EXPERTS</u>	17

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the SEC for selling stockholders. Under this process, the selling stockholders may sell the securities described in this prospectus in one or more offerings. This prospectus does not contain all of the information included in the registration statement. The registration statement filed with the SEC includes exhibits that provide more details about the matters discussed in this prospectus. You should carefully read this prospectus, the related exhibits filed with the SEC, together with the additional information described below under the headings **Where You Can Find More Information** and **Incorporation by Reference**.

You should rely only on the information contained or incorporated by reference in this prospectus. We have not, and the selling stockholders have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Our business, financial condition, results of operations and prospects may have changed since those dates.

No dealer, salesperson or other person has been authorized to give any information or to make any representations other than those contained or incorporated by reference in this prospectus or any accompanying prospectus supplement in connection with the offer made by this prospectus or any accompanying prospectus supplement and, if given or made, such information or representations must not be relied upon as having been authorized by Blue Earth, Inc. or any such person. Neither the delivery of this prospectus or any accompanying prospectus supplement nor any sale made hereunder and thereunder shall under any circumstances create an implication that there has been no change in the affairs of Blue Earth, Inc. since the date hereof. This prospectus or any accompanying prospectus supplement does not constitute an offer or solicitation by anyone in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

An investment in our securities involves certain risks that should be carefully considered by prospective investors. See **Risk Factors**.

You should read this prospectus and any prospectus supplement as well as additional information described under **Incorporation of Certain Documents by Reference** and **Where You Can Find More Information**, each on page 16.

PROSPECTUS SUMMARY

The following summary highlights information contained elsewhere in our reports filed with the SEC and incorporated herein by reference. This summary may not contain all of the information that may be important to you. You should read our periodic reports, as well as our Registration Statement on Form S-1 (No. 333-189937) (the "S-1 Registration Statement"). In this prospectus, unless otherwise noted, the terms "the Company," "we," "us," and "our" refer to Blue Earth, Inc., and its subsidiaries, Blue Earth Tech, Inc., Blue Earth Solar, Inc. (f/k/a Xnergy), Blue Earth Energy Management Services, Inc. (f/k/a Castroville, Inc.), Blue Earth Generator, Inc. (f/k/a Blue Earth Energy Management, Inc.), Blue Earth Finance, Inc., Ecolegacy Gas & Power, LLC, Blue Earth CHP, Inc. (f/k/a IPS Power Engineering, Inc.), Blue Earth Power Performance Solutions, Inc. (f/k/a Intelligent Power Inc.), Blue Earth Energy Power Solutions, LLC (f/k/a Millennium Power Solutions, LLC), Blue Earth Capital, Inc., as well as Genesis Fluid Solutions Holdings, Inc., our former name.

Company Overview

Blue Earth, Inc. and its subsidiaries (the "Company") is a comprehensive provider of energy efficiency and alternative/renewable energy solutions for small and medium sized commercial facilities and industrial facilities. The Company also owns, manages and operates independent energy generation systems constructed in conjunction with these services.

The Company has expanded its comprehensive energy solutions offerings through strategic acquisitions of companies that have been providing energy solutions to an established customer base or have developed a proprietary technology that can be utilized by our customers to improve equipment reliability, reduce maintenance costs and provide a better overall operating environment. The acquired companies' operational activities are being conducted through the following six business units: Blue Earth Solar; Blue Earth CHP; Blue Earth EMS; Blue Earth PPS; Blue Earth Capital and Blue Earth EPS. Blue Earth EMS, Blue Earth EPS and Blue Earth PPS are part of the Energy Efficiency and Technology operating segments. Blue Earth Solar and Blue Earth CHP are part of the Construction operating segments. As energy sales come online from facilities owned and built by the Company's Blue Earth Solar or Blue Earth CHP business units, a third operating segment is expected to be introduced. The primary strategic objective for the respective business units is to provide services which establish and build brand awareness about the comprehensive energy efficiency and alternative/renewable solutions provided by the Company to its existing and future customers.

The Blue Earth Solar unit of the Company has built and owned a 500,000 watt solar powered facility on the Island of Oahu, Hawaii, which it sold in 2014. Blue Earth Solar has also bought and sold the Lenape II solar project in Indianapolis, Indiana and is acting as the engineering, procurement and construction (EPC) contractor for the latter project. It has also built, operates and manages seven solar powered facilities in California and is designing and permitting numerous other projects. Our turnkey energy solutions enable our customers to reduce or stabilize their energy related expenditures and lessen the impact of their energy use on the environment. Our

services offered include the development, engineering, construction, operation and periodic warranty maintenance and in certain cases, financing of small and medium scale alternative/renewable energy plants including solar photovoltaic (PV), Combined Heat and Power (CHP) or on-site cogeneration. See Corporate Strategy below. Although the Company has a limited operating history and limited revenues in comparison to the size of the projects it has undertaken, as a result of the Company's acquisitions, it is staffed with personnel experienced in Solar and CHP.

The Blue Earth CHP unit builds, owns, operates and/or sells the energy plants or builds them for the customer to own. As we continue to expand our core energy services business as an independent energy producer, we intend to sell the electricity, hot water, heat and cooling generated by the power plants that we own under long-term energy purchase agreements to utilities and long-term take or pay contracts to our industrial customers. The Company also intends to finance alternative and renewable energy projects through industry relationships. In the fourth quarter of 2014, Blue Earth CHP added personnel and facilities enabling it to develop, construct and maintain back-up generators and cogeneration systems in the New York metropolitan area. This broadens Blue Earth CHP offerings to include co-generation systems and back-up generators for commercial buildings in addition to the industrial manufacturing facilities already served by BE CHP.

The Blue Earth EMS unit provides our customers with a variety of measures to improve the efficiency of their facilities energy consumption by designing, developing, engineering, installing, operating, maintaining and monitoring their major building systems, including refrigeration, lighting and heating, ventilation and air-conditioning. We offer our utility customers energy efficiency programs, such as our proprietary Keep Your Cool® refrigeration program, adopted by many utilities in California, targeted to their small and medium-sized commercial customers. Our utility based, rate-payer incentive programs are designed to help commercial businesses use less energy through the upgrade of existing equipment with new, more efficient equipment that helps reduce demand for electricity, lower energy bills and also enable utilities to satisfy state-mandated energy reduction goals. In addition to designing and administering the utility program, we perform the technical audits, sell the program to the commercial customer and in most instances, provide the installation of the equipment. The Company also provides refrigeration and HVAC service to many San Francisco Bay area and San Diego area customers.

Proprietary technologies owned by the Company are the PeakPower® System (Blue Earth PPS unit) and the UPStealth® System (Blue Earth EPS unit). The PeakPower® System is a patented demand response, cloud based technology, that allows remote, wireless monitoring of refrigeration units, lighting and heating, ventilation and air conditioning with a potential market of thousands of facilities, such as super markets and food processing, restaurants and C-stores, drug and discount stores. The Company is making some system changes before a commercial roll out. The technology enables the Company's business unit, Blue Earth PPS, to provide energy monitoring and control solutions with real-time decision support to protect our customers' assets by preventing costly equipment failures and food product losses. Our PeakPower® System also serves as a platform to enter into long-term services agreements that allow most types of refrigeration equipment failures to be predicted, thereby enabling preventive servicing based on need rather than periodic, unscheduled and costly service calls.

Management believes based on its knowledge of the industry, that the patent pending UPStealth® System is the only energy efficient, nickel zinc digital battery backup management system designed to power signalized traffic intersections during loss of utility power. This system has been tested, approved and installed in several cities and municipalities throughout the United States. The Company intends to use the proprietary PowerGenix nickel zinc batteries, described below, to produce intelligent digital nickel zinc storage systems, using the Company's proprietary intellectual property. The UPStealth® System is a nickel zinc battery backup system designed as an alternative to lead-acid battery backup systems, enabling the Company's business unit, Blue Earth EPS, to provide its customers with an environmentally friendly product that is completely recyclable with no issues of hazardous out-gassing, corrosion, flammable or explosive characteristics.

The innovative UPStealth® nickel zinc battery backup management system can be formed in various configurations that allow the intelligent battery to bend around corners and fit into spaces that cannot be accessed by traditional battery backup systems. Compared to lead-acid battery backup systems, the total cost of ownership for the UPStealth® nickel zinc battery system is typically less, requires less maintenance, performs several years longer, and eliminates costly hazardous disposal issues. There are several other market verticals where we believe both of our proprietary technologies can be applied, separately, or in combination, as a viable, cost effective solution, as described below under Corporate Strategy.

Corporate Strategy

Our strategic objective is to provide our customers with turnkey energy solutions and help them identify and maintain low cost or even no cost savings opportunities to reduce or stabilize their energy related expenditures and lessen the impact of their energy use on the environment.

Key components to our corporate strategy include the following:

Our primary focus in the near term is expected to be organic growth within our construction operating segment, which includes combined heat and power (CHP), solar engineering, procurement, and construction (Solar EPC) and our energy efficiency (EE)/technology operating segment; although we continue to evaluate and consider strategic acquisition opportunities. Our organic growth focus in each of these areas is summarized as follows.

1) CHP or Cogeneration: Our business model is to construct and own, on a customer's site under a long term lease, CHP or cogeneration systems, selling the thermal power to the customer and the electricity to the customer and the utility grid under long term power purchase agreements (PPAs). We have targeted initially large companies within the food-processing sector. The Company is currently building an energy plant which we are designing, building, owning and operating for JBS Food Canada, (JBS) a wholly-owned subsidiary of JBS USA Holdings Inc., a large U.S. and international protein provider. The energy plant is built on land leased from the host and the thermal and electric power is to be sold to the host under long term PPA's with electricity sold to the local utility in certain cases. On August 28, 2014, the Company announced it had signed an energy purchase agreement and land lease agreement with JBS in Brooks, Alberta, Canada to design, build, finance, own and operate a \$29 million cogeneration energy facility which the Company expects to commence operations in 2015. The PPA agreements with our customers will be on a take or pay basis at a guaranteed discount rate from what they currently pay to their local utility providers.

Effective December 1, 2014, Blue Earth, Inc. through its subsidiary, Sumter Heat & Power, LLC, a Nevada limited liability company, entered into an energy purchase agreement and land lease to engineer, design, build, finance, construct, own and operate a co-generation energy plant to be located at Pilgrim's Pride Corporation's (Pilgrim's Pride) facility in Sumter, South Carolina. Pilgrim's Pride agreed to purchase thermal energy from this CHP facility. Pilgrim's Pride is a subsidiary of JBS Holdings Inc., and is one of the largest chicken producing companies in the world. This is Blue Earth's initial energy plant and which was energized on March 30, 2015 and Blue Earth became an Independent Power Producer.

Blue Earth's, Sumter, South Carolina, co-generation energy facility will utilize methane made from Pilgrim's Pride's digester for useful purposes such as hot water, electricity generation, as well as useable gas that can be used in the plant boilers. Insulated hot water storage tanks will also be part of the project to upgrade the current thermal system. Currently the methane is flared off into the environment. This system supports the sustainability efforts of Pilgrim's Pride. All electrical energy generated by the co-generation facility will be sold to Duke Energy under a power purchase agreement.

In December 2013, and the first quarter of 2014, the Company ordered generators, costing approximately \$7.8 million for several energy plants for which the total cost is expected to be approximately \$32 million. The Company made the equipment installment payments and construction costs from cash on hand. The Company raised equity to build its first energy plants through an aggregate of approximately \$24 million warrant exercise from June 2013 to September 2014. In November 2014, the Company sold \$10 million of equity to fund capital expenditures and other operating expenses in connection with its CHP and solar projects. The Company will install, own and operate the systems at Alberta, Canada and Sumter, South Carolina selling thermal and electric power to the customer under ten year power purchase agreements with provisions for ten year extensions. The electricity generated from the energy plants is sold to the host and/or utilities on power purchase agreements. The units modular, so construction is primarily assembly. The Company employs large engineering companies for selected engineering and procurement activities as budgeted and planned. The EPC contractor for Alberta is DCO Energy, as described below, and the EPC contractor for Sumter is Stellar Energy.

The purpose of the Company's 2013 acquisition of IPS Engineering Inc. (IPS) and Global Renewable Energy Group Inc. (GREG) now known as BE CHP, was to acquire the plans and development of the above described CHP projects and the relationship with the customer. As a result of this acquisition, the percentage of the Company's total assets represented by construction in progress assets of \$46,290,402 at December 31, 2013 and \$56,022,580 at December 31, 2014, was approximately 54% and 55%, respectively. The Company recognized revenues of \$11,444 and a net loss of \$319,931 for the year ended December 31, 2013 and \$0-, and \$704,029 for the year ended December 31, 2014, from Blue Earth CHP.

2) Solar EPC: Our initial strategy was to joint venture with under-financed solar developers in order to gain EPC gross margins that exceed the 8-12% common within the industry. However, a new solar management team was installed by the Company starting in February 2014 and based on their experiences the Company's focus has shifted to also include larger utility scale projects. The Company has constructed seven (7) solar projects in California, and is designing and permitting numerous other projects, including many solar projects in Hawaii. The Company has also signed a letter of agreement that provides the Company with the exclusive rights to acquire six projects in Mexico, totaling 273 MW's that are in various stages of development. Four of the projects are utility scale solar projects (totaling 105 MWs) and two are utility scale wind projects (168 MWs). Under the Agreement, if the transaction closes following due diligence, of which there is no assurance, the Company will issue shares of common stock and enter into a project development agreement for \$2.5 million in cash.

On July 2, 2014, Lenape II Solar LLC, a Nevada limited liability company and wholly owned subsidiary of BE Solar (the Lenape II Sub) entered into a definitive asset purchase agreement with New Generation Power LLC (NGP) to acquire the Lenape II solar project in Indianapolis, Indiana. On November 3, 2014, the Lenape II Sub entered into a Lease Agreement for the purpose of constructing and operating a solar photovoltaic array and associated solar equipment at the property located in Indianapolis. On December 30, 2014, BE Solar sold all of the Membership Interests of the Lenape II Sub to NRG Solar DG, LLC. Under the transaction, BE Solar will act as the EPC for the project which will be a 4.7 MW dc PV generating facility. The Company has valued the combined return under the sale of assets and the EPC Agreement to be approximately \$12.3 million.

Historically, the Company's solar PV project pipeline for generating EPC revenue was large and generally not realized for various reasons, including site control, permitting, engineering, interconnect, and an inability to obtain project financing. The Company's current solar management team has significant experience in converting pipeline into backlog and completing projects and is focused on completing several projects in Hawaii, continuing construction on the approximate \$12M Lenape project in Indiana and acquiring and seeking to develop utility scale projects, primarily in Mexico, as set forth above. From the September 26, 2011 acquisition of BE Solar through December 31, 2013, the Company recognized total revenues of approximately \$14,678,092 and approximately \$9,001,110 during 2014.

Our executive offices are located at 2298 Horizon Ridge Parkway, Suite 205, Henderson, NV 89052. Our telephone number is (702) 263-1808.

Private Placements

PowerGenix Systems, Inc.

The Company and PowerGenix Systems, Inc. (PowerGenix) entered into an Equity Exchange Agreement dated October 27, 2014, a copy of which has been filed as Exhibit 10.2 to the Company's Form 8-K filed on October 31, 2014. In exchange for 13,873,168 shares of PowerGenix Series C Preferred Stock issued under a Series C Preferred Stock Purchase Agreement, the Company issued 3,729,604 restricted shares of Blue Earth common stock with a value of \$8 million based on the ten-day average closing price of Blue Earth common stock immediately preceding the October closing. The resale of Blue Earth common stock is subject to the terms and conditions of lock-up/leak-out agreement.

There were no underwriters or placement agents involved in the transaction. Exemption from registration is claimed under Section 4(a)(2) of the Securities Act of 1933 based on representations and warranties made by PowerGenix in the Equity Exchange Agreement. No placement agent or underwriter was involved in the transaction and no sales commissions were paid.

In privately negotiated transactions not involving the Company, Helen Thomas, the wife of Johnny R. Thomas, the Company's Chief Executive Officer, purchased 89,286 shares from PowerGenix and Manzano Limited Partnership, an entity formed by Johnny R. Thomas, for estate planning purposes, purchased 89,286 shares. Dr. Thomas disclaims beneficial ownership of all of the foregoing shares, all of which are registered for resale hereby. In April and May 2015, PowerGenix sold an aggregate of 1,476,923 shares of common stock to David J. Lies, a principal stockholder of the Company, in privately negotiated transactions not involving the Company. See Selling Stockholders.

TCA Global Credit Master Fund, L.P.

On February 24, 2015 the Company and each of the Company's wholly-owned subsidiaries and TCA Global Credit Master Fund, LP (the Lender) entered into a Second Amendment to Credit Agreement, originally entered into as of January 31, 2013, but effective February 22, 2013 (the Amended Credit Agreement), dated as of February 24, 2015. Under the terms of the Amended Credit Agreement, the Lender has committed to lend a total of \$4,000,000 to the Company. On February 24, 2015, the Company borrowed \$3 million (the Loan) under a Replacement, Amended and Restated Promissory Note (the Note).

The Note accrues interest at the rate of twelve (12%) percent per annum, with interest commencing on April 1, 2015 and monthly thereafter through and including July 1, 2015. A principal payment of \$1 million is due on the earlier of July 1, 2015 or the closing of the sale of the Maili facility. The remaining loan shall be amortized with payments commencing on August 1, 2015 and monthly thereafter. The Loan may be prepaid at any time by the Company. The proceeds from the Loan will be used by the Company to fund, in part, (i) completion of the solar facility being built by Maili for Sun Financial, LLC, and (ii) completion of the combined heat and power (CHP) plant being built by Sumter for Pilgrim's Pride Corporation. The Loan is secured by (i) all of the capital stock of Sumter and all income associated therewith; (ii) the Company's interest under a Membership Interest Purchase Agreement for the sale of the capital stock of Maili to Sun Financial, LLC; and (iii) 400,000 shares of newly issued Series D Convertible Preferred Stock solely convertible in the event of a default in payment. A copy of the Amended Certificate of Designation of the Rights, Preferences, Privileges and Restrictions of Series D Convertible Preferred Stock, is filed as an exhibit to the Company's Form 8-K filed on May 20, 2015.

As described below, under Nasdaq Determinations, Nasdaq issued a determination letter to the Company that it was in violation of Nasdaq Marketplace Rule 5635(d) requiring stockholder approval for private issuances of common stock equal to 20% or more of the outstanding voting power of the Company. Notwithstanding the Loan had a 20% limitation, there was no limitation on the number of shares issuable upon conversion of the Series D preferred stock serving as collateral. Nasdaq issued the determination letter below because it aggregated the transaction with TCA with the two other transactions and the Jackson Investment Group, LLC, an unaffiliated lender. On May 14, 2015, the Company and TCA amended the TCA Loan to limit the number of shares issuable upon conversion to 2,500,000 shares which is the \$3 million loan converted at the \$1.20 per market share price at the time of the Loan in order to cure the deficiency.

In connection with the Amended Credit Agreement, the Company entered into an Advisory Agreement pursuant to which the Company agreed to pay an Advisory Fee of \$300,000, payable in three equal installments of \$100,000 between August 24, 2015 and February 24, 2016. The issuance of the Series D Preferred Stock to TCA was exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the Securities Act) based upon the representations and warranties made by TCA in a Subscription Agreement. No placement agent or underwriter was involved in the transaction and no sales commissions were paid.

Jackson Investment Group

On March 10, 2015, the Company entered into a Note and Warrant Purchase Agreement, pursuant to which Jackson Investment Group, LLC (Jackson), a principal shareholder of the Company, purchased a \$10 million 12% Senior Secured Convertible Note (the Loan). The Note, as amended on May 13, 2015, is due September 10, 2015 (Maturity), however, may be prepaid without any premium. Interest at the rate of 12% per annum shall accrue from the date of issuance and be payable at Maturity in cash, or at Jackson s sole option, in shares of Common Stock at a conversion rate of \$1.02 per share. The Note is secured by all of the capital stock and assets of the Company and its subsidiaries (who have also guaranteed payment of the Note), except for two subsidiaries, Maili PV 01, LLC and Sumter Heat & Power LLC, which collateral was pledged to TCA Global Credit Master Fund, L.P. on February 24, 2015, as described above. The proceeds from the Loan will be used for funding the continuing construction of the Company s Brooks, Alberta Canada (Brooks) combined heat and power (CHP) energy plant and for working capital purposes.

Jackson has agreed, solely with respect to Brooks, to permit secured indebtedness in an aggregate principal amount not to exceed \$16,300,000 to be secured by a first priority Lien in favor of a senior lender on the Brooks Project provided that (i) any lien in favor of a senior lender shall apply only to assets comprising the Brooks Project, and (ii) any lien subordination documentation in favor of a senior lender shall be acceptable in form and substance satisfactory to Jackson. The Note is convertible at any time before Maturity at \$1.02 per share, into shares of Common Stock of the Company. Solely to the extent the Note is not converted prior to maturity, Jackson has an option (the Option) to purchase up to 9,803,922 shares at \$1.02 per share for six (6) months commencing upon repayment of the Note. Jackson also received 200,000 shares of the Company's common stock as a commitment fee and a warrant (the Warrant) to purchase 2,000,000 shares at \$1.00 per share ending March 10, 2020.

The issuance of (i) up to 10,392,158 shares of common stock upon the conversion of the Note (including accrued interest) and/or the Option; (ii) 2,000,000 shares of common stock upon exercise of the Warrant; and (iii) 200,000 shares of common stock as a commitment fee were all exempt from registration pursuant to Section 4(a)(2) of the Securities Act based on the representations and warranties made by both parties in the Note and Warrant Purchase Agreement, a copy of which was filed as an exhibit to the Company's Current Report on Form 8-K filed on March 13, 2015. The Global Amendment to the Note, Option and Warrant was filed as an exhibit to the Company's Current Report on Form 8-K filed on May 20, 2015. No placement agent or underwriter was involved in the transaction and no sales commissions were paid. An additional 1,428,276 shares being sold pursuant to this prospectus were purchased by Jackson in the open market.

The March 19, 2015 Nasdaq determination letter described above aggregated the March 10, 2015 loan transaction with Jackson with its prior purchase of common stock in November 2014, as well as the TCA Loan, as all occurred within six months of each other. The above described Jackson loan contained a 20% limitation on the shares which could be issued to Jackson. However, at the time of closing of this transaction, the market value of the common stock was \$1.00 per share and the book value was \$1.02 per share. The Company and Jackson amended the Jackson loan to revise the note conversion price and the option and warrant exercise price from \$1.00 to \$1.02 per share in order to cure the deficiency.

Nasdaq Determinations

We are subject to the Nasdaq Marketplace Rules because our Common Stock is quoted on the NASDAQ Global Market (Nasdaq). Nasdaq Marketplace Rule 5635 (d) (Rule 5635 (d)) requires stockholder approval for transactions other than a public offering involving the sale, issuance, or potential issuance by a company of common stock (or securities convertible into or exercisable for common stock) equal to 20% or more of the common stock, or 20% more of the voting power outstanding before the issuance for less than the greater of book or market value of the stock.

Nasdaq determined in its March 19, 2015 Determination Letter that the Company was in violation of Rule 5635 (d) because it aggregated the November 26, 2014 purchase of 10,000,000 shares of common stock shares by Jackson which comprised only approximately 12.5% of the issued and outstanding common stock of the Company prior to

such issuance with the Company's subsequent TCA loan and Jackson loan, because the 10,000,000 shares were sold to Jackson at \$1.00 per share when the Company's book value was \$1.06 per share and the market value of the Company's Common Stock was \$1.11 per share.

On May 18, 2015, Nasdaq determined that the Company had regained compliance with Rule 5636(d). As a result of the foregoing amendments to the TCA Loan and the March 2015 Jackson Loan, Nasdaq determined not to aggregate all three transactions for purposes of the Rule. The November 2014 Jackson transaction and the February 2015 TCA transaction would still be aggregated for purposes of the Rule, but would not exceed 20% of the Company's pre-transaction total common shares outstanding (prior to the first issuance to Jackson in November 2014) at a discount to market price. Moreover, the March 2015 Jackson transaction is now priced at book value, and as a result, not subject to the Rule.

The Offering

This prospectus relates to the sale by certain selling stockholders of up to 20,250,038 shares of our common stock, as described on the cover page of this Prospectus.

Offering Price Market price or privately negotiated prices.

Common Stock 93,836,058 shares, \$.001 par value (1)
Outstanding

Use of Proceeds We will not receive any proceeds from the sale of the common stock by the selling stockholders. We will receive up to \$2,040,000 from the full exercise of Warrants held by Jackson Investment Group, LLC.

NASDAQ BBLU
Symbol

Risk Factors The common stock offered hereby makes a high degree of risk and should not be purchased by investors who cannot afford the risk of their entire investment. You should carefully consider the information set forth in this prospectus and, in particular, the specific factors set forth in the Risk Factors section and incorporated herein by reference, as described below, before deciding whether or not to invest in our common stock.

(1) Represents the number of shares of our common stock outstanding as of May 6, 2015.

RISK FACTORS

Investing in our securities involves a high degree of risk. Please see the risk factors under the heading Risk Factors beginning on page 26 in our Annual Report on Form 10-K for the year ended December 31, 2014, as amended, on file with the SEC, which are incorporated by reference herein. Before making an investment decision, you should carefully consider these risks, as well as other information we include or incorporate by reference in this prospectus and any prospectus supplement or amended registration statement in our periodic filings with the SEC subsequent to our most recent reports which are incorporated by reference herein. The risks and uncertainties we have described are not the only ones facing our Company. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business operations.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus, and the documents we incorporate by reference in this prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). All statements, other than statements of historical facts, that we include in this prospectus, and in the documents we incorporate by reference in this prospectus, may be deemed forward-looking statements for purposes of the Securities Act and the Exchange Act, including, in particular, the statements about our plans, objectives, strategies and prospects regarding, among other things, our financial condition, operating results and business.

We use the words anticipate, believe, estimate, target, project, expect, intend, may, plan, will, could, anticipate, feel, confident, predict, forecast, potential, and similar expressions to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We cannot guarantee that we actually will achieve the plans, intentions or expectations disclosed in our forward-looking statements and, accordingly, you should not place undue reliance on our forward-looking statements. There are a number of important factors that could cause actual results or events to differ materially from the forward-looking statements that we make, including the factors included in the documents we incorporate by reference in this prospectus. In particular, you should review the risks described under the heading Risk Factors and the statements under and the heading Special Note Regarding Forward-Looking Statements in our annual report on Form 10-K for the year ended December 31, 2014, which are incorporated herein by reference in their entirety, and any amendment or update thereto reflected in subsequent filings with the SEC, and all other annual, quarterly and other reports that we file with the SEC after the date of this prospectus and that also are incorporated herein by reference. You should read these factors and the other cautionary statements made in the documents we incorporate by reference as being applicable to all related forward-looking statements wherever they appear in this prospectus, any prospectus supplement, and any document incorporated by reference. We caution you that we do not undertake any obligation to update forward-looking statements made by us.

USE OF PROCEEDS

We are registering these shares in order to satisfy registration rights we have granted to the selling stockholders. The shares of common stock to be offered and sold pursuant to this prospectus will be offered and sold by the selling stockholders. We will not receive any proceeds from the sale of the shares of common stock by the selling stockholders. We will receive up to \$2,040,000 from the full exercise of Warrants held by Jackson Investment Group, LLC.

SELLING STOCKHOLDERS

The selling stockholders named in the table below may from time to time offer and sell pursuant to this prospectus and any applicable prospectus supplement the shares to which this prospectus relates. The selling stockholders may sell all, a portion or none of their shares at any time. The information regarding shares beneficially owned after the offering assumes the sale of all shares offered by the selling stockholders.

Each of the transactions by which the selling stockholders acquired their securities from us was exempt under the registration provisions of the Securities Act. The Shares of common stock referred to above are being registered to permit public sales of the shares, and the selling stockholders may offer the shares for resale from time to time pursuant to this prospectus. The selling stockholders may also sell, transfer or otherwise dispose of all or a portion of their shares in transactions exempt from the registration requirements of the Securities Act or pursuant to another effective registration statement covering those shares. We may from time to time include additional selling stockholders in supplements or amendments to this prospectus.

The table below sets forth certain information regarding the selling stockholders and the shares of our common stock offered by them in this prospectus. To our knowledge, subject to community property laws where applicable, each person named in the table has sole voting and investment power with respect to the shares of common stock set forth opposite such person's name. Beneficial ownership is determined in accordance with the rules of the SEC.

Name of Selling Stockholder (1)	Number of Shares	Number of	Shares of Common	
	of Common Stock	Shares of	Stock Beneficially	
	Beneficially	Common Stock	Owned After this	
	Owned Prior to	Being Offered	Offering	
	the Offering	Hereby	Number	Percent (2)
Jackson Investment Group LLC (3)	29,037,934(4)	14,020,434(5)	15,017,000	15.5%
PowerGenix Systems, Inc. (6)	2,074,109(7)	2,074,109(7)	-0-	-0-
Helen Thomas (8)	468,366	89,286	379,080	*
Manzano Limited Partnership(9)	834,286	89,286	745,000	*
TCA Global Credit Master Fund	2,500,000	2,500,000(10)	-0-	-0-
David J. Lies	8,804,128	<u>1,476,923</u>	7,327,205	7.8%
		Total	20,250,038	

* Less than 1% of the issued and outstanding shares of common stock.

(1)

Throughout this prospectus, when we refer to the selling stockholders, we mean the entities listed in the table above, as well as the pledges, donees, assignees, transferees, successors and others who later hold any of the selling stockholders' interests, and when we refer to the shares of our common stock being offered by this prospectus on behalf of the selling stockholders, we are referring to the 20,250,038 shares of our common stock being registered under this registration statement.

(2)

Calculated using 93,836,058 shares of our common stock outstanding as of May 6, 2015.

(3)

Richard L. Jackson, the sole manager and controlling owner of Jackson Investment Group LLC, has voting and dispositive power over these securities. The address of the stockholder is 2655 Northwinds Parkway, Alpharetta, Georgia 30089.

(4)

Includes (i) 9,803,922 shares issuable upon conversion of a six-month \$10,000,000 12% Senior Secured Convertible Note due September 10, 2015 (the Note) and 588,236 shares issuable upon payment of interest on the Note in lieu of

cash convertible at \$1.02 per share; and solely to the extent the Note is not converted prior to maturity, Jackson has the option to purchase up to 9,803,922 shares at \$1.02 per share for six (6) months commencing upon repayment of the Note, (ii) 2,000,000 shares issuable upon exercise of a Warrant which expires on March 10, 2020 at \$1.02 per share, (iii) 13,290,776 shares issued and outstanding; (iv) 1,677,500 shares of common stock issuable upon exercise of Class B Warrants at \$6.00 per Warrant each to purchase one share of common stock and one Class C Warrant exercisable at \$12.00, to purchase an aggregate of 1,677,500 shares of common stock for three years following issuance of the last Class C Warrant.

(5)

Consists of 9,803,922 shares issuable upon conversion of the Note and 588,236 shares issuable upon payment of interest on the Note in lieu of cash; 2,000,000 shares issuable upon exercise of the Warrant and an aggregate of 1,628,276 shares issued and outstanding, as set forth in Note (4) above.

(6)

Tod Higinbotham has voting and dispositive power over these shares. The address of this stockholder is 4275 Executive Square, Suite 1000, La Jolla, CA 92037.

(7)

These shares were sold to PowerGenix System, Inc. pursuant to an Equity Exchange Agreement dated as of October 27, 2014 and are subject to the terms and conditions of a Lock-Up/Leak-Out Agreement dated as of October 27, 2014, as amended.

(8)

Helen Thomas is the wife of Johnny R. Thomas, the Company's Chief Executive Officer, who disclaims beneficial ownership of these shares. Share ownership is as of May 14, 2014, as last reported.

(9)

An entity formed for estate planning purposes by Johnny Thomas, CEO of the Company, for which he disclaims beneficial ownership. Danny R. Thomas, Johnny Thomas's adult son who lives in his own household, has the power to vote and dispose of these shares held by Manzano Limited Partnership. Share ownership is as of May 14, 2014, as last reported.

(10)

Shares issuable solely upon a default under a Second Amendment to Credit Agreement dated as of February 24, 2015, pursuant to which TCA Global Master Fund (TCA) loaned the Company \$3,000,000. The conversion price for each share of Common Stock issuable upon conversion of Series D Convertible Preferred Stock is determined by dividing the amount of any monetary default by the average closing price of the Company's Common Stock for the ten (10) business days prior to the Company's receipt of a conversion notice, subject to a maximum of 2,500,000 shares in all events.

(11)

Includes 17,038 shares held by an IRA account which he controls and 8,787,090 shares held by Mr. Lies directly. Does not include: 1,778,760 shares issuable upon exercise of Class B warrants which Mr. Lies and the Company have entered into a Blocking Amendment to such warrants. Mr. Lies does not have the power to vote and dispose of shares under the blocking Amendment.

MATERIAL RELATIONSHIPS WITH SELLING STOCKHOLDERS

Except as set forth herein, none of the selling stockholders have had a material relationship with the Company within the past three years.

On October 27, 2014, Blue Earth, Inc. purchased \$10,000,000 of Series C Convertible Preferred Stock of PowerGenix Systems, Inc. (PowerGenix) in consideration of \$2,000,000 cash and \$8,000,000 of shares of Blue Earth common stock, or 3,729,604 shares valued at approximately \$2.15 per share. PowerGenix and the Company also entered into a License and Marketing Agreement and various ancillary shareholder agreements on October 27, 2014.

Helen Thomas is the wife of Johnny R. Thomas, the Company's Chief Executive Officer.

Manzano Family Limited Partnership is an entity formed for estate planning purposes by Johnny R. Thomas of which Danny R. Thomas, the adult son of Johnny R. Thomas, the Company's Chief Executive Officer, has the power to vote

and dispose of the shares.

Jackson Investment Group, LLC has no material relationship with the Company other than as a passive investor.

TCA Global Credit Master Fund is a secured lender to the Company under a Second Amendment to Credit Agreement dated as of February 24, 2015, as well as May 13, 2015.

David J. Lies is a greater than 5% shareholder of the Company. The Company entered into an Independent Consulting Agreement effective as of November 15, 2011 with Remanco Inc., an entity controlled by David Lies. On October 12, 2013, the Agreement was extended until November 14, 2014, when it expired. Mr. Lies was granted warrants to purchase 100,000 shares of common stock at \$.01 per share for five years.

Registration Rights

On October 27, 2014, the Company and PowerGenix entered into an Equity Exchange Agreement which requires the Company to file a registration statement under the Securities Act for it and its assignees.

On March 10, 2015, the Company and Jackson entered into a Note and Warrant Purchase Agreement which requires the Company to file a registration statement under the Securities Act to register its shares (and its assignees) underlying the Note, Warrant and/or Option described in footnote (4) under Selling Stockholders above.

On February 24, 2015, the Company and TCA entered into a Subscription Agreement which requires the Company to file a registration statement under the Securities Act.

The shares of common stock being offered by PowerGenix, Jackson, and TCA are being registered in accordance with the registration rights in the foregoing agreements granted by us to the selling stockholders.

PLAN OF DISTRIBUTION

The shares of common stock offered by this prospectus may be sold by the selling stockholders or their transferees from time to time in:

- .
transactions in the over-the-counter market, the NASDAQ Capital Market, or on one or more exchanges on which the securities may be listed or quoted at the time of sale;
- .
negotiated transactions;
- .
transactions otherwise than on the NASDAQ Capital Market or stock exchanges;
- .
underwritten offerings;
- .
distributions to equity security holders, partners or other stockholders of the selling stockholder;
- .
through the writing of options, whether such options are listed on an options exchange or otherwise;
- .
through a combination of these methods of sale; or
- .
any other method permitted by law.

The selling stockholders may sell the shares of our common stock at:

.
fixed prices which may be changed;

.
market prices prevailing at the time of sale;

.
prices related to prevailing market prices;

.
negotiated prices; or

.
any other method permitted by law.

In connection with sales of the common stock or otherwise, the selling stockholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the common stock in the course of hedging in positions they assume. The selling stockholders may also sell shares of common stock short and deliver shares of common stock to close out short positions, or loan or pledge shares of common stock to broker-dealers that in turn may sell those shares. If the selling stockholders effect such transactions by selling shares of common stock to or through underwriters, broker-dealers or agents, those underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the selling stockholders or commissions from purchasers of the shares of common stock for whom they may act as agent or to whom they may sell as principal.

Any such discounts, concessions or commissions as to particular underwriters, brokers-dealers or agents may be in excess of those customary in the types of transactions involved.

The selling stockholders may from time to time pledge or grant a security interest in some or all of the shares of common stock owned by them. If the selling stockholders default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock from time to time under this prospectus or an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

Edgar Filing: Blue Earth, Inc. - Form 424B3

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. The selling stockholders reserve the right to accept and, together with its agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering.

The selling stockholders and any broker-dealer or agent participating in the distribution of the shares of common stock may be deemed to be underwriters within the meaning of Section 2(a)(11) of the Securities Act, and any commission paid, or any discounts or concessions allowed, to any such broker-dealer or agent may be deemed to be underwriting commissions or discounts under the Securities Act. At the time a particular offering of the shares of common stock is made, a prospectus supplement, if required, will be distributed which will set forth the aggregate

amount of shares of common stock being offered and the terms of the offering, including the name or names of any broker-dealer or agent, any discounts, commissions and other terms constituting compensation from the selling stockholders and any discounts, commissions or concessions allowed or re-allowed or paid to broker-dealers.

Direct Sales, Agents, Dealers and Underwriters

The selling stockholders or their transferees may effect transactions by selling the shares of common stock in any of the following ways:

- .
- directly to purchasers; or
- .
- to or through agents, dealers or underwriters designated from time to time;
- .
- both privately negotiated transactions or on stock exchanges.

Agents, dealers or underwriters may receive compensation in the form of underwriting discounts, concessions or commissions from the selling stockholders and/or the purchasers of shares for whom they act as agent or to whom they sell as principals, or both. The agents, dealers or underwriters that act in connection with the sale of shares might be deemed to be underwriters within the meaning of Section 2(a)(11) of the Securities Act, and any discount or commission received by them and any profit on the resale of shares as principal might be deemed to be underwriting discounts or commissions under the Securities Act.

In the event that a member firm of the Financial Industry Regulatory Authority, Inc. (FINRA) is retained to effect transactions in the shares of common stock, no FINRA member firm may receive compensation in excess of that allowable under FINRA rules, including Rule 5110, in connection with the resale of the securities by a selling stockholder, which total compensation may not exceed 8%.

Regulation M

The selling stockholders and any other persons participating in the sale or distribution of the shares are subject to applicable provisions of the Exchange Act and the rules and regulations under such act, including, without limitation,

Regulation M. These provisions may restrict certain activities of, and limit the timing of purchase and sales of any of the shares by, the selling stockholders or any other such person. Furthermore, under Regulation M persons engaged in a distribution of securities are prohibited from simultaneously engaging in market making and certain other activities with respect to such securities for a specified period of time prior to the commencement of such distributions, subject to specified exceptions or exemptions. All of these limitations may affect the marketability of the shares.

Supplements

To the extent required, we will set forth in a supplement to this prospectus filed with the SEC the number of shares to be sold, the purchase price and public offering price, any new selling stockholder, the name or names of any agent, dealer or underwriter, and any applicable commissions or discounts with respect to a particular offering.

State Securities Law

Under the securities laws of some states, the selling stockholders may only sell the shares in those states through registered or licensed brokers or dealers. In addition, in some states the selling stockholders may not sell the shares unless they have been registered or qualified for sale in that state or an exemption from registration or qualification is available and is satisfied.

Expenses, Indemnification

We will not receive any of the proceeds from the sale of the shares of common stock sold by the selling stockholders and will bear all expenses related to the registration of this offering but will not pay for any underwriting commissions, fees or discounts, if any. We will indemnify the selling stockholders against some civil liabilities, including some liabilities which may arise under the Securities Act.

In the event of a material change in the plan of distribution disclosed in this prospectus, the selling stockholders will not be able to effect transactions in the shares pursuant to this prospectus until such time as a post-effective amendment to the registration statement is filed with, and declared effective by, the SEC.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents previously filed by us with the SEC are incorporated in this registration statement by reference.

- (a) Annual Report on Form 10-K for the year ended December 31, 2014, filed on March 16, 2015.
- (b) Amendment No. 1 to Annual Report on Form 10-K for the year ended December 31, 2014, filed on April 22, 2015.
- (c) Quarterly Report on Form 10-Q for the Quarterly period ended March 31, 2015, filed on May 11, 2015.
- (d) Definitive Proxy Statement filed on June 13, 2014.
- (e) Current Reports on Form 8-K and amendments thereto filed on March 17, 2015, March 23, 2015, April 1, 2015, April 2, 2015, May 12, 2015 and May 20, 2015.
- (f) Description of the Registrant's Common Stock contained in the Registration Statement on Form 8-A, declared effective on April 25, 2012 (including any amendment or report filed with the SEC for the purpose of updating such description). The description of securities contained in the Registrant's Registration Statement (f/k/a Cherry Tankers, Inc.), on Form SB-2, as amended, originally filed with the Securities and Exchange Commission on December 26, 2007 and declared effective on January 10, 2008) (File No. 333-148346); Registrant's Post-Effective Amendment No. 1 to form SB-2 on Form S-1 declared effective on March 5, 2009; Current Report on Form 8-K filed on October 29, 2010, Form 8-K/A filed on September 29, 2011, and Amendment No. 1 to Form 8-K for July 3, 2013 filed on January 9, 2014, are incorporated herein by reference.

Any applicable filings made after the date of the initial registration statement and prior to effectiveness of this Registration Statement will be deemed incorporated by reference.

All reports and other documents that we file pursuant to Section 13(a) and 13(c), 14 and 15(d) of the Exchange Act prior to the filing of a post-effective amendment which indicates that all securities offered hereunder have been sold or which deregisters all such securities then remaining unsold shall be deemed to be incorporated by reference in this prospectus and to be a part hereof from the date of filing of such reports and documents.

We will provide to each person, including any beneficial owner, to whom a prospectus is delivered, copies of these filings, excluding all exhibits unless an exhibit has been specifically incorporated by reference in such filings, at no cost, upon written or oral request made to:

You may request, orally or in writing, a copy of these documents, which will be provided to you at no cost, by contacting John Francis, Vice President, Blue Earth, Inc., 2298 Horizon Ridge Parkway, Suite 205, Henderson, Nevada 89052; telephone (702) 263-1808.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-3 with the SEC under the Securities Act to register the resale by the selling stockholders of the securities offered by this prospectus. This prospectus omits some information and exhibits included in the registration statement, copies of which may be obtained upon payment of a fee prescribed by the Commission or may be examined free of charge at the principal office of the SEC in Washington, D.C.

We are subject to the informational requirements of the Exchange Act and in accordance therewith file reports, proxy statements and other information with the SEC. The reports, proxy statements and other information filed by us with the SEC can be inspected and copied at the Public Reference Room maintained by the SEC at 100 Fifth Street, N.E., Washington, D.C. 20549. Copies of filings can be obtained from the Public Reference Room maintained by the SEC by calling the SEC at 1-800-SEC-0330. In addition, the Commission maintains a website that contains reports, proxy and informational statements and other information filed electronically with the SEC at <http://www.sec.gov>. General information about us, including our reports and other information filed with the SEC, are available free of charge through our website at www.blueearthinc.com. Information on our website is not incorporated into the prospectus or our other SEC filings and is not part of this prospectus.

You may request, orally or in writing, a copy of these documents, which will be provided to you at no cost, by contacting John Francis, Vice President, Blue Earth, Inc., 2298 Horizon Ridge Parkway, Suite 205, Henderson, Nevada 89052; telephone (702) 263-1808.

You should rely only on the information contained in this prospectus, including information incorporated by reference as described above, or any prospectus supplement that we have specifically referred you to. We have not authorized anyone else to provide you with different information. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents or that any document incorporated by reference is accurate as of any date other than its filing date. You should not consider this prospectus to be an offer or solicitation relating to the securities in any jurisdiction in which such an offer or solicitation relating to the securities is not authorized. Furthermore, you should not consider this prospectus to be an offer or solicitation relating to the securities if the person making the offer or solicitation is not qualified to do so, or if it is unlawful for you to receive such an offer or solicitation.

LEGAL MATTERS

The validity of the issuance of the securities offered by this prospectus will be passed upon for us by Davidoff Hutcher & Citron LLP, New York, New York. Davidoff Hutcher & Citron LLP owns 76,014 shares of common stock.

EXPERTS

The financial statements as of and for the years ended December 31, 2014, 2013 and 2012 have been audited by HJ & Associates, LLC, an independent registered public accounting firm as set forth in their report and are included in reliance upon such report given as authority of such firm as experts in accounting and auditing.

