U.S. Securities and Exchange Commission
Washington, D.C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2016

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

For the transition period from _____________ to ______________

Commission file number: **000-30415**

Zivo Bioscience, Inc.

(Exact name of small business issuer as specified in its charter)

Nevada	**87-0699977**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

2804 Orchard Lake Rd., Suite 202, Keego Harbor, MI 48320
(Address of principal executive offices)

(248) 452 9866
(Issuer's telephone number)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by checkmark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ 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 ST (Sec. 232.405) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☒

Indicate by check mark whether the issuer is a shell company (as defined in Rule 12-b2 of the Exchange Act). Yes ☐ No ☒

APPLICABLE ONLY TO CORPORATE ISSUERS

There were 132,876,776 shares of common stock, $0.001 par value, outstanding at August 12, 2016.

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(Inapplicable items have been omitted)

PART I – FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

ZIVO BIOSCIENCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET

	June 30, 2016 (Unaudited)	December 31, 2015
ASSETS		
CURRENT ASSETS:		
Cash	$ 25,733	$ 16,589
Prepaid Expenses	33,863	12,341
Total Current Assets	59,596	28,930
PROPERTY AND EQUIPMENT, NET	31,250	43,750
TOTAL ASSETS	$ 90,846	$ 72,680
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts Payable	$ 1,111,080	$ 1,325,659
Loan Payable – Related Parties	379,422	337,107
Convertible Debenture Payable, less discount of $435,207 and $385,190 at June 30, 2016 and December 31, 2015	2,241,993	1,224,510
Accrued Liabilities	2,603,794	2,083,634
Total Current Liabilities	6,336,289	4,970,910
Convertible Debenture Payable, less discount of $1,370,631 and $1,458,741 at June 30, 2016 and December 31, 2015	4,869,369	4,598,759
Total Long term Liabilities	4,869,369	4,598,759
TOTAL LIABILITIES	11,205,658	9,569,669
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' DEFICIT:		
Common stock, $.001 par value, 300,000,000 shares authorized 132,786,776 and 132,156,776 issued and outstanding at June 30, 2016 and December 31, 2015	132,787	132,157
Additional Paid-In Capital	40,153,860	38,085,266
Accumulated deficit	(51,401,459)	(47,714,412)
Total Stockholders' Deficit	(11,114,812)	(9,496,989)
	$ 90,846	$ 72,680

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

ZIVO BIOSCIENCE, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the three Months ended June 30, 2016	For the three Months ended June 30, 2015	For the six Months ended June 30, 2016	For the six Months ended June 30, 2015
REVENUES:	$ -	$ -	$ -	$ -
COSTS AND EXPENSES:				
General and Administrative	204,138	191,278	404,669	383,846
Professional fees and Consulting expense	1,163,264	504,007	1,290,728	664,808
Research and Development	162,710	346,500	475,271	555,573
Total Costs and Expenses	1,530,112	1,041,785	2,170,668	1,604,227
LOSS FROM OPERATIONS	(1,530,112)	(1,041,785)	(2,170,668)	(1,604,227)
OTHER INCOME (EXPENSE):				
Other Income	-	34,963	-	34,963
Amortization of Debt Discount	(507,187)	(446,069)	(949,118)	(964,969)
Financing Costs	(13,500)	(387,980)	(67,500)	(422,180)
Deferred financing costs	-	-	-	(19,575)
Finance costs paid in stock	(9,000)	-	(45,000)	-
Interest expense	(600)	-	(1,200)	-
Interest expense – related parties	(233,441)	(168,807)	(453,561)	(320,874)
Total Other Income (Expense)	(763,728)	(967,893)	(1,516,379)	(1,692,635)
NET LOSS	$ (2,293,840)	$ (2,009,678)	$ (3,687,047)	$ (3,296,862)
BASIC AND DILUTED LOSS PER SHARE	$ (0.02)	$ (0.02)	$ (0.03)	$ (0.03)
WEIGHTED AVERAGE BASIC AND DILUTED SHARES OUTSTANDING	132,729,908	130,440,688	132,562,271	130,002,515

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

ZIVO BIOSCIENCE, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Cash Flows for Operating Activities:		
Net Loss	$ (3,687,047)	$ (3,296,862)
Adjustments to reconcile net loss to net cash used by operating activities:		
Stock and warrants issued for services rendered – related party	7,548	7,380
Stock and warrants issued for services rendered	1,095,064	315,305
Stock and warrants issued for financing costs	45,000	-
Warrants issued for Directors' Fees	10,588	9,912
Finance costs paid in stock and warrants – related party	-	384,111
Amortization of bond discount	949,117	964,969
Depreciation expense	12,500	12,500
Changes in assets and liabilities:		
(Increase) in prepaid expenses	(21,523)	(15,283)
(Decrease) in accounts payable	(214,579)	(38,661)
Increase in accrued liabilities	520,160	402,342
Net Cash (Used) by Operating Activities	(1,283,172)	(1,254,287)
Cash Flows from Investing Activities:	-	-
	-	-
Cash Flow from Financing Activities:		
Repayment of Loan Payable, related party	-	(6,344)
Proceeds of Loan Payable, related party	42,316	159,235
Proceeds from issuance of 11% convertible debentures	1,250,000	1,067,500
Proceeds from sale of common stock and exercise of warrants	-	48,500
Net Cash Provided by Financing Activities	1,292,316	1,268,891
Increase in Cash	9,144	14,604
Cash at Beginning of Period	16,589	1,383
Cash at End of Period	$ 25,733	$ 15,987
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the period for:		
Interest	$ -	$ -
Income Taxes	$ -	$ -

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

Supplemental Disclosure of Non-Cash Investing and Financing Activities:

Six Months Ended June 30, 2016:

During the quarter ended March 31, 2016, the Company recorded $724,280 in discounts on 11% convertible debentures.

During the quarter ended June 30, 2016, the Company recorded $186,744 in discounts on 11% convertible debentures.

Six Months Ended June 30, 2015:

During the quarter ended March 31, 2015, the Company recorded $211,501 in discounts on 11% convertible debentures.

During the quarter ended June 30, 2015, the Company recorded $705,000 in discounts on 11% convertible debentures.

During the quarter ended June 30, 2015, the holder of 11% Convertible Debentures, converted $30,000 into 250,000 shares of the Company's common stock.

NOTE 1 – BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements include the accounts of Zivo Bioscience, Inc. and its wholly-owned subsidiaries (collectively, the "Company"). All significant intercompany accounts and transactions have been eliminated in consolidation. In the opinion of the Company's management, the financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the information set forth therein. These consolidated financial statements are condensed, and therefore do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. These unaudited condensed consolidated financial statements should be read in conjunction with the Company's December 31, 2015 consolidated audited financial statements and Notes thereto included in the Annual Report on Form 10-K filed with the SEC on March 29, 2016.

The results of operations for the six months ended June 30, 2016 are not necessarily indicative of the results to be expected for the fiscal year ending December 31, 2016, or any other period.

The Company had a net loss of $3,687,047 and $3,296,862 for the six months ended June 30, 2016 and 2015, respectively. In addition, the Company had a working capital deficiency of $6,276,692 and a stockholders' deficit of $11,114,812 at June 30, 2016. For the six months ended June 30, 2016 and 2015, the Company had no revenue, and was entirely dependent on debt issuance and capital raising activities to fund its operations. These factors continue to raise substantial doubt about the Company's ability to continue as a going concern. During the first six months of 2016, the Company raised $1,250,000 from the issuance of Convertible Debt and $42,316 from net loans payable to related parties. There can be no assurance that the Company will be able to raise additional capital.

The accompanying condensed consolidated financial statements do not include any adjustments related to the recoverability or classification of asset-carrying amounts or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Zivo Bioscience, Inc. and its wholly-owned Subsidiaries, Health Enhancement Corporation, HEPI Pharmaceuticals, Inc., WellMetris, LLC, and Zivo Biologic, Inc. All significant intercompany transactions and accounts have been eliminated in consolidation.

Accounting Estimates

The Company's condensed consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management uses its best judgment in valuing these estimates and may, as warranted, solicit external professional advice and other assumptions believed to be reasonable.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, cash equivalents include time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less. Cash equivalents consist of highly liquid investments with an original maturity of three months or less when purchased. At June 30, 2016, the Company did not have any cash equivalents.

Property and Equipment

Property and equipment consists of furniture, office equipment, and leasehold improvements, and are carried at cost less allowances for depreciation and amortization. Depreciation and amortization is determined by using the straight-line method over the estimated useful lives of the related assets. Repair and maintenance costs that do not improve service potential or extend the economic life of an existing fixed asset are expensed as incurred.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Fair Value Measurements

The authoritative guidance for fair value measurements defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or the most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Market participants are buyers and sellers in the principal market that are (i) independent, (ii) knowledgeable, (iii) able to transact, and (iv) willing to transact. The guidance describes a fair value hierarchy based on the levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value which are the following:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or corroborated by observable market data or substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the value of the assets or liabilities.

The Company's financial instruments include cash, prepaid expenses, accounts payable, accrued liabilities and loans payable - related parties. All of these items were determined to be Level 1 fair value measurements.

The carrying amounts of cash, prepaid expenses, accounts payable, accrued liabilities, loans payable - related parties and the current portion of convertible debt all approximate fair value because of the short maturity of these instruments. The recorded value of long-term convertible debt approximates fair value as the terms and rates approximate market rates.

Revenue Recognition

For revenue from product sales, the Company recognizes revenue in accordance with Staff Accounting Bulletin No. 104, "Revenue Recognition" ("SAB No. 104"), which superseded Staff Accounting Bulletin No. 101, "Revenue Recognition in Financial Statements" ("SAB No. 101"). SAB No. 104 requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management's judgment regarding the fixed nature of the selling prices of the products delivered and the collectability of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded. For the six months ended June 30, 2016 and 2015, the Company had no revenue.

Shipping and Handling Costs

Shipping and handling costs are expensed as incurred. For the six months ended June 30, 2016 and 2015, no shipping and handling costs were incurred.

Research and Development

Research and development costs are expensed as incurred. The majority of the Company's research and development costs consist of clinical study expenses. These consist of fees, charges, and related expenses incurred in the conduct of clinical studies conducted with Company products by independent outside contractors. External clinical studies expenses were approximately $475,000 and $556,000 for the six months ended June 30, 2016 and 2015, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Stock Based Compensation

We account for stock-based compensation in accordance with FASB ASC 718, *Compensation – Stock Compensation.* Under the provisions of FASB ASC 718, stock-based compensation cost is estimated at the grant date based on the award's fair value and is recognized as expense over the requisite service period. The Company generally issues grants to its employees, consultants and board members. At the date of grant, the Company determines the fair value of the stock option award and recognizes compensation expense over the requisite service period. The fair value of the stock option or warrant award is calculated using the Black Scholes option pricing model.

During the six months ended June 30, 2016 and 2015, as a result of the vesting of warrants to directors and the issuances of warrants to certain employees, directors and consultants, the Company recorded stock based compensation expense of $1,113,200 and $302,599 for these periods, respectively.

The fair value of warrants was estimated on the date of grant using the Black-Scholes option-pricing model based on the following weighted average assumptions:

	Six Months Ended June 30,	
	2016	2015
Expected volatility	168.01% to 170.23%	128.36% to 155.43%
Expected dividends	0%	0%
Expected term	5 years	3 – 5 years
Risk free rate	.76% to.97%	.51% to 1.75%

The Black-Scholes option-pricing model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. In addition, option-pricing models require the input of highly subjective assumptions, including the expected stock price volatility. Because the Company's employee warrants have characteristics significantly different from those of traded options and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion the existing models may not necessarily provide a reliable single measure of the fair value of its employee options.

Loss Per Share

Basic loss per share is computed by dividing the Company's net loss by the weighted average number of common shares outstanding during the period presented. Diluted loss per share is based on the treasury stock method and includes the effect from potential issuance of common stock such as shares issuable pursuant to the exercise of warrants and conversions of debentures. Potentially dilutive securities as of June 30, 2016, consisted of 88,195,105 common shares from convertible debentures and related accrued interest and 30,530,818 common shares from outstanding warrants. Potentially dilutive securities as of June 30, 2015, consisted of 60,515,395 common shares from convertible debentures and related accrued interest and 12,402,393 common shares from outstanding warrants. For the six months ended June 30, 2016 diluted and basic weighted average shares are the same, as potentially dilutive shares are anti-dilutive.

Advertising Costs

Advertising costs are charged to operations when incurred. There were no advertising costs for the six months ended June 30, 2016 and 2015, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and cash equivalents. The Company maintains cash balances at financial institutions which exceed the current Federal Deposit Insurance Corporation ("FDIC") limit of $250,000 at times during the year.

Reclassifications

Certain items in these consolidated financial statements have been reclassified to conform to the current period presentation.

Future Impact of Recently Issued Accounting Standards

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2014-09 (ASU 2014-09), "Revenue from Contracts with Customers." ASU 2014-09 superseded the revenue recognition requirements in "Revenue Recognition (Topic 605) ," and requires entities to recognize revenue when it transfers promised goods or services to customers in an amount that reflect the consideration to which the entity expects to be entitled to in exchange for those goods or services. ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. Early adoption is not permitted. ASU 2014-09 is not expected to have a material impact on the Company's financial position or results of operations.

Management does not believe there would have been a material effect on the accompanying financial statements had any other recently issued, but not yet effective, accounting standards been adopted in the current period.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2016 and December 31, 2015 consists of the following:

	June 30, 2016 (Unaudited)	December 31, 2015
Furniture and fixtures	$ 20,000	$ 20,000
Equipment	80,000	80,000
	100,000	100,000
Less accumulated depreciation and amortization	(68,750)	(56,250)
	$ 31,250	$ 43,750

Depreciation and amortization was $12,500 and $12,500 for the six months ended June 30, 2016 and 2015 respectively.

NOTE 4 – LOAN PAYABLE, RELATED PARTIES

During 2015, Mr. Christopher Maggiore, a director and a significant shareholder of the Company, advanced the Company $21,735, for a total advanced as of December 31, 2015 of $156,405, which amount remained unpaid as of June 30, 2016. The Company has agreed to pay 11% interest on this loan. As of June 30, 2016 and December 31, 2015 accrued interest on this indebtedness totaled $28,437 and $19,835, respectively, and is included in Accrued Liabilities on the Condensed Consolidated Balance Sheet.

As of December 31, 2015, there were outstanding advances of $2,000 from the Company's Officers. These funds were repaid during the first quarter of 2016 and there are no outstanding liabilities owed to Officers as of June 30, 2016.

During the year ended December 31, 2015, HEP Investments, LLC loaned the Company $2,246,202 (see Note 5 - Convertible Debt). Pursuant to the terms of the agreement with HEP Investments, $2,067,500 of these loans were converted to 11% Convertible Secured Promissory Notes, leaving a remaining balance of $178,702 as of December 31, 2015. During the six months ended June 30, 2016, HEP Investments, LLC loaned the Company $1,294,315 (see Note 5 - Convertible Debt). Pursuant to the terms of the agreement with HEP Investments, $1,250,000 of these loans were converted to 11% Convertible Secured Promissory Notes, leaving a remaining balance of $223,017 as of June 30, 2016.

NOTE 5 – CONVERTIBLE DEBT

HEP Investments, LLC

On December 2, 2011, the Company and HEP Investments, LLC, a Michigan limited liability company ("Lender"), entered into the following documents, effective as of December 1, 2011, as amended through December 31, 2015: (i) a Loan Agreement under which the Lender has agreed to advance up to $12,500,000 to the Company, subject to certain conditions, (ii) a Convertible Secured Promissory Note in the principal amount of $12,500,000 ("Note") (of which $8,677,200 has been advanced as of June 30, 2016) and (iii) a Security Agreement, under which the Company granted the Lender a security interest in all of its assets and (iv) an Intellectual Property security agreement under which the Company and its subsidiaries granted the Lender a security interest in all their respective intellectual properties, including patents, in order to secure their respective obligations to the Lender under the Note and related documents. In addition, the Company's subsidiaries have guaranteed the Company's obligations under the Note. The Company has also made certain agreements with the Lender which shall remain in effect as long as any amount is outstanding under the Loan. These agreements include an agreement not to make any change in the Company's senior management, without the prior written consent of the Lender. Two representatives of the Lender will have the right to attend Board of Director meetings as non-voting observers.

During the year ended December 31, 2015, the Company recorded a debt discount, related to the $2,067,500 of Notes described previously, in the amount of $1,916,501, to reflect the beneficial conversion feature of the convertible debt and fair value of the warrants pursuant to Emerging Issues Task Force ("EITF") 00-27: Application of EITF 98-5, "Accounting for Convertible Securities with Beneficial Conversion Features on Contingently Adjustable Conversion Rates," to certain convertible instruments. In accordance with EITF 00-27, the Company valued the beneficial conversion feature and recorded the amount of $1,773,078 as a reduction to the carrying amount of the convertible debt and as an addition to paid-in capital. Additionally, the relative fair value of the warrants was calculated and recorded at $143,423 as a further reduction to the carrying amount of the convertible debt and an addition to additional paid-in capital. The Company is amortizing the debt discount over the term of the debt. Amortization of discounts was $1,866,842 for the year ended December 31, 2015.

NOTE 5 – CONVERTIBLE DEBT – (continued)

During the six months ended June 30, 2016, the Company recorded a debt discount, related to the $1,250,000 of Notes issued in the amount of $911,024, to reflect the beneficial conversion feature of the convertible debt and fair value of the warrants pursuant to Emerging Issues Task Force ("EITF") 00-27: Application of EITF 98-5, "Accounting for Convertible Securities with Beneficial Conversion Features on Contingently Adjustable Conversion Rates," to certain convertible instruments. In accordance with EITF 00-27, the Company valued the beneficial conversion feature and recorded the amount of $860,530 as a reduction to the carrying amount of the convertible debt and as an addition to paid-in capital. Additionally, the relative fair value of the warrants was calculated and recorded at $50,494 as a further reduction to the carrying amount of the convertible debt and an addition to additional paid-in capital. During the six months ended June 30, 2015, the Company recorded a deferred debt discount in the amount of $916,501, to reflect the beneficial conversion feature of the convertible debt and fair value of the warrants. The Company valued the beneficial conversion feature and recorded the amount of $528,040 as a reduction to the carrying amount of the convertible debt and as an addition to paid-in capital. Additionally, the relative fair value of the warrants was calculated and recorded at $388,461 as a further reduction to the carrying amount of the convertible debt and an addition to additional paid-in capital. The Company is amortizing the debt discount over the term of the debt. Amortization of debt discounts were $949,117 and $964,969 for the six months ended June 30, 2016 and 2015, respectively.

Amounts as of June 30, 2016 advanced under the Note (i) are convertible into the Company's restricted common stock according to the following schedule: (A) $3,402,200 at $.10 per share, (B) $2,600,000 at $.12 per share, (C) $1,285,000 at $.15 per share, (D) $640,000 at $.22 per share, and (E) $750,000 at $.30 per share, (ii) bear interest at the rate of 11% per annum. The Seventh Amended and Restated Senior Secured Convertible Promissory Note (effective December 31, 2015) resets the Due Dates of Tranches 1 through 13 (totaling $3,740,000) to October 17, 2017, the remaining Tranches must be repaid as follows: accrued interest must be paid on the first and second anniversary of the Note and unpaid principal not previously converted into common stock must be repaid on the second anniversary of the Note. The Company determined that the modification of these Notes was not a substantial modification in accordance with ASC 470-50, "Modifications and Extinguishments." The Lender has converted $60,000 of the debt (convertible at $.12 per share) through the date of this report. In July 2016, the Lender agreed to rolling 30 day extensions until notice is given to the Company to the contrary. Any Note that has not yet matured may be prepaid upon sixty days written notice, provided that the Company shall be required to pay a prepayment premium equal to 5% of the amount repaid.

Other Debt

In September 2014, the Lender of the 1% Convertible notes payable agreed to rolling 30 day extensions until notice is given to the Company to the contrary. The Company determined that the modification of these Notes was not a substantial modification in accordance with ASC 470-50, "Modifications and Extinguishments."

Convertible debt consists of the following:

	June 30, 2016 (Unaudited)	December 31, 2015
1% Convertible notes payable, due July 2016	$ 240,000	$ 240,000
11% Convertible note payable - HEP Investments, LLC, a related party, net of unamortized discount of $1,805,838 and $1,843,931, respectively, due at various dates ranging from July 2016 to May 2018	6,871,362	5,583,269
	7,111,362	5,823,269
Less: Current portion	2,241,993	1,224,510
Long term portion	$ 4,869,369	$ 4,598,759

Amortization of the debt discount on the remaining notes was $949,118 and $964,969 for the six months ended June 30, 2016 and 2015, respectively.

NOTE 6 - STOCKHOLDERS' DEFICIT

Board of Directors fees

As compensation for serving as a member of the board of directors, the Company granted warrants to purchase 50,000 shares of common stock to Philip M. Rice (CFO and a Director) in January, 2015, at an exercise price of $.09 per share. The warrants have a term of three years and vested or will vest as follows: 12,500 vested on the grant date and the remaining 37,500 shall vest quarterly (12,500 per quarter). The warrants were valued at $3,664 using the Black Scholes pricing model relying on the following assumptions: volatility 128.38%; annual rate of dividends 0%; discount rate 0.68%. In addition, Mr. Rice will receive $10,000 for each annual term served, paid quarterly

As compensation for serving as a member of the board of directors, the Company granted warrants to purchase 50,000 shares of common stock to Thomas K. Cox in June, 2015, at an exercise price of $.15 per share. The warrants have a term of three years and vested or will vest as follows: 12,500 vested on the grant date and the remaining 37,500 shall vest quarterly (12,500 per quarter). The warrants were valued at $6,185 using the Black Scholes pricing model relying on the following assumptions: volatility 155.43%; annual rate of dividends 0%; discount rate 1.09%. In addition, Mr. Cox is entitled to receive $10,000 for each annual term served.

On September 10, 2015, the board of directors amended its policy for the compensation of its directors. The Board granted to each of its Directors warrants to purchase 250,000 shares of common stock at an exercise price of $.10 per share. The warrants have a term of five years and vest immediately. The unvested portion of the previously granted warrants were cancelled due to the Company's change to a program where all director warrant grants are made once per year at the same time. As such, Mr. Rice's unvested warrant of 15,890 shares and Mr. Cox's unvested warrant of 36,986 were cancelled.

As compensation for serving as a member of the board of directors, the Company granted warrants to purchase 125,000 shares of common stock to Robert O. Rondeau, a new Director, in March 2016, at an exercise price of $.09 per share. The warrants have a term of five years and vest immediately. The warrants were valued at $10,588 using the Black Scholes pricing model relying on the following assumptions: volatility 168.01%; annual rate of dividends 0%; discount rate 0.97%. In addition, Mr. Rondeau will receive $10,000 for each annual term served, paid quarterly.

The Company recorded directors' fees of $30,588 and $29,912 for the six months ended June 30, 2016 and 2015, respectively, representing the fees expensed and the value of the vested warrants described above.

Stock Based Compensation

During the six months ended June 30, 2016, the Company issued warrants to purchase 14,500,000 shares of common stock at an exercise price of $.08 with a term of 5 years pursuant to agreements with financial consultants. The warrants were valued at $1,095,063 using the Black Scholes pricing model relying on the following assumptions: volatility 170.07%; annual rate of dividends 0%; discount rate 0.89%.

During the six months ended June 30, 2015, the Company issued 500,000 shares of common stock to an investor relations consulting firm. The shares were valued at $30,000. The Company also issued warrants to purchase 3,125,000 shares of common stock at an exercise price of $.08 with a term of 5 years pursuant to an agreement with a financial consultant. The warrants were valued at $285,305 using the Black Scholes pricing model relying on the following assumptions: volatility 143.36% to 150.93%; annual rate of dividends 0%; discount rate 0.15% to 1.75%.

Stock Issuances

During the six months ended June 30, 2015, the Company received proceeds of $48,500 from the issuance of 970,000 shares of common stock. The Company also issued 384,300 shares of common stock valued at $38,300 and warrants to purchase 1,067,500 shares of common stock at an exercise price of $.10 per share as financing cost related to the issuance of the 11% convertible debt. The warrants were valued at $384,111 using the Black Scholes pricing model relying on the following assumptions: volatility 138.6% to 150.9%; annual rate of dividends 0%; discount rate 0.62% to 1.75%.

NOTE 6 - STOCKHOLDERS' DEFICIT – (continued)

Executive Compensation

As compensation for serving as Chief Financial Officer, the Company, quarterly, will issue warrants to Philip M. Rice to purchase 50,000 shares of common stock at the prevailing market price with a term of 5 years, provided that the preceding quarterly and annual filings were submitted in a timely and complaint manner, at which time such warrants would vest.

On April 6, 2015 the Company issued warrants to purchase 50,000 shares of common stock at $.085. The warrants were valued at $3,800 using the Black Scholes pricing model relying on the following assumptions: volatility 143.17%; annual rate of dividends 0%; discount rate 1.31%. On May 13, 2015, the Company issued warrants to purchase 50,000 shares of common stock at $.08. The warrants were valued at $3,582 using the Black Scholes pricing model relying on the following assumptions: volatility 143.464%; annual rate of dividends 0%; discount rate 1.57%.

On March 29, 2016 the Company issued warrants to purchase 50,000 shares of common stock at $.08. The warrants were valued at $3,771 using the Black Scholes pricing model relying on the following assumptions: volatility 169.28%; annual rate of dividends 0%; discount rate 0.78%. On May 13, 2016, the Company issued warrants to purchase 50,000 shares of common stock at $.08. The warrants were valued at $3,777 using the Black Scholes pricing model relying on the following assumptions: volatility 170.23%; annual rate of dividends 0%; discount rate 0.76%.

A summary of the status of the Company's warrants is presented below.

	June 30, 2016		**December 31, 2015**	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding, beginning of year	14,705,818	$ 0.13	9,053,005	$ 0.16
Issued	15,975,000	0.08	7,192,500	0.09
Exercised	-	-	-	-
Cancelled	-	-	(96,575)	0.14
Expired	(150,000)	0.21	(1,443,112)	0.13
Outstanding, end of period	30,530,818	$ 0.105	14,705,818	$ 0.13

NOTE 6 - STOCKHOLDERS' DEFICIT – (continued)

Warrants outstanding and exercisable by price range as of June 30, 2016 were as follows:

Outstanding Warrants			Exercisable Warrants		
Range of	Number	Average Weighted Remaining Contractual Life in Years	Exercise Price	Number	Weighted Average Exercise Price
$ 0.08	18,025,000	4.52	$ 0.08	18,025,000	$ 0.08
0.085	50,000	3.77	0.085	50,000	0.085
0.088	50,000	3.87	0.088	50,000	0.088
0.09	209,110	3.20	0.09	209,110	0.09
0.10	4,802,200	4.11	0.10	4,802,200	0.10
0.12	2,635,367	1.03	0.12	2,635,367	0.12
0.14	50,000	3.12	0.14	50,000	0.14
0.15	2,485,274	1.80	0.15	2,485,274	0.15
0.17	50,000	2.75	0.17	50,000	0.17
0.19	100,000	1.96	0.19	100,000	0.19
0.20	250,000	0.83	0.20	250,000	0.20
0.22	477,004	0.34	0.22	477,004	0.22
0.25	707,000	2.02	0.25	707,000	0.25
0.30	250,000	2.41	0.30	250,000	0.30
0.33	250,000	2.00	0.33	250,000	0.33
0.36	39,863	0.34	0.36	39,863	0.36
0.38	100,000	0.28	0.38	100,000	0.38
	30,530,818	1.42		30,530,818	$ 0.105

NOTE 7 - COMMITMENTS AND CONTINGENCIES

Employment Agreement

The Company's Chief Executive Officer, Andrew Dahl, is serving under the terms of an employment agreement dated December 16, 2011 as amended August 11, 2016. Under the agreement Mr. Dahl serves as CEO for one year terms, subject to automatic renewal, unless either party terminates the Agreement on sixty days' notice prior to the expiration of the term of the agreement. Mr. Dahl is compensated as follows: he receives an annual base salary of $240,000. In addition, Mr. Dahl is entitled to monthly bonus compensation equal to 2% of the Company's revenue, but only to the extent that such bonus amount exceeds his base salary for the month in question. In addition, Mr. Dahl will be entitled to warrants having an exercise price of $.25 per share, upon the attainment of specified milestones as follows: 1) Warrants for 500,000 shares upon identification of bio-active agents in the Company's product and filing of a patent with respect thereto, 2) Warrants for 500,000 shares upon entering into a business contract under which the Company receives at least $500,000 in cash payments, 3) Warrants for 1,000,000 shares upon the Company entering into a co-development agreement with a research company to develop medicinal or pharmaceutical applications (where the partner provides at least $2 million in cash or in-kind outlays), 4) Warrants for 1,000,000 shares upon the Company entering into a co-development agreement for nutraceutical or dietary supplement applications (where the partner provides at least $2 million in cash or in-kind outlays), 5) Warrants for 1,000,000 shares upon the Company entering into a pharmaceutical development agreement. Further, as it relates to Company's wholly-owned subsidiary, WellMetris, LLC ("WellMetris"), in the event the Company ceases to own a controlling interest in WellMetris for any reason whatsoever, the Company shall cause WellMetris to grant Mr. Dahl warrants to purchase a seven percent (7%) equity interest in WellMetris at the time outside funding is closed and/or at the time an event occurs whereby the Company relinquishes majority control of WellMetris. Such Warrant shall be priced at the per-unit or per-share price at the time of the applicable closing or change of control with respect to WellMetris. As of June 30, 2016, none of the milestones referred to had been achieved and there has been no notice of contract termination.

NOTE 8 - OTHER INCOME (EXPENSE)

On July 15, 2014, the Company settled a dispute with one of its vendors. The settlement agreement calls for the Company to make 10 payments of $6,250. If the payments are not made timely, a total liability of $97,463 out of the gross amount recorded on the Company's books of $191,146 will be due. As a result of this settlement, the difference of $93,683 is recognized as other income for the period ending September 30, 2014. For the six months ended June 30, 2015, the Company met its obligation for timely payments and recognized $34,963 as other income (the difference between the $97,463 remaining liability and the agreed upon payments of $62,500).

NOTE 9 - SUBSEQUENT EVENTS

11% Convertible Debt - HEP Investments, LLC

During the period from July 1, 2016 to August 12, 2016, HEP Investments LLC funded an additional loan of $230,000. Due to this additional funding, the Company issued to the Lender for aggregate consideration of $250,000, an 11% convertible note, and warrants to purchase 250,000 shares of common stock, at an exercise price of $.10 for a term of five years. The Company also issued 90,000 shares of common stock as financing cost related to the issuance of the 11% convertible debt. The Convertible Notes accrue interest at the rate of 11% per annum, are non-amortizing, have a term of two years, subject to the Lender's right to extend the term as noted in Note 5 – Convertible Debt, and are convertible, at any time prior to the maturity date into shares of common stock, at a rate equal to $.10 per share. The Company recorded a deferred debt discount, related to the $250,000 Note, in the amount of $113,046, to reflect the beneficial conversion feature of the convertible debt and fair value of the warrants pursuant to Emerging Issues Task Force ("EITF") 00-27: Application of EITF 98-5, "Accounting for Convertible Securities with Beneficial Conversion Features on Contingently Adjustable Conversion Rates," to certain convertible instruments. In accordance with EITF 00-27, the Company valued the beneficial conversion feature and recorded the amount of $108,065 as a reduction to the carrying amount of the convertible debt and as an addition to paid-in capital. Additionally, the relative fair value of the warrants was calculated and recorded at $4,981 as a further reduction to the carrying amount of the convertible debt and an addition to additional paid-in capital. The Company is amortizing the debt discount over the term of the debt.

Loan Payable, Related Parties

During the period from July 1, 2016 to August 12, 2016, Mr. Maggiore advance the Company an additional $10,000, for a total advanced of $166,405.

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

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements contained in this report are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements involve known and unknown risks, uncertainties and other factors which may cause our or our industry's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements include, but are not limited to statements regarding:

- our ability to raise the funds we need to continue our operations;
- our goal to increase our revenues and become profitable;
- regulation of our product;
- market acceptance of our product and derivatives thereof;
- the results of current and future testing of our product;
- the anticipated performance and benefits of our product;
- the ability to generate licensing fees; and
- our financial condition or results of operations.

In some cases, you can identify forward-looking statements by terms such as "may, will, should, could, would, expects, plans, anticipates, believes, estimates, projects, predicts, potential" and similar expressions intended to identify forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by such forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, these forward-looking statements represent our estimates and assumptions only as of the date of this report. Except as otherwise required by law, we expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this report to reflect any change in our expectations or any change in events, conditions or circumstances on which any of our forward-looking statements are based. We qualify all of our forward-looking statements by these cautionary statements.

Critical Accounting Policies

The accompanying discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, and expenses, and related disclosure of contingent assets and liabilities. These estimates form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We base our estimates and judgments on historical experience and all available information. However, future events are subject to change, and the best estimates and judgments routinely require adjustment. US GAAP requires us to make estimates and judgments in several areas, including those related to recording various accruals, income taxes, the useful lives of long-lived assets, such as property and equipment and intangible assets, and potential losses from contingencies and litigation. We believe the policies discussed above are the most critical to our financial statements because they are affected significantly by management's judgments, assumptions and estimates.

Results of Operations for the Three Months ended June 30, 2016 and 2015

Overview:

For ZIVO, we have put in place a business model in which we would derive future income from licensing and selling natural bioactive ingredients that may be derived from or are initially based on the algae cultures. We expect that these planned new products will likely be sold to much larger, better-financed animal, food, dietary supplement and medical food manufacturers. The anticipated income streams are to be generated from a) royalties and advances for licensed natural bioactive ingredients, and b) bulk sales of such ingredients. These bulk ingredients will likely be made by contracted ingredient manufacturers and then sold by us to animal food, dietary supplement and medical food processors and/or name-brand marketers. Further, we expect to license our bioactive molecules as lead compounds or templates for synthetic variants intended for therapeutic applications.

For WellMetris, we are developing, with the intention to manufacture, market, and sell tests, that we believe will allow people to optimize their health and identify future health risks. We plan to develop and commercialize such tests in three phases:

- In phase one ("Phase One") or, alternately named Gen 1.0, we plan to develop and commercialize a series of tests, which are intended to measure indicators of good health and optimal metabolic function (collectively, the "Phase One Test"). The Phase One Test is being designed to measure biomarkers related to oxidative stress, inflammation, and antioxidant status to establish a metabolic assessment from which intervention can commence, and from which metabolic syndrome can be inferred.

- In phase two ("Phase Two") or alternately named Gen 1.5, we plan to develop and commercialize a testing technology focused on the positive or negative metabolic effects of metabolizing fat and muscle efficiency due to changes in diet, exertion, hydration and dietary supplements in a self-administered format that integrates with smartphone operating systems.

- In phase three ("Phase Three") or alternately named Gen 2.0, we plan to develop and commercialize additional tests intended to provide a more complete metabolic profile for an individual utilizing the metabolites present in urine. The Company believes the Gen 2.0 tests, in aggregate, will allow identification of healthy versus unhealthy bodily processes in real-time. This technology can also be applied to livestock and companion animals. As capital funding becomes available, the Company will move forward with finalizing its transition cow syndrome test, for which a provisional patent application has already been filed.

We believe there is a viable market for our Wellness Tests. According to the Center for Disease Control, cardiovascular diseases, diabetes, autoimmune diseases and cancer are the leading causes of death in the United States. The Wellness Tests are intended to identify pre-conditions to such illnesses. Such identification may allow for early intervention and reduce incidence of such illnesses or forestall their onset. This is critically important to large employers, insurers and governmental agencies who are payers for health claims and are facing massive increases in premiums or cash outlays.

The WellMetris technology also incorporates sophisticated software to analyze, report, record and manage wellness and health data for large groups such as large employers, pension funds, accountable care organizations, state Medicaid agencies and their actuarial consultants, underwriters, re-insurers and wellness consultants. The software also contains tools to conduct meta-analysis of baseline health benchmarks and monitor the progress of pre-clinical intervention programs within large groups.

Net Sales.

We had no sales during the three months ended June 30, 2016 and 2015.

Cost of Sales.

We had no cost of sales during the three months ended June 30, 2016 and 2015.

General and Administrative Expenses.

General and administrative expenses were $204,138 for the three months ended June 30, 2016, as compared to $191,278 for the comparable prior period. The increase in general and administrative expense during 2016 is primarily due to an increase in personnel expenses and travel.

Professional and Consulting Expenses.

Professional and consulting expenses were $1,163,264 for the three months ended June 30, 2016, as compared to $504,007 for the comparable prior period. The increase in professional and consulting expense during 2016 is mainly due to the issuance of warrants to purchase 14,500,000 shares of common stock pursuant to agreements with financial consultants. The warrants were valued at $1,095,063 and is a non-cash expense. The prior period also included the issuance of warrants to purchase 3,125,000 shares of common stock pursuant to an agreement with a financial consultant, with the warrants valued at $285,305 (a non-cash expense). After considering the net effects of the non-cash expenses, cash related expenses were $66,000 less than the prior period due to a reduction in professional and consulting fees.

Research and Development Expenses.

For the three months ended June 30, 2016, we incurred $162,710 in research and development expenses as compared to $346,500 for the comparable period in 2015. Of these expenses, $64,767 and $219,934 for the three months ended June 30, 2016 and 2015, respectively, are costs associated with external research relating to Zivo. Our research and development costs will grow as we work to complete the research in the development of natural bioactive compounds for use as dietary supplements and food ingredients, as well as biologics for medicinal and pharmaceutical applications in humans and animals. The Company's scientific efforts are focused on the metabolic aspects of oxidation and inflammation, with a parallel program to validate and license products for healthy immune response. The reduction of $155,000 from the prior period is due to the lack of available funding.

With respect to our WellMetris, LLC subsidiary, we incurred $97,943 and $126,566 in research and development expenses for the three months ended June 30, 2016 and 2015, respectively. The R&D effort to date has centered on optimizing dry chemistry, developing lower-cost alternatives for the proprietary analyzer device, negotiating and collaborating with offshore manufacturers and assembling the FDA pre-submission package for product classification and approval. The reduction of $29,000 from the prior period is due to the lack of available funding.

Results of Operations for the Six Months ended June 30, 2016 and 2015

Net Sales.

We had no sales during the six months ended June 30, 2016 and 2015.

Cost of Sales.

We had no cost of sales during the six months ended June 30, 2016 and 2015.

General and Administrative Expenses.

General and administrative expenses were $404,846 for the six months ended June 30, 2016, as compared to $383,846 for the comparable prior period. The increase in general and administrative expense during 2016 is primarily due to an increase in personnel expenses and travel.

Professional and Consulting Expenses.

Professional and consulting expenses were $1,290,728 for the six months ended June 30, 2016, as compared to $664,808 for the comparable prior period. The increase in professional and consulting expense during 2016 is mainly due to the issuance of warrants to purchase 14,500,000 shares of common stock pursuant to agreements with financial consultants. The warrants were valued at $1,095,063 and is a non-cash expense. The prior period also included the issuance of warrants to purchase 3,125,000 shares of common stock pursuant to an agreement with a financial consultant, with the warrants valued at $285,305 (a non-cash expense). After considering the net effects of the non-cash expenses, cash related expenses were $39,000 less than the prior period due to a reduction in professional and consulting fees.

Research and Development Expenses.

For the six months ended June 30, 2016, we incurred $475,271 in research and development expenses, as compared to $555,573 for the comparable period in 2015. Of these expenses, $224,869 and $379,602 for the six months ended June 30, 2016 and 2015, respectively, are costs associated with external research relating to Zivo. Our research and development costs will grow as we work to complete the research in the development of natural bioactive compounds for use as dietary supplements and food ingredients, as well as biologics for medicinal and pharmaceutical applications in humans and animals. The Company's scientific efforts are focused on the metabolic aspects of oxidation and inflammation, with a parallel program to validate and license products for healthy immune response. The reduction of $155,000 from the prior period is due to the lack of available funding.

With respect to our WellMetris, LLC subsidiary, we incurred $250,402 and $175,971 in research and development expenses for the first six months ended June 30, 2016 and 2015, respectively. The R&D effort to date has centered on optimizing dry chemistry, developing lower-cost alternatives for the proprietary analyzer device, negotiating and collaborating with offshore manufacturers and assembling the FDA pre-submission package for product classification and approval. The increase of $74,000 from the prior period is due to the focusing of available resources in this area.

Liquidity and Capital Resources

The unaudited condensed consolidated financial statements contained in this Quarterly Report have been prepared on a "going concern" basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. We have a near term need for additional capital. For the reasons discussed herein, there is a significant risk that we will be unable to continue as a going concern, in which case, you would suffer a total loss of your investment in our company.

As of August 5, 2016, we had a cash balance of approximately $125,000. We have incurred significant net losses since inception. We have, since inception, consistently incurred negative cash flow from operations. During the period ended June 30, 2016, we incurred negative cash flows from operations of $1,283,172. As of June 30, 2016, we had a working capital deficiency of $6,276,692 and a stockholders' deficiency of $11,114,812. Although we recently raised a limited amount of capital, we have had difficulty raising capital and we have a near term need for significant additional capital.

During the six months ended June 30, 2016, our operating activities used $1,283,172 in cash, an increase of $28,885 from the comparable prior period. The approximate $29,000 increase in cash used by operating activities was primarily attributable to the following (all of which are approximated): a $390,000 decrease in net income, offset by $426,000 in non-cash expenses, $176,000 of changes (decrease) in accounts payable, and $111,000 of changes (increase) in prepaid expenses and accrued liabilities.

Our financing activities generated approximately $1,292,000, an approximate $23,000 increase from the comparable prior period. The increase in cash provided by financing activities was due to an approximately $183,000 increase of proceeds from issuance of convertible debentures, offset by a decrease of approximately $111,000 of proceeds of loans from related parties and a decrease in proceeds of $49,000 from the sale of common stock and the exercise of common stock warrants.

Although we raised a limited amount of capital during 2015 and the first six months of 2016, we continue to experience a shortage of capital, which is materially and adversely affecting our ability to run our business. As noted above, we have been largely dependent upon external sources for funding. We have in the past had great difficulty in raising capital from external sources. We will still be reliant upon external financing for the continuation of our research program.

During the course of 2016, we have hired financial advisors to determine the viability of selling a portion of our WellMetris LLC subsidiary and to identify candidates to effect such a transaction. Any such capital proceeds from this event would be used for working capital.

We estimate that we will require approximately $5,000,000 in cash over the next 12 months in order to fund our normal operations and research and development activities. Based on this cash requirement, we have a near term need for substantial additional funding. While we have been able to raise capital in limited amounts, historically, we have had great difficulty raising funds from external sources; however, we recently were able to raise capital from outside sources. If we are unable to raise the required funding, we will have to continue to curtail our research and development and other activities, in which case, there could be a material adverse effect on our business.

Significant elements of income or loss not arising from our continuing operations

We do not expect to experience any significant elements of income or loss other than those arising from our continuing operation.

Seasonality

Based on our business model implemented at the beginning of 2012, anticipated income streams are to be generated from the following:

For ZIVO:

a) royalties and advances for licensed natural bioactive ingredients, isolated natural compounds and synthetic variants thereof, and b) bulk sales of such ingredients.

For WellMetris:

The selling of wellness tests and data services related to medical records management and analysis/compilation of data gathered on behalf of payers. For insurers, the primary selling season is November through April of any given year.

Staffing

We have conducted all of our activities since inception with a minimum level of qualified staff. We currently do not expect a significant increase in staff.

Off-Balance Sheet arrangements

We have no off-balance sheet arrangements that would create contingent or other forms of liability.

Item 4 Controls and Procedures

Management's Report on Disclosure Controls and Procedures.

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Securities Exchange Act reports 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, including our Chief Financial Officer, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, we recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, as ours are designed to do, and we necessarily were required to apply our judgment in evaluating the cost-benefit relationship of possible changes or additions to our controls and procedures.

As of June 30, 2016, we carried out an evaluation, under the supervision and with the participation of our management, including our principal executive/principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934. Based upon that evaluation, our principal executive/principal financial officer concluded that our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, are effective in enabling us to record, process, summarize and report information required to be included in our periodic SEC filings within the required time period.

Changes in Internal Control Over Financial Reporting.

There have been no changes in our internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the six months ended June 30, 2016, the Company did not issue any shares of common stock.

Item 5. Other Information

From July 1, 2016 to August 6, 2016, we received $230,000 from HEP Investments and $10,000 from Mr. Maggiore.

Item 6. Exhibits

Exhibit Number	Description	
10.39	Amended and Restated Employment Agreement with Andrew Dahl, the Registrant's CEO	*
31.1	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended	*
31.2	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended	*
32.1	Certification of the Principal Executive Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	*
32.2	Certification of the Principal Financial Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	*

*Furnished herewith (all other exhibits are deemed filed)

SIGNATURES

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

ZIVO BIOSCIENCE, INC.

Date: August 12, 2016

By: *<u>/s/Andrew Dahl</u>*
Andrew Dahl
Chief Executive Officer

List of Exhibits

Exhibit Number	Description	
10.39	Amended and Restated Employment Agreement with Andrew Dahl, the Registrant's CEO	*
31.1	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended	*
31.2	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended	*
32.1	Certification of the Principal Executive Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	*
32.2	Certification of the Principal Financial Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	*

*Furnished herewith

Exhibit 10.39

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the " Agreement") is made and entered into as of August 11, 2016 (the "Effective Date"), by and between Zivo Bioscience Inc. (formerly Health Enhancement Products, Inc.) a Nevada corporation, (the "Company"), and Andrew A. Dahl ("Employee").

Recitals:

A. The Company desires to employ Employee as its President and Chief Executive Officer and desires to enter into an agreement with Employee setting forth the terms of that relationship and Employee desires to accept such employment with the Company on the terms and conditions set forth below.

B. Employee is in possession of and may come into possession of, or have access to, Confidential Information (defined below) with respect to the Business (defined below).

Agreements:

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Term. Subject to the termination provisions set forth in Section 8 below, the term of Employee's employment with the Company under this Agreement shall commence on the Effective Date and shall continue thereafter for a period of twelve months from the full execution of this Agreement (the "Initial Term"); provided, however, that following the Initial Term, the term of this Agreement shall be automatically extended for successive terms of one (1) year each (each a "Renewal Term"), unless either party notifies the other party in writing of its desire to terminate this Agreement at least sixty (60) days before the end of the Initial Term or a Renewal Term then in effect (collectively, the " Employment Term").

2. Employment. Throughout the Employment Term, Employee shall serve as President & Chief Executive Officer of the Company and shall diligently perform all such services, acts and things as are customarily done and performed by individuals holding such offices of companies in similar businesses and in similar size to the Company, together with such other duties as may reasonably be requested from time to time by the Board of Directors of the Company or its designee (the "Board"). Employee shall periodically and regularly report to the Board.

3. Compensation. During the Employment Term, the Company shall pay or provide, as the case may be, to Employee the compensation and other benefits and rights set forth in Sections 4, 5 and 6 of this Agreement.

4. (a) Base Salary; Bonus. As compensation for the services to be performed under this Agreement, the Company shall pay to Employee during the Initial Term and subsequent Renewal Terms, an annual "Base Salary", payable in accordance with Company's usual pay practices (and in any event no less frequently than monthly), of two hundred-forty thousand dollars ($240,000.00) in annual "Base Salary". Notwithstanding the foregoing, pending receipt of a minimum eighty-five percent (85%) of the monies from a $2 million convertible loan agreement executed on December 2, 2011 or any other sources of an equal amount that have been deposited to the Company account, five-thousand dollars ($5,000.00) shall be deferred until such funds are on hand, and then shall be paid to Employee over the same period of time in which it was deferred and, at the same time, the fully monthly Base Salary payment shall also begin at $20,000 per month In addition to his Base Salary, Employee shall be entitled to performance incentives as follows:

   (b) Revenue Contracts/ Reduced Salary. The Employee is to receive a cash bonus representing two percent (2%) of Company gross revenue (the "Cash Bonus"), when collected by the Company, resulting from contracts or arrangements (collectively, the "Revenue Contracts") initiated, developed and closed during Employee's employment with the Company or after as provided below. Such Cash Bonus shall be reduced by the amount of Base Salary due within the month in which revenue is earned by the Company from such Revenue Contracts. Such Cash Bonus shall continue for a period of up to five (5) years during Employee's employment with the Company or up to three (3) years after the termination of employment (unless termination is pursuant to paragraph 8(b) For Cause), whichever is later.

(c) Other Performance Based Compensation. In addition, the following additional compensation and incentives are offered to Employee (collectively, "Warrant Compensation"):

i. Upon the attainment of two subsequent Benchmark Events (as defined below), the Company agrees to issue two warrants to Employee for 500,000 shares each, exercisable at $.25 per share. The first warrant of 500,000 shares shall be issued upon identification of any bioactive agents and submission of a patent application by the Company with respect thereto (a "Benchmark Event"), with which Employee shall assist the Company.

ii. The second warrant for 500,000 shares shall be issued to Employee or his designate with an exercise price of $.25 per share upon the Company entering into a significant agreement and receiving at least $500,000 in payments from the contracting party pursuant to and during term of such agreement (a "Benchmark Event"). If this Agreement is terminated by the Company pursuant to 8(a) or (c) below after the date such agreement is entered into by the Company and prior to receipt of the minimum $500,000 in payments, Employee shall nevertheless be entitled to receive the warrant for 500,000 shares promptly following the Company's receipt of the minimum $500,000 in payments.

iii. A warrant for one million (1,000,000) shares at an exercise price of twenty-five cents ($.25) per share if the Company enters into a co-development partnership with a contract research organization to develop medicinal or pharmaceutical applications of any type within the balance of the Initial Term of the Employment Agreement or any subsequent Renewal Term that follows. The co-development partnership must exceed $2 million in actual cash or payment-in-kind outlay on the part of the co-development partner. The warrant shares are still vested and eligible for exercise if the partnership or agreement begins or is initiated in any form within the term of the existing covenants. The warrant shares would also vest and remain eligible for exercise if the contract research firm, an intermediary, its venture fund or other investment firm instead acquired the Company.

iv. A warrant for one million (1,000,000) shares at an exercise price of twenty-five cents ($.25) per share if the Company enters into a nutraceutical or dietary supplement co-development partnership, remarketing or production arrangement within the balance of the Initial Term of the Employment Agreement or any subsequent Renewal Term that follows. The co-development, production or remarketing arrangement must exceed $2 million in actual cash or payment-in-kind outlay by the partner or client. The warrant shares are still vested and eligible for exercise if the partnership or agreement that begins or is initiated in any form within the term of the existing covenants. The warrant shares would also vest and remain eligible for exercise if the partner company, intermediary or an investment firm instead acquired the Company.

v. A warrant for one million (1,000,000) shares at an exercise price of twenty-five cents ($.25) per share if the Company enters into a pharmaceutical development arrangement with a pharmaceutical company or a recognized pharmaceutical intermediary company such as a pharma venture fund or lead compound licensing entity owned or controlled by a pharma, foundation, contract research organization or investment consortium. The warrant shares are still vested and eligible for exercise if the partnership or agreement that begins or is initiated in any form within the term of the existing covenants. The warrant shares would also vest and remain eligible if the pharmaceutical company, an intermediary or investment firm instead acquired the Company.

(d) Contingent Warrants in WellMetris. In the event that the Company's wholly-owned subsidiary, WellMetris, LLC ("WellMetris"), is funded directly by outside investors or the Company ceases to own a controlling interest in WellMetris for any reason whatsoever, the Company shall cause WellMetris to grant Employee warrants to purchase a seven percent (7%) equity interest in WellMetris at the time outside funding is closed and/or at the time an event occurs whereby the Company relinquishes majority control of WellMetris. Such Warrant shall vest and become exercisable immediately and the pricing of such Warrant will be the per-unit or per-share price at the time of the applicable closing or change of control with respect to WellMetris.

5. Expenses. The Company shall reimburse Employee for all necessary and reasonable business expenses incurred by him in the performance of his duties under this Agreement, upon presentation of expense accounts and appropriate documentation in accordance with the Company's standard policies, as they may be amended from time to time.

6. Benefits. Employee, at his election, may participate, during the Employment Term, in all retirement plans, savings plans, health or medical plans and any other benefit plans of the Company generally available from time to time to other management employees of the Company and for which Employee qualifies under the terms of the plans.

7. Services. Employee shall perform his duties under this Agreement faithfully, diligently and to the best of his ability. He shall serve subject to the policies and instruction of the Board, and shall devote all of his business time, attention, energies and loyalty to the Company. The expenditure of reasonable amounts of time by Employee for personal, charitable, professional or other business activities, such as an outside director position, shall not be deemed a breach of this Agreement, provided that such activities do not interfere with the services required to be rendered by Employee under this Agreement and are not contrary to the interests of the Company. On reasonable notice, Employee shall make himself available to perform his duties under this Agreement at such times and at such places as the Company reasonably deems necessary, proper, convenient or desirable.

8. Termination.

   i. Death or Disability. Employee's employment under this Agreement shall terminate automatically upon the Employee's death or if Employee becomes Disabled. For purposes of this Agreement, Employee shall be deemed to be "Disabled" if Employee becomes unable to perform the essential functions and responsibilities of his position with reasonable accommodation, as required under the Americans with Disabilities Act, as the same has and may be amended (the "ADA"), by virtue of physical or mental disability, as defined under the ADA.

   ii. "For Cause". During the Employment Term, the Company may immediately terminate this Agreement for "Cause". For purposes of this Agreement, "Cause" shall mean, in each case as determined by the Board:

      1. Employee's conviction of a felony or other crime involving moral turpitude (but not automobile related matters);

      2. Employee's commission of any act or omission involving dishonesty, fraud, embezzlement, theft, substance abuse or sexual misconduct with respect to the Company, any subsidiary of the Company or any of their respective employees, vendors, suppliers or customers, the specific nature of which shall be set forth in a written notice by the Company to Employee;

      3. Employee's substantial and continued neglect of or failure to perform his duties, or failure to follow a "reasonable directive of the Board," which after written notice from the Board of such neglect or failure, has not been cured within ten (10) days after he receives such notice. For purposes of this Agreement, "reasonable directive of the Board," shall mean a directive that is applied equitably among the management employees of the Company;

      4. Employee's gross negligence or willful misconduct in the performance of his duties; or

      5. Employee's misappropriation of funds or assets of the Company or any subsidiary of the Company.

   iii. No Cause. During the Employment Term, either the Company or the Employee may voluntarily terminate this Agreement upon thirty (30) days advance written notice to the other party for any reason or no reason whatsoever.

   iv. Upon the termination of this Agreement for any reason, Employee shall be entitled to, and the Company shall pay Employee, any accrued and unpaid Base Salary covering the period of employment prior to the effective date of termination, and other performance incentives earned, as specified in 8 (e) below.

   v. Upon the termination of this Agreement by the Company for the reasons specified in 8(c), Employee shall also be entitled to the following:

      1. If such termination under 8(c) occurs during the initial six (6) month period after execution of this Agreement, then Employee shall be entitled to six (6) months severance pay equal to his Base Salary. Otherwise, such severance pay shall be equal to three (3) months plus one week's salary for each year of service (inclusive, as of the date of this Agreement, of two and one-half years already provided by Employee as consultant).

      2. All cash bonuses of 2% of gross sales and Bonus Shares earned from Revenue Contracts initiated in any form during Employee's employment with the Company or within twenty-four (24) months after the termination of his employment pursuant to Section 8(c).

3. Employee shall be entitled to the Warrant Compensation in the event that any event triggering the right to any such Warrant Compensation occurs during or within twenty four months after the effective date of termination of Employee's employment with the Company, as provided in applicable provision in 4.d. above. In addition, if Employee is terminated under 8(c) above within the initial twelve-month period after the effective date of this Agreement then a warrant for one million (1,000,000) shares at an exercise price of twenty-five cents ($.25) per share will be awarded to Employee.

9. Restrictive Covenant.

a. The Company and Employee acknowledge and agree that for Employee to compete with the Company during the Employment Term and for a limited time after the end of the Employment Term would be contrary to the purposes for which the parties entered into this Agreement. In order to induce the Company to enter into this Agreement, Employee covenants, warrants and agrees, for the benefit of the Company, and its respective current and future subsidiaries, Affiliates, successors and assigns (collectively, the "Protected Parties"), that, without first obtaining the express written consent of the Company, Employee, for himself or for any other Person, either as a principal, agent, employee, contractor, director, officer or in any other capacity, shall not, either directly or indirectly:

(a) for a period of two (2) years from the termination of Employee's employment with the Company (the "Covenant Period"), be employed by, engage in or carry on any business or undertaking which competes with the Protected Parties in the Business, or those aspects of the Business involved in the specific area of cholesterol regulation and anti-inflammatory agents unique to the Company and protected by its patents or patent applications, in the State of Michigan and in any other State in which the Protected Parties conduct the Business or take active steps to conduct the Business during the Employment Term (the "Area of Non-Competition");

(b) during the Covenant Period, have any interest in, assist in any manner or in any capacity, make any loan to, or be associated with (whether as a shareholder, partner, member, associate, owner, employee, independent contractor, consultant, agent or otherwise) any Person which is deemed to be engaged in the specific aspects of the Business as they relate to cholesterol regulation and anti-inflammatory agents unique to the Company and protected by its patents or patent applications, in each case as then currently conducted, anywhere within the Area of Non-Competition; provided, however, that Employee may invest in any publicly-held entity engaged in the Business if his aggregate investment does not exceed 1% in value of the issued and outstanding voting securities of such entity;

(c) during the Covenant Period, request or advise any customer or supplier of any Protected Party to terminate its relationship with any Protected Party, or request or advise any person to refrain from becoming a customer or supplier of any Protected Party; or

(d) during the Covenant Period, solicit, induce or attempt to induce any employee or independent contractor of any Protected Party to (A) leave the employment of or terminate his, her or its contractual relationship with such Protected Party, or (B) enter into an employment or a contractual relationship with Employee or any Person in which Employee has any interest whatsoever.

(e) during the Covenant Period, the Employee may be free to conduct the affairs of Great Northern & Reserve Partners, LLC, a privately held consulting and investment firm wholly owned and controlled by the Employee, and to serve on boards of other companies when such opportunities are offered.

b. The parties intend that the covenants set forth in Section 9 above shall be deemed to be a series of separate covenants, one for each and every political subdivision of each state, province and county in the Area of Non-Competition. Employee acknowledges and agrees that the covenants set forth in Section 9 above are reasonable and valid in geographical and temporal scope and in all other respects. If any court determines that any covenant set forth in Section 9 above, or any portion of any such covenant, is invalid or unenforceable, the remainder of the covenants set forth in Section 9 above shall not be affected and shall be given full force and effect, without regard to the invalid covenant or the invalid portion. If any court determines that any covenant set forth in Section 9 above, or any portion of any such covenant, is unenforceable because of its duration or geographic scope, such court shall have the power to reduce such duration or scope, as the case may be, and enforce such covenant or portion in such reduced form. The parties intend to and hereby confer jurisdiction to enforce the covenants set forth in Section 9 above upon the courts of any jurisdiction in which Employee is alleged to have committed an act in violation of any of the covenants contained here. If the courts of any one or more of such jurisdictions hold the covenants set forth in Section 9 above, or any portion of such covenants, unenforceable by reason of the breadth of such scope or otherwise, it is the intention of the parties that such determination not bar or in any way affect the right of the Company to the relief provided above in the courts of any other jurisdiction within the geographical scope of such covenants as to breaches of such covenants in such other respective jurisdictions.

c. In the event of a breach or attempted breach of any of the covenants set forth in this Section 9, Section 10 or Section 11 below, in addition to any and all legal and equitable remedies immediately available, such covenants may be enforced by a temporary and/or permanent injunction to secure the specific performance of such covenants, and to prevent a breach or contemplated breach of such covenants, without the need to post any bond or other security of any kind. Employee acknowledges and agrees that the remedy at law for a breach or threatened breach of any of the covenants set forth in this Section 9, Section 10 or Section 11 below, would be inadequate. Employee acknowledges and agrees that the remedies provided for in this Agreement are cumulative and are intended to be and are in addition to any other remedies available to the Company, either at law or in equity. In addition, Employee agrees that, in the event of a breach of the covenants set forth in this Section 9, Section 10 or Section 11 below, by Employee, he shall be liable, and shall reimburse the Company, for all fees, costs and expenses (including reasonable attorneys' fees and other professional fees) arising out of or in any way related to the enforcement of this Covenant. The Company agrees that in the event of a dispute or breach in which the Employee prevails, the Company shall be liable, and shall reimburse the Employee, for all fees, costs and expenses (including reasonable attorneys' fees and other professional fees) arising out of or in any way related to the enforcement of this Covenant.

d. The following terms shall have the meanings described below:

(a) "Affiliate" means, as to any specified Person, any other Person controlling or controlled by or under common control with such specified Person;

(b) "Business" means the business of selling or licensing the specific intellectual property, products and processes developed and owned by the Company in any market or application specifically as they relate to cholesterol regulation and non-steroidal anti-inflammatory agents unique to the Company and protected by patents or patents in application held by the Company.

(c) "Person" means an individual, corporation, partnership, limited liability company, association, trust, joint venture, unincorporated organization, other entity or group, or a governmental authority.

10. Intellectual Property Rights. Employee recognizes that he may, individually or jointly with others, discover, conceive, make, perfect or develop inventions, discoveries, new contributions, concepts, ideas, developments, processes, formulas, methods, compositions, techniques, articles, machines and improvements, and all original works of authorship and all related know-how, whether or not patentable, copyrightable or protectable as trade secrets for and on behalf of the Company pursuant to this Agreement ("Inventions"). Employee agrees that all such Inventions are the sole and exclusive property of the Company. **EMPLOYEE AGREES THAT ANY PARTICIPATION BY HIM IN THE DESIGN, DISCOVERY, CONCEPTION, PRODUCTION, PERFECTION, DEVELOPMENT OR IMPROVEMENT OF AN INVENTION IS WORK MADE FOR HIRE, AS DEFINED IN TITLE 17, UNITED STATES CODE, FOR THE SOLE AND EXCLUSIVE BENEFIT OF THE COMPANY AND EMPLOYEE HEREBY ASSIGNS TO THE COMPANY ALL OF HIS RIGHTS IN AND TO SUCH INVENTIONS.** Employee shall maintain adequate and current written records of all Inventions, which shall remain the property of the Company and be available to the Company at all times. At the Company's request, Employee shall promptly sign and deliver all documents necessary to vest in the Company all right, title and interest in and to any Inventions. If the Company is unable, after reasonable effort, to secure Employee's signature on any document needed to vest in the Company all right, title and interest in and to any Inventions, whether because of Employee's physical or mental incapacity or for any other reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agent and attorney-in-fact, to act for and in Employee's behalf and stead to execute and file any such document and to do all other lawfully permitted acts to further the prosecution and enforcement of patents, copyrights or similar protections with the same legal force and effect as if executed by Employee.

11. Confidentiality. Employee acknowledges and agrees that he shall treat all Confidential Information (as defined below) in a confidential manner, not use any Confidential Information for his own or a third party's benefit and not communicate or disclose, orally or in writing, any Confidential Information to any person, either directly or indirectly, under any circumstances without the prior written consent of the Company. Employee further agrees that he shall not utilize or make available any Confidential Information, either directly or indirectly, in connection with his solicitation of employment or acceptance of employment with any third party. Employee further agrees that he will promptly return (or destroy if it cannot be returned) to Company all written or other tangible evidence of any Confidential Information and any memoranda with respect thereto which are in his possession or under his control upon Company's request for the return of such items. Notwithstanding this Section 11, Employee may disclose Confidential Information if required (and then only to the extent required) by applicable law; provided, however, that prior to any such disclosure, Employee must provide the Company with written notice of such pending disclosure, sufficiently in advance thereof so as to allow the Company a reasonable opportunity to contest such required disclosure.

For the purposes of this Agreement, the term "Confidential Information" shall include all proprietary information related to the Business, including, but not limited to, processes, ideas, techniques, Inventions, methods, products, services, research, purchasing, marketing, selling, customers, suppliers or trade secrets. All information which Employee has a reasonable basis to believe to be Confidential Information, or which Employee has a reasonable basis to believe the Company or any of its Affiliates treat as Confidential Information, shall be deemed to be Confidential Information. Notwithstanding the foregoing, information shall not be deemed to be Confidential Information if it is generally known and publicly available, without the fault of Employee and without the violation by any person of a duty of confidentiality or any other duty owed to any Protected Party.

12. Notices. All notices, requests, consents and other communications, required or permitted to be given under this Agreement shall be personally delivered in writing or shall have been deemed duly given when received after it is posted in the United States mail, postage prepaid, registered or certified, return receipt requested addressed as set forth below. In addition, a party may deliver a notice via another reasonable means that results in the recipient party receiving actual notice, as conclusively demonstrated by the party giving such notice.

If to the Company:
Phillip M. Rice II, Chief Financial Officer
Zivo Bioscience, Inc.
2804 Orchard Lake Road, Suite 202
Keego Harbor, MI 48320
Cell: 586 665 9000
Fax: 248 869 6006
price@zivobioscience.com

With a required copy to:
Laith Yaldoo
c/o Financial Transaction Services, Inc.
2804 Orchard Lake Road, Suite 209
Keego Harbor, MI 48320
laith@yaldoo.com

If to Employee:
Andrew A Dahl
7 West Square Lake Road
Bloomfield Hills, Michigan USA 48302
Cell: 248 978 3911 Fax: (248) 341-3411
adahl@greatnorthreserve.com

With a required copy to:
Laith Yaldoo
c/o Financial Transaction Services, Inc.
2804 Orchard Lake Road, Suite 209
Keego Harbor, MI 48320
laith@yaldoo.com

13. Miscellaneous.

(a) The failure of any party to enforce any provision or protections of this Agreement shall not in any way be construed as a waiver of any such provision or provisions as to any future violations thereof, nor prevent that party thereafter from enforcing each and every other provision of this Agreement. The rights granted the parties herein are cumulative and the waiver of any single remedy shall not constitute a waiver of such party's right to assert all other legal remedies available to it under the circumstances.

(b) This Agreement has been executed in, and shall be construed and enforced in accordance with the laws of, the State of Michigan.

(c) The provisions of this Agreement are severable and if any one or more provisions may be determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions and any partially unenforceable provision to the extent enforceable in any jurisdiction nevertheless shall be binding and enforceable.

(d) This Agreement sets forth the entire understanding and agreement of Employee and the Company with respect to its subject matter and supersedes all prior understandings and agreements, whether written or oral, in respect thereof. No modification, termination or attempted waiver of this Agreement shall be valid unless in writing and signed by the party against whom the same is sought to be enforced.

(e) The rights and obligations of Company under this Agreement shall inure to the benefit of, and shall be binding on, Company and its successors and assigns. This Agreement is personal to Employee and he may not assign his obligations under this Agreement in any manner whatsoever and any purported assignment shall be void. The Company, however, may assign this Covenant in connection with a sale of all or substantially all of its equity interests or assets.

(f) The parties acknowledge that each of them has equally participated in the final wording of this Agreement. Accordingly, the parties agree that this Agreement shall be construed equally against each party and shall not be more harshly construed against a party by reason of the fact that a particular party's counsel may have prepared this Agreement.

(g) The headings and captions used in this Agreement are for convenience of reference only and shall not be considered in interpreting this Agreement.

(h) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same agreement.

(i) Any payments provided for in this Agreement shall be paid net of any applicable income tax withholding required under federal, state or local law.

[*Signatures to follow on next page*]

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the day and year first above written.

EMPLOYEE:

/s/ Andrew A. Dahl
Andrew A. Dahl

ZIVO BIOSCIENCE, INC. (formerly HEALTH ENHANCEMENT PRODUCTS, INC.) "COMPANY"

/s/ Philip M. Rice, II
By: Philip M. Rice, II, CFO

Exhibit 31.1

Certification Pursuant to pursuant to Rule 13a-14(a) or Rule 15d-14(a)
of the Securities Exchange Act of 1934, as amended

I, Andrew Dahl, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Zivo Bioscience, Inc. (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f))for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function).

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 12, 2016

/s/Andrew Dahl
Andrew Dahl,
Chief Executive Officer

Exhibit 31.2

Certification Pursuant to pursuant to Rule 13a-14(a) or Rule 15d-14(a)
of the Securities Exchange Act of 1934, as amended

I, Philip M. Rice II, certify that:

1. I have reviewed this Quarterly report on Form 10-Q of Zivo Bioscience, Inc. (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The Registrants other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure the material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly through the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluations, and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 12, 2016

/s/Philip M. Rice II

Philip M. Rice II
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(Subsections (a) and (b) of Section 1350,
Chapter 63 of Title 18, United States Code)

In connection with the Quarterly Report on Form 10-Q for the period ending June 30, 2016 of Zivo Bioscience, Inc. (the "Company"), Inc., a Nevada corporation (the "Company"), as filed with the Securities and Exchange Commission (the "Report"), I, Andrew Dahl, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350), that to the best of my knowledge and belief:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 12, 2016

/s/Andrew Dahl
Andrew Dahl
Chief Executive Officer

A SIGNED ORIGINAL OF THIS WRITTEN STATEMENT REQUIRED BY SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 HAS BEEN PROVIDED TO HEALTH ENHANCEMENT PRODUCTS, INC. AND WILL BE RETAINED BY HEALTH ENHANCEMENT PRODUCTS, INC. AND FURNISHED TO THE SECURITIES AND EXCHANGE COMMISSION OR ITS STAFF UPON REQUEST

Exhibit 32.2

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(Subsections (a) and (b) of Section 1350,
Chapter 63 of Title 18, United States Code)

In connection with the Annual Report of Zivo Bioscience, Inc. (the "Company"), Inc., a Nevada corporation (the "Company"), on Form 10-Q for the period ended June 30, 2016 as filed with the Securities and Exchange Commission (the "Report"), I, Philip M. Rice II, Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350), that to the best of my knowledge and belief:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 12, 2016

/s/ Philip M. Rice II
Philip M. Rice II
Chief Financial Officer

A SIGNED ORIGINAL OF THIS WRITTEN STATEMENT REQUIRED BY SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 HAS BEEN PROVIDED TO HEALTH ENHANCEMENT PRODUCTS, INC. AND WILL BE RETAINED BY HEALTH ENHANCEMENT PRODUCTS, INC. AND FURNISHED TO THE SECURITIES AND EXCHANGE COMMISSION OR ITS STAFF UPON REQUEST.