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

FORM 10-Q

(Mark One)
☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2022

OR

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

For the transition period from _________ to _________.

Commission File Number: 001-40449

Zivo Bioscience, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**87-0699977**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
21 East Long Lake Road, Ste. 100, Bloomfield Hills MI	**48304**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: 248-452-9866

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $0.001 per share	ZIVO	The Nasdaq Stock Market LLC
Warrants to purchase shares of Common Stock, par value $0.001 per share	ZIVOW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated Filer	☒	Smaller reporting company	☒
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

At May 9, 2022, there were 9,419,660 issued and outstanding shares of Common Stock of the registrant.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

ZIVO BIOSCIENCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(UNAUDITED)

	March 31, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS:		
Cash	$ 6,598,982	$ 8,901,875
Prepaid expenses	855,257	58,078
Total current assets	7,454,239	8,959,953
PROPERTY AND EQUIPMENT, NET	-	-
OTHER ASSETS		
Operating lease – right of use asset	201,832	27,225
Security deposit	32,058	3,000
Total other assets	233,890	30,225
TOTAL ASSETS	$ 7,688,129	$ 8,990,178
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 520,367	$ 654,333
Current portion of long-term operating lease	67,029	15,178
Convertible debentures payable	240,000	240,000
Deferred R&D obligations - participation agreements	1,003,702	1,106,320
Deferred R&D obligations - participation agreements related parties	334,807	369,037
Accrued interest	96,478	95,886
Accrued liabilities – payroll and directors fees	138,334	467,215
Note payable	558,756	-
Total Current Liabilities	2,959,473	2,947,969
LONG-TERM LIABILITIES:		
Long-term operating lease, net of current position	144,138	-
Total long-term liabilities	144,138	-
TOTAL LIABILITIES	3,103,611	2,947,969
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Common stock, $0.001 par value, 150,000,000 shares authorized; 9,419,660 and 9,419,660 issued and outstanding at March 31, 2022 and December 31, 2021	9,420	9,420
Additional paid-in capital	114,830,459	114,259,830
Accumulated deficit	(110,255,361)	(108,227,041)
Total stockholders' equity	4,584,518	6,042,209
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 7,688,129	$ 8,990,178

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

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

	Three Months ended March 31, 2022	Three Months ended March 31, 2021
REVENUES:		
Service revenue	$ -	$ -
Total revenues	-	-
COSTS AND EXPENSES:		
General and administrative	1,346,742	1,436,822
Research and development	679,773	646,752
Total costs and expenses	2,026,515	2,083,574
LOSS FROM OPERATIONS	(2,026,515)	(2,083,574)
OTHER EXPENSE:		
Interest expense	1,805	24,461
Interest expense - related parties	-	110,943
Total other expense	1,805	135,404
NET LOSS	$ (2,028,320)	$ (2,218,978)
BASIC AND DILUTED LOSS PER SHARE	$ (0.22)	$ (0.43)
WEIGHTED AVERAGE BASIC AND DILUTED SHARES OUTSTANDING	9,419,660	5,200,493

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

ZIVO BIOSCIENCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND MARCH 31, 2021
(UNAUDITED)

	Common Stock		Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount			
Balance, December 31, 2020	5,162,945	$ 5,163	$ 87,747,898	$ (99,063,675)	$ (11,310,614)
Issuance of warrants for services			975,024		975,024
Issuance of common stock for cash -related party	4,464	4	49,996	-	50,000
Issuance of common stock for cash	96,578	97	1,039,903	-	1,040,000
Issuance of warrants pursuant to the participation agreements	-	-	40,799	-	40,799
Net loss for the three months ended March 31, 2021	-	-	-	(2,218,978)	(2,218,978)
Balance, March 31, 2021	5,263,987	$ 5,264	$ 89,853,620	$ (101,282,653)	$ (11,423,769)

	Shares	Amount	Additional Paid in Capital	Accumulated Deficit	Total
Balance, December 31, 2021	9,419,660	$ 9,420	$ 114,259,830	$ (108,227,041)	$ 6,042,209
Employee and director equity based compensation	-	-	570,629	-	570,629
Net loss for the three months ended March 31, 2022	-	-	-	(2,028,320)	(2,028,320)
Balance, March 31, 2022	9,419,660	$ 9,420	$ 114,830,459	$ (110,255,361)	$ 4,584,518

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

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

	For the Three Months Ended March 31, 2022	For the Three Months Ended March 31, 2021
Cash Flows for Operating Activities:		
Net loss	$ (2,028,320)	$ (2,218,979)
Adjustments to reconcile net loss to net cash used by operating activities:		
Non cash lease expense	21,197	5,239
Employee and director equity based compensation	570,629	975,024
Amortization of deferred R&D obligations participation agreements	(136,848)	-
Changes in assets and liabilities:		
Security deposits	(29,058)	-
Prepaid expenses	(797,179)	(196,493)
Accounts payable	133,966	175,533
Lease liabilities	185	(2,060)
Advanced payments for R&D obligations – participation agreements	-	55,201
Accrued liabilities	(328,289)	154,537
Net cash (used in) operating activities	(2,861,649)	(1,051,998)
Cash Flows from Investing Activities:		
Net cash from by investing activities	-	-
Cash Flow from Financing Activities:		
Proceeds of loans payable, other	628,600	190,500
Payments of loans payable, other	(69,844)	(31,850)
Deferred offering expenses	-	(143,377)
Proceeds from sale of common stock warrants - participation agreements	-	40,799
Proceeds from sale of common stock - related party	-	50,000
Proceeds from sales of common stock	-	1,040,000
Net cash provided by financing activities	558,756	1,146,072
Increase (decrease) in cash	(2,302,893)	94,074
Cash at beginning of period	8,901,875	137,862
Cash at end of period	$ 6,598,982	$ 231,935
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest	$ 1,213	$ 514
Income Taxes	$ -	$ -

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

ZIVO BIOSCIENCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

Supplemental Disclosure of Non-Cash Investing and Financing Activities:

Three Months Ended March 31, 2022:

During the quarter ended March 31, 2022, the Company had no non-cash investing or financing transactions.

Three Months Ended March 31, 2021:

During the quarter ended March 31, 2021, a related party applied the proceeds of a Loan Payable in the amount of $9,000, against the cost of a Participation Agreement.

ZIVO BIOSCIENCE, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

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. The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The condensed consolidated financial statements have also been prepared on a basis substantially consistent with, and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2021 and the notes thereto, included in its Annual Report on Form 10-K that was filed with the Securities and Exchange Commission on April 22, 2022.

Going Concern

The Company has incurred net losses since inception, experienced negative cash flows from operations for the quarter ended March 31, 2022, and has an accumulated deficit of $110,255,361. The Company has historically financed its operations primarily through the issuance of common stock, warrants, and debt.

The Company expects to continue to incur operating losses and net cash outflows until such time as it generates a level of revenue to support its cost structure. There is no assurance that the Company will achieve profitable operations, and, if achieved, whether it will be sustained on a continued basis. The Company intends to fund ongoing activities by utilizing its current cash on hand and by raising additional capital through equity or debt financings. There can be no assurance that the Company will be successful in raising that additional capital or that such capital, if available, will be on terms that are acceptable to the Company. If the Company is unable to raise sufficient additional capital, the Company may be compelled to reduce the scope of its operations and planned capital expenditures.

These factors raise substantial doubt about the Company's ability to continue as a going concern within one year after the date the financial statements are issued. The Company's condensed consolidated financial statements have been prepared on the basis of continuity of operations, realization of assets and satisfaction of liabilities in the ordinary course of business; no adjustments have been made relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The unaudited condensed consolidated financial statements include the accounts of Zivo Bioscience, Inc. and its wholly-owned subsidiaries, Health Enhancement Corporation, HEPI Pharmaceuticals, Inc., Wellmetrix, LLC, Wellmetris, LLC, Zivo Bioscience, LLC, Zivo Biologic, Inc., and Zivo Zoologic, 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 US GAAP, 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 amounts 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Cash

Cash equivalents include time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less. The Company maintains cash and cash equivalents balances at financial institutions and are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. At times, balances in certain bank accounts may exceed the FDIC insured limits. Cash equivalents consist of highly liquid investments with an original maturity of three months or less when purchased. At March 31, 2022, the Company did not have any cash equivalents.

Property and Equipment

Property and equipment consist of furniture and office equipment and are carried at cost less allowances for depreciation and amortization. Depreciation and amortization are 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.

Leases

ASC 842, *Leases*, requires the recognition of a right-of-use ("ROU") and a corresponding lease liability on the balance sheet. ROU assets represent the right to use an underlying asset over the lease term and lease liabilities represent the obligation to make lease payments resulting from the lease agreement. ROU assets and lease liabilities are recognized on commencement of the lease agreement.

ROU assets are included within operating lease right-of-use assets, and the corresponding operating lease liabilities are recorded as current portion of long-term operating lease, and within long-term liabilities as long-term operating lease, net of current portion on the Company's Condensed Consolidated Balance Sheet as of March 31, 2022.

Lease assets and lease liabilities are recognized based on the present value of lease payments over the lease term at commencement date. Because the Company's lease does not provide an implicit rate of return, the Company used its incremental borrowing rate in determining the present value of lease payments.

Research and Development

Research and development ("R&D") costs are expensed as incurred. The Company's R&D costs, including internal expenses, consist of clinical study expenses as it relates to the biotech business and the development and growing of algae as it relates to the agtech business. These consist of fees, charges, and related expenses incurred in the conduct business with Company development by independent outside contractors. External clinical studies expenses were $301,142 and $280,400 for the three months ended March 31, 2022 and March 31, 2021, respectively. Internal expenses, composed of staff salaries compose $515,478 and $366,352 for the three months ended March 31, 2022 and 2021, respectively. These costs were offset by the amortization of the R&D obligation of $136,848 and $0 for the three months ended March 31, 2022 and March 31, 2021, respectively (see "*Note 6 – Deferred R&D Obligations – Participation Agreements*").

Income Taxes

Deferred income taxes are determined using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The tax effects of temporary differences that gave rise to the deferred tax assets and deferred tax liabilities at March 31, 2022 and 2021 were primarily attributable to net operating loss carry forwards. Since the Company has a history of losses, and it is more likely than not that some portion or all of the deferred tax assets will not be realized, a full valuation allowance has been established. In addition, utilization of net operating loss carry-forwards is subject to a substantial annual limitation due to the “change in ownership” provisions of the Internal Revenue Code. The annual limitation may result in the expiration of net operating loss carry-forwards before utilization.

Stock Based Compensation

The Company accounts for stock-based compensation in accordance with ASC 718 Under the provisions of 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 or warrant 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 three months ended March 31, 2022 and 2021, stock options were granted to employees of the Company. As a result of these and previous grants, the Company recorded compensation expense of $570,629 and $975,024 for these periods, respectively.

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

	Three Months Ended March 31,	
	2022	2021
Expected volatility	135.32%	144.80% to 153.25%
Expected dividends	0%	0%
Expected term	10 years	5 to 10 years
Risk free rate	1.94%	0.29% to 1.45%

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.

Income (Loss) Per Share

Basic loss per share is computed by dividing the Company’s net loss by the weighted average number of shares of common stock 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 options and warrants and conversions of debentures. Potentially dilutive securities as of March 31, 2022, consisted of 53,192 shares of common stock from convertible debentures and related accrued interest and 7,403,331 shares of common stock underlying outstanding options and warrants. Potentially dilutive securities as of March 31, 2021 consisted of 991,315 shares of common stock underlying convertible debentures and related accrued interest and3,086,775 shares of common stock from outstanding options and warrants. For the three months ended March 31, 2022 and 2021, diluted and basic weighted average shares were the same, as potentially dilutive shares are anti-dilutive.

Segment Reporting

The Company’s Chief Executive Officer, who is considered to be the chief operating decision maker (CODM), reviews financial information presented on a consolidated basis, accompanied by information about operating segments for purposes of making operating decisions and assessing financial performance. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the CODM in deciding how to allocate resources and in assessing performance.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED
Recently Enacted Accounting Standards

No new Accounting Standards were adopted during the quarter ended March 31, 2022.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment at March 31, 2022 and December 31, 2021 consisted of the following:

	March 31, 2022	December 31, 2021
Furniture and fixtures	$ 20,000	$ 20,000
Equipment	80,000	80,000
Total	100,000	100,000
Less accumulated depreciation	(100,000)	(100,000)
Property and equipment, net	$ -	$ -

There was no depreciation expense for the three months ended March 31, 2022 and 2021 respectively.

NOTE 4 - LEASES

On December 17, 2020, the Company entered into a 25 ½ month lease agreement for a 2,700-square-foot facility that contains office, warehouse, lab and R&D space in Ft. Myers, Florida. The lease agreement commenced on December 17, 2020 and ends on January 31, 2023. The agreement provided for a total rent of $54,993 over the period. Occupancy of the property commenced on December 17, 2020, there was a 6-week rent holiday and a commencement date of February 1, 2021. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. Rent is $3,291 per month from January 15, 2021 to January 31, 2022 and $1,154 from February 1, 2022 to January 31, 2023.

On January 14, 2022, the Company entered into a 34-month sublease agreement for a 4,843 square-foot office in Bloomfield Hills, Michigan. The Company moved its headquarters to this location. The agreement commenced on January 29, 2022 and ends on November 30, 2024. The agreement provided for a total rent of $232,464. Occupancy of the property commenced on January 29, 2022, there was a three-month rent holiday with a rent commencement date of April 29, 2022. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. Rent is $7,265 per month from commencement to November 29, 2022, $7,466 from November 29, 2022 to November 29, 2023, and $7,668 from November 2023 to the lease end date.

The balances for the Company's operating leases are presented as follows within the condensed consolidated balance sheet:

Operating leases:

	March 31, 2022	December 31, 2021
Assets:		
Operating lease right-of-use asset	$ 201,832	$ 27,225
Liabilities:		
Current portion of long-term operating lease	$ 67,029	$ 15,178
Long-term operating lease, net of current portion	144,138	-
	$ 211,167	$ 15,178

The components of lease expense are as follows within our condensed consolidated statement of operations:

	For the Quarter ended March 31, 2022	For the Quarter ended March 31, 2021
Operating lease expense	$ 26,112	$ 6,470

Other information related to leases where we are the lessee is as follows:

	As of March 31, 2022	As of December 31, 2021
Weighted-average remaining lease term:		
Operating leases	2.58 Years	1.08 Years
Discount rate:		
Operating leases	11.00%	11.00%

Supplemental cash flow information related to leases where we are the lessee is as follows:

	For the Quarter ended March 31, 2022	For the Quarter ended March 31, 2021
Cash paid for amounts included in the measurement of lease liabilities:	$ 5,600	$ 3,291
Non-cash investment in ROU asset	$ 195,804	$ -

As of March 31, 2022, the maturities of our operating lease liability are as follows:

Year Ended:	**Operating Lease**
December 31, 2022	$ 76,173
December 31, 2023	89,999
December 31, 2024	76,681
Total minimum lease payments	242,853
Less: Interest	31,686
Present value of lease obligations	211,167
Less: Current portion	67,029
Long-term portion of lease obligations	$ 144,138

NOTE 5 - CONVERTIBLE DEBT

11% Convertible Notes

On December 2, 2011, the Company and HEP Investments entered into the following documents, effective as of December 1, 2011, as amended through May 16, 2018: (i) a Loan Agreement under which the HEP Investments agreed to advance up to $20,000,000 to the Company, subject to certain conditions, (ii) an 11% Convertible Secured Promissory Note in the principal amount of $20,000,000 ("Convertible Note") (of which a total of $18,470,640 was funded, with a total of $14,380,298 converted into 1,796,287 shares of common stock, leaving a balance advanced of $4,090,342 as of December 31, 2020), (iii) a Security Agreement, under which the Company granted HEP Investments a security interest in all of its assets, (iv) warrants issued to HEP Investments to purchase 20,833 shares of common stock at an exercise price of $9.60 per share (including a cashless exercise provision) which expired September 30, 2016, (v) a Registration Rights Agreement with respect to all the shares of common stock issuable to HEP Investments in connection with the Loan Agreement, in each case subject to completion of funding of the full $20,000,000 called for by the Loan Agreement, and (vi) an Intellectual Property security agreement under which the Company and its subsidiaries granted HEP Investments a security interest in all their respective intellectual properties, including patents, in order to secure their respective obligations to HEP Investments under the Convertible Note and related documents. The Convertible Note was originally convertible into the Company's common stock at $8.00 per share. In addition, the Company's subsidiaries guaranteed the Company's obligations under the Convertible Note. On March 31, 2021, HEP Investments entered into a "Debt Extension and Conversion Agreement" with the Company providing that the Convertible Notes, including principal and accrued interest, would automatically convert into shares of common stock upon consummation of an underwritten public offering of the Company's common stock.

On June 2, 2021, in accordance with the Debt Extension and Conversion Agreement, all of the outstanding debt and accrued interest for the Convertible Notes was automatically converted into common stock of the Company. The principal amount of $4,090,342 and the accrued interest to June 2, 2021, of $2,161,845 totaled $6,252,187; this total amount was converted into 781,524 shares of common stock (calculated at $8.00 per share). As of March 31, 2022, the Company has no further remaining financial obligations to the HEP Investments under the terms of the Loan Agreement, the Convertible Note or the Registration Rights Agreement. Additionally, as of the conversion of the total outstanding principal and accrued interest balance, HEP Investments no longer retains a security interest in the Company's intellectual property or other assets.

Paulson Investment Company, LLC - Related Debt

On August 24, 2016, the Company entered into a Placement Agent Agreement with Paulson Investment Company, LLC ("Paulson"). The Placement Agent Agreement provided that Paulson could provide up to $2 million in financings to "accredited investors". Between August 24, 2016 and December 31, 2016, the Company received gross proceeds of $1,250,000 in connection with loans received from seven accredited investors (the "New Lenders"). Each loan included (i) a Loan Agreement, (ii) a Convertible Secured Promissory Note ("New Lenders Notes") in the principal amount of the loan, (iii) a Security Agreement under which the Company granted the New Lenders a security interest in all of its assets and (iv) an Intercreditor Agreement with HEP Investments whereby HEP Investments and the New Lenders agree to participate in all collateral on a pari passu basis. The New Lender Notes had a two-year term and matured September 2018 ($600,000) and October 2018 ($650,000). Paulson received a 10% cash finance fee for monies invested in the Company in the form of convertible debt, along with 5-year warrants, exercisable at $8.00 per share, all the warrants have expired as of December 31, 2021. The New Lenders Notes were convertible into the Company's common stock at $8.00 per share.

On September 24, 2018, one New Lender converted $300,000 of the debt and $64,280 of accrued interest into 45,535 shares of the Company's common stock (at $8.00 per share).

On January 15, 2020, two New Lenders converted $100,000 of the debt and $36,225 of accrued interest into 17,028 shares of the Company's common stock (at $8.00 per share).

In May 2021, each of the remaining New Lenders entered into a Debt Extension and Conversion Agreement with the Company. These agreements provided that the New Lender Notes, including principal and accrued interest, would automatically convert into shares of common stock upon consummation of an underwritten public offering of the Company's common stock.

On June 2, 2021, in accordance with the Debt Extension and Conversion Agreement between the remaining New Lenders and the Company, all of the remaining outstanding debt and accrued interest for the New Lenders Notes were automatically converted to common stock. The principal amount of $850,000 and the accrued interest to June 2, 2021, of $436,369 totaled $1,286,369; this total amount was converted into 160,798 shares of common stock at $8.00 per share. As of March 31, 2022, the Company has no further remaining financial obligations to the New Lenders under the terms of the New Lenders Notes. All security interests of the New Lenders in the Company's assets have been terminated.

Other Debt

The Company's 1% convertible debentures allow for rolling 30-day extensions until notice is given by the lender to the Company to the contrary. As of March 31, 2022, that agreement is still in place.

Convertible debt consists of the following:

	March 31, 2022	December 31, 2021
1% Convertible notes payable	$ 240,000	$ 240,000
Accrued interest	96,478	95,486
Less: Current portion	336,478	335,486
Long term portion	$ -	$ -

Paycheck Protection Program Loan

On May 7, 2020, the Company received $121,700 in loan funding from the Paycheck Protection Program (the "PPP") established pursuant to the recently enacted Coronavirus Aid, Relief, and Economic Security Act of 2020 (the "CARES Act") and administered by the U.S. Small Business Administration ("SBA"). The unsecured loan (the "PPP Loan") is evidenced by a promissory note of the Company, dated April 29, 2020 (the "Note") in the principal amount of $121,700 with Comerica Bank (the "Bank"), the lender.

Under the terms of the Note and the PPP Loan, interest accrues on the outstanding principal at the rate of 1.0% per annum. The term of the Note was two years, though it could have been payable sooner in connection with an event of default under the Note.

The CARES Act and the PPP provide a mechanism for forgiveness of up to the full amount borrowed. Under the PPP, the Company was eligible to apply for forgiveness for all or a part of the PPP Loan. The amount of loan proceeds eligible for forgiveness, as amended, was based on a formula that takes into account a number of factors, including: (i) the amount of loan proceeds that are used by the Company during the covered period after the loan origination date for certain specified purposes including payroll costs, interest on certain mortgage obligations, rent payments on certain leases, and certain qualified utility payments, provided that at least 60% of the loan amount is used for eligible payroll costs; (ii) the Company maintaining or rehiring employees, and maintaining salaries at certain levels; and (iii) other factors established by the SBA. Subject to the other requirements and limitations on loan forgiveness, only that portion of the loan proceeds spent on payroll and other eligible costs during the covered period will qualify for forgiveness.

In August 2021, the Company applied to the SBA for forgiveness of the outstanding loan principal and accrued interest under the CARES Act. On September 9, 2021, the Company received a Notification of Paycheck Protection Program Forgiveness Payment letter from the SBA confirming that the full amount of the principal, $121,700, and accrued interest, $1,653, were forgiven by the SBA. The Company recognized the forgiveness of debt principal of $121,700 and the 2020 accrued interest of $820 as an Other Income of $122,520, the remaining interest due for the PPP Loan in 2021 through the forgiveness date of $833 was booked to offset the 2021 interest expense. The Company's PPP loan and application for forgiveness of loan amounts remain subject to review and audit by SBA for compliance with program requirements.

Short Term Loan

On February 21, 2022, the Company entered into a short-term, unsecured loan agreement to finance a portion of the Company's directors' and officers' insurance premiums. The note in the amount of $628,600 carries a 4.15% annual percentage rate and will be paid down in nine equal payments of $71,058 beginning in March 2022. The principal balance of March 31, 2022 was $558,756.

NOTE 6 - DEFERRED R&D OBLIGATIONS - PARTICIPATION AGREEMENTS

The Company entered into twenty-one (21) License Co-Development Participation Agreements (the "Participation Agreements") with certain investors ("Participants") for aggregate proceeds of $2,985,000 during the period April 2020 through May 2021. The Participation Agreements provide for the issuance of warrants to such Participants and allows the Participants to participate in the fees (the "Fees") from licensing or selling bioactive ingredients or molecules derived from ZIVO's algae cultures. Specifically, ZIVO has agreed to provide to the Participants a 44.78% "Revenue Share" of all license fees generated by ZIVO from any licensee (See the Table below).

According to the terms of the Participation Agreements, and pursuant to ASC 730-20-25 the Company has bifurcated the proceeds of $2,985,000 as follows: 1) the 106,315 warrants sold were attributed a value of $953,897 based on the Black Scholes pricing model using the following assumptions: volatilities ranging from 129.13% to 154.26%; annual rate of dividends 0%; discount rates ranging from 0.26% to 0.87%, and recorded as Additional Paid In Capital; 2) the remaining $2,031,103 was recorded as Deferred R&D Obligation – Participation Agreements. Since the Company believes there is an obligation to perform pursuant to ASC 730-20-25, the Deferred R&D Obligation will be amortized ratably based on expenses incurred as the Company develops the technology for bioactive ingredients or molecules (including its TLR4 Inhibitor molecule) derived from the Company's algae cultures. In the three months ended March 31, 2022 and 2021, the Company recognized $136,848 and $0 as a contra R&D expense related to personnel and third-party expenses to develop the subject technology, respectively. For the three months ended March 31, 2022, $34,230 of this total contra R&D expense was attributed to deferred R&D obligations funded by a related party.

The Participation Agreements allow the Company the option to buy back the right, title and interest in the Revenue Share for an amount equal to the amount funded plus a forty percent (40%) premium, if the option is exercised less than 18 months following execution, and for either forty (40%) or fifty percent (50%) if the option is exercised more than 18 months following execution. Pursuant to the terms of twelve of the Participation Agreements, the Company may not exercise its option until it has paid the Participants a revenue share equal to a minimum of thirty percent (30%) of the amount such Participant's total payment amount. Pursuant to the terms of one of the Participation Agreements, the Company may not exercise its option until it has paid the Participant a revenue share equal to a minimum of one hundred forty percent (140%) of such Participant's total payment amount. Five of the Participation Agreements have no minimum threshold payment. Once this minimum threshold is met, the Company may exercise its option by delivering written notice to a Participant of its intent to exercise the option, along with repayment terms of the amount funded, which may be paid, in the Company's sole discretion, in one lump sum or in four (4) equal quarterly payments. If the Company does not make such quarterly payments timely for any quarter, then the Company shall pay the prorated Revenue Share amount, retroactive on the entire remaining balance owed, that would have been earned during such quarter until the default payments have been made and the payment schedule is no longer in default. See below a summary of the Participation Agreements:

Agreement #	Date of Funding	Amount Funded	Warrants	Term	Exercise Price	Revenue Share	Minimum Payment Threshold	Buy-back Premium % pre-18 mos.	Buy-back Premium % post 18 mos.
1	April 13, 2020	$ 100,000	3,750	5 Years	$ 9.60	1.500%	$ -"	40%	40%
2	April 13, 2020	150,000	5,625	5 Years	9.60	2.250%	-	40%	40%
3	April 13, 2020	150,000	5,625	5 Years	9.60	2.250%	-	40%	40%
4	May 7, 2020	250,000	9,375	5 Years	9.60	3.750%	-	40%	40%
5	June 1, 2020	275,000	10,313	5 Years	8.80	4.125%	82,500	40%	50%
6	June 3, 2020	225,000	8,438	5 Years	8.80	3.375%	67,500	40%	50%
7	July 8, 2020	100,000	3,750	5 Years	9.60	1.500%	30,000	40%	50%
8	Aug. 24, 2020	125,000	4,688	5 Years	9.60	1.875%	37,500	40%	50%
9	Sept. 14, 2020	150,000	5,625	5 Years	9.60	2.250%	45,000	40%	50%
10	Sept.15, 2020	50,000	1,875	5 Years	9.60	0.750%	15,000	40%	50%
11	Sept.15, 2020	50,000	1,875	5 Years	9.60	0.750%	15,000	40%	50%
12	Sept.25, 2020	300,000	5,625	5 Years	9.60	4.500%	420,000	40%	50%
13	Oct. 8, 2020	500,000	18,750	5 Years	9.60	7.500%	150,000	40%	40%
14	Oct. 4, 2020	100,000	3,750	5 Years	9.60	1.500%	40,000	40%	50%
15	Oct. 4, 2020	250,000	9,375	5 Years	9.60	3.750%	-	40%	40%
16	Oct. 9, 2020	50,000	1,875	5 Years	9.60	0.750%	15,000	40%	40%
17	Dec. 16, 2020	10,000	375	5 Years	9.60	0.150%	17,000	40%	50%
18	Jan. 22, 2021	40,000	1,500	5 Years	11.20	0.600%	12,000	40%	50%
19	Jan. 25, 2021	40,000	1,500	5 Years	11.20	0.600%	12,000	40%	50%
20	Jan. 27, 2021	25,000	938	5 Years	11.20	0.375%	12,000	40%	50%
21	May 14,2021	45,000	1,688	5 Years	10.40	0.675%	13,500	40%	50%
		$ 2,985,000	106,315			44.775%	$ 984,000		

Certain of the Participation Agreements are owned by related parties. Participation Agreements numbers 8, 14, and 19 totaling $265,000 are owned by HEP Investments, Participation Agreement 21 in the amount of $45,000 is owned by MKY MTS LLC an entity controlled by the owners of HEP Investments, and Participation Agreement 13 in the amount of $500,000 is owned by an investment company owned by a significant shareholder Mark Strome ("Strome").

NOTE 7 - STOCKHOLDERS' EQUITY (DEFICIT)

Recapitalization - Reverse Stock Split

On May 27, 2021, the Company filed a certificate of amendment to its articles of incorporation with the Secretary of State of the State of Nevada (the "Certificate of Amendment") to (i) effectuate a reverse stock split (the "Reverse Stock Split") of its issued and outstanding shares of common stock and treasury shares on a 1-for-80 basis and (ii) decrease the number of total authorized shares of common stock of the Company from 1,200,000,000 to 150,000,000 shares. The Certificate of Amendment became effective at 12:01 a.m. (Eastern Time) on May 28, 2021 (the "Effective Time").

As of the Effective Time, every 80 shares of issued and outstanding common stock were converted into one share of common stock. No fractional shares were issued in connection with the Reverse Stock Split. Instead, a holder of record of old common stock as of immediately prior to the Effective Time who would otherwise have been entitled to a fraction of a share was entitled to receive cash in lieu thereof.

The Company's transfer agent, Issuer Direct Corporation acted as the exchange agent for the Reverse Stock Split. The Reverse Stock Split did not alter the par value of the Company's common stock or modify any voting rights or other terms of the common Stock. In addition, pursuant to their terms, a proportionate adjustment was made to the per share exercise price and number of shares issuable under all of the Company's outstanding stock options and warrants to purchase shares of common Stock, and the number of shares authorized and reserved for issuance pursuant to the Company's equity incentive plan will be reduced proportionately.

All issued and outstanding common stock and per share amounts contained in the financial statements have been retroactively adjusted to reflect this Reverse Stock Split for all periods presented. In addition, a proportionate adjustment was made to the per share exercise price and the number of shares issuable upon the exercise of all outstanding stock options, restricted stock units and warrants to purchase shares of common stock. A proportionate adjustment was also made to the number of shares reserved for issuance pursuant to the Company's equity incentive compensation plans to reflect the Reverse Stock Split.

Stock Issuances

During the three months ended March 31, 2021, the Company issued 96,578 shares at an average price of $10.80 for proceeds of $1,040,000, to private investors. In addition, during this same period, a related party purchased 4,464 shares of the Company's common stock at $11.20 per share for proceeds of $50,000.

Stock Warrants Exercised

During the three months ended March 31, 2021, warrants to purchase 625 shares of the Company's common stock were exercised on a "cashless" basis resulting in the issuance of 287 shares of common stock.

2021 Equity Incentive Plan

On October 12, 2021, after approval from the stockholders at the Company's 2021 annual meeting of stockholders, the Company adopted the 2021 Plan for the purpose of enhancing the Company's ability to attract and retain highly qualified directors, officers, key employees and other persons and to motivate such persons to improve the business results and earnings of the Company by providing an opportunity to acquire or increase a direct proprietary interest in the operations and future success of the Company. The 2021 Plan is administered by the compensation committee of the Board who will, amongst other duties, have full power and authority to take all actions and to make all determinations required or provided for under the 2021 Plan. Pursuant to the 2021 Plan, the Company may grant options, share appreciation rights, restricted shares, restricted share units, unrestricted shares and dividend equivalent rights. The 2021 Plan has a duration of 10 years.

Subject to adjustment as described in the 2021 Plan, the aggregate number of shares of common stock available for issuance under the 2021 Plan is initially set at 1,000,000 shares; this number is automatically increased each January 1st by an amount equal to 5% of the number of common stock shares outstanding at that date, resulting in an increase in available shares under the 2021 Plan at January 1, 2022 of 470,983. As of March 31, 2022, 867,824 options have been issued under the 2021 Plan, and 603,159 shares remained available for issuance.

2019 Omnibus Long-Term Incentive Plan

Prior to the adoption of the 2021 Equity Incentive Plan, the Company maintained a 2019 Omnibus Long-Term Incentive Plan (the "2019 Plan"). Following the approval by the shareholders of the 2021 Plan, no additional awards have been or will be made under the 2019 Plan. As of March 31, 2022, 781,250 stock options had been issued under the 2019 Plan with terms between 5 years and 10 years, of which 743,750 remained outstanding.

Common Stock Options

A summary of the status of the Company's options issued under the Company's equity incentive plans is presented below. As of March 31, 2022 there is no intrinsic value in any of the Company's outstanding options as the market price of the Company's common stock is in all cases lower than the exercise price of options:

	March 31, 2022		March 31, 2021	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of year	1,721,074	$ 7.38	606,250	$ 9.67
Forfeited	(282,000)	5.50	-	-
Issued	172,500	5.50	175,500	11.20
Outstanding, end of period	1,611,574	$ 7.51	781,250	$ 10.01

Options outstanding and exercisable by price range as of March 31, 2022 were as follows:

Outstanding Options			Exercisable Options		
Range of Exercise Price	Number	Average Weighted Remaining Contractual Life in Years	Range of Exercise Price	Number	Weighted Average Exercise Price
$ 4.00-4.99	53,324	$ 9.54	$ 4.00-4.99	13,331	$ 4.48
5.00-5.99	814,500	9.63	5.00-5.99	339,125	5.50
8.00-8.99	375,000	7.35	8.00-8.99	371,876	8.05
9.00-9.99	25,000	3.38	9.00-9.99	25,000	9.60
11.00-11.99	175,000	8.68	11.00-11.99	81,250	11.20
12.00-12.99	168,750	2.89	12.00-12.99	146,875	12.80
	1,611,574	$ 8.19		977,457	$ 8.13

Common Stock Warrants - Unregistered

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

	March 31, 2022		March 31, 2021	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding, beginning of period	2,553,635	$ 7.57	2,502,212	$ 7.20
Issued	-	-	3,973	11.20
Exercised	-	-	(625)	6.40
Cancelled	-	-	-	-
Expired	(19,375)	7.95	(1,562)	7.20
Outstanding, end of period	2,534,260	$ 7.57	2,503,962	$ 7.20

Unregistered warrants outstanding and exercisable by price range as of March 31, 2022 were as follows:

Outstanding Warrants			Exercisable Warrants		
Range of	Number	Average Weighted Remaining Contractual Life in Years	Exercise Price	Number	Weighted Average Exercise Price
$ 4.00-4.99	200,625	0.34	$ 4.00-4.99	200,625	$ 4.80
5.00-5.99	252,050	3.71	5.00-5.99	252,050	5.51
6.00-6.99	240,466	2.32	6.00-6.99	240,466	6.40
7.00-7.99	1,250	0.33	7.00-7.99	1,250	7.20
8.00-8.99	1,565,430	1.182	8.00-8.99	1,565,430	8.02
9.00-9.99	231,938	3.45	9.00-9.99	231,938	9.60
10.00-10.99	1,688	4.12	10.00-10.99	1,688	10.40
11.00-11.99	35,813	1.75	11.00-11.99	35,813	11.20
14.00-14.99	5,000	2.75	14.00-14.99	5,000	14.40
	2,534,260	1.70		2,534,260	$ 7.57

Common Stock Warrants - Registered

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

	March 31, 2022		March 31, 2021	
	Number of Registered Warrants	Weighted Average Exercise Price	Number of Registered Warrants	Weighted Average Exercise Price
Outstanding, beginning of year	2,975,497	$ 5.50	-	$ -
Issued	-		-	-
Exercised	-		(-)	-
Cancelled	-		-	-
Expired	-		-	-
Outstanding, end of period	2,975,497	$ 5.50	-	$ -

Registered warrants outstanding and exercisable by price range as of March 31, 2022, were as follows:

Outstanding Registered Warrants			Exercisable Registered Warrants		
Exercise Price	Number	Average Weighted Remaining Contractual Life in Years	Exercise Price	Number	Weighted Average Exercise Price
$ 5.50	2,975,497	4.14	$ 5.50	2,975,497	5.50
	2,975,497	4.14		2,975,497	$ 5.50

NOTE 8- COMMITMENTS AND CONTINGENCIES

COVID-19

In March 2020, the World Health Organization declared the outbreak of a disease caused by a novel strain of the coronavirus (COVID-19) to be a pandemic. Global pandemics and other natural disasters or geopolitical actions, including related to the COVID-19 pandemic, could affect the Company's ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations. Prior to the COVID-19 pandemic, the expectation was that there would be forward movement with the production of our algal biomass, validation and purification. However, these were temporarily suspended and/or delayed, and many continue in diminished capacity.

Former Executive Officers

Mr. Rice's Transition Arrangement:

On January 7, 2021, the Company and Philip Rice, the Company's former Chief Executive Officer, entered into a written agreement concerning Rice's departure from the Company (the "Separation Agreement"). Pursuant to the Separation Agreement, Mr. Rice resigned from his position as Chief Financial Officer of the Company effective on January 1, 2021, and following a transition period, agreed to resign from all positions as an officer or employee of the Company effective as of January 31, 2021 (the "Separation Date"). The Separation Agreement provides that Mr. Rice will receive certain benefits that he is entitled to receive under his employment agreement dated March 4, 2020. Accordingly, under the Separation Agreement, subject to non-revocation of a general release and waiver of claims in favor of the Company, the Company has agreed to pay Mr. Rice his base salary of $280,000 for one year and three weeks, beginning on the Separation Date, and grant him an option to purchase12,500 shares of common stock. Pursuant to the Rice Agreement and the Separation Agreement, the Company paid to Mr. Rice on June 15, 2021, a $50,000 bonus that was tied to the successful June 2021 Offering. As of March 31, 2022, the Company has satisfied its responsibilities to Mr. Rice under the Transition Agreement.

Mr. Dahl's Termination:

Effective January 4, 2022, the Company terminated Andrew Dahl, its President and Chief Executive Officer for cause pursuant to the terms of his employment agreement. Pursuant to such terms, the Company does not believe Mr. Dahl is entitled to any severance payments.

Supply Chain Consulting Agreement

On February 27, 2019, the Company entered into a Supply Chain Consulting Agreement with a consultant ("Consultant"). In May 2019, the Company issued a warrant to purchase 62,500 shares of common stock at an exercise price of $8.00 for a term of five years to the Consultant. The warrants were valued at $529,023 using the Black Scholes pricing model relying on the following assumptions: volatility 181.49%; annual rate of dividends 0%; discount rate 2.34%. In October 2019, 25,000 of those warrants were returned to the Company resulting in a reduction in the value of $211,609. On September 14, 2019, the parties entered into a First Amendment to the Supply Chain Consulting Agreement ("Supply Consulting Agreement Amendment"). The Supply Consulting Agreement Amendment provides that the Consultant will identify and help negotiate the terms of potential joint ventures involving algae production development projects or related transactions or business combinations ("Development Project"). The Supply Consulting Agreement provides for exclusivity in Southeast Asia; Oceania; Indian subcontinent; and Africa; with regions in the Middle East by mutual agreement. The closing of a Development Project (as acceptable to the Company) is defined as the date that the Company is able, financially and otherwise, to proceed with engineering and construction of algae production facilities, processing or warehousing facilities and supply chain development, or related business combinations rendering an equivalent outcome (in the reasonable determination of the Company), for the production, processing, transport, compliance, marketing and resale of its proprietary algae biomass. Upon the closing of a Development Project, the Company will pay cash fees of $300,000 to Consultant, pay an on-going monthly fee of $50,000 for 24 months and issue to Consultant a cashless warrant with a five-year term to purchase two hundred thirty-seven thousand and five hundred (237,500) shares of the Company's common stock at an exercise price of $8.00 per share. On November 24, 2020, the parties entered into a Second Amendment to the Supply Chain Consulting Agreement whereby the issuance to Consultant a cashless warrant with a five-year term to purchase two hundred thirty-seven thousand five hundred (237,500) shares of the Company's common stock was reduced to one hundred sixty-two thousand five hundred (162,500) shares of the Company's common stock, and a cashless warrant with a five-year term to purchase thirty-seven thousand five hundred (37,500) shares of the Company's common stock was issued to a member of the Consultant. The warrants were valued at $386,348 using the Black Scholes pricing model relying on the following assumptions: volatility 148.83%; annual rate of dividends 0%; discount rate 0.39%. As of March 31, 2022, the Development Project has not closed, and the warrants have not yet been issued.

The Board of Directors has also authorized the Company to issue to Consultant a cashless warrant with a five-year term to purchase12,500 shares of the Company's common stock at an exercise price of $8.00 per share at its discretion. As of December 31, 2021, such warrant has not been issued.

On March 1, 2021, the Company and the aforementioned "member of the Consultant" signed an amendment to the original consulting agreement. The member of the Consultant agreed to take on additional responsibilities related to the non-North America expansion of the Company biomass production network. Upon the successful formation, licensing and start of operations, the member of the Consultant will be granted warrants to purchase 40,625 shares of the Company's common stock at the prevailing market price at that time. In addition, a monthly cash payment of $12,500 is included in the consulting agreement. On November 3, 2021, the Company and the "member of the Consultant" signed a second amendment to the original consulting agreement. The monthly cash payment was raised to $15,000. All other terms of the original agreement as amended remained unchanged.

On December 8, 2021, the Company sent a letter to the consultant that terminated the Supply Chain Consulting Agreement effective December 13, 2021.

See "*Note 10 – Subsequent Events*" in this Quarterly Report for information regarding a dispute between the parties regarding the Supply Chain Consulting Agreement.

Legal Contingencies

See "Note 10 - Subsequent Events" for a description of an arbitration matter commenced in April 2022.

The Company may become a party to litigation in the normal course of business. In the opinion of management, there are no legal matters involving the Company that would have a material adverse effect upon the Company's financial condition, results of operation or cash flows.

NOTE 9 – INCOME TAX

The Company and its subsidiaries are subject to US federal and state income taxes. Income tax expense is the total of the current year income tax due or refundable and the change in deferred tax assets and liabilities. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance when, in the opinion of Management, it is more likely than not that some portion, or all, of the deferred tax asset will not be realized. The Company does not expect to realize the net deferred tax asset and as such has recorded a full valuation allowance.

Income tax expense for the three months ended March 31, 2022 and 2021 is based on the estimated annual effective tax rate. Based on the Company's effective tax rate and full valuation allocation, tax expense is expected to be $0 for 2022.

NOTE 10 - SUBSEQUENT EVENTS

On April 13, 2022, AEGLE Partners, 2 LLC ("AEGLE") initiated an arbitration in Michigan against the Company with the American Arbitration Association. AEGLE asserted claims related to a certain Supply Chain Consulting Agreement entered into between AEGLE and the Company in 2019 (as amended from time to time, the "Agreement"), and a disagreement between AEGLE and the Company regarding whether AEGLE is entitled to payment of certain fees and warrants pursuant to the Agreement. AEGLE's complaint seeks, among other things, three times the payment of such alleged fees and warrants and recovery of AEGLE's costs and expenses. The Company believes that the claims made by AEGLE in its complaint are without merit and we intend to vigorously defend ourselves against them.

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 generate 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.

Overview:

We are a research and development company operating in both the biotech and agtech sectors, with an intellectual property portfolio comprised of proprietary algal and bacterial strains, biologically active molecules and complexes, production techniques, cultivation techniques and patented or patent-pending inventions for applications in human and animal health.

Biotech – ZIVO Product Candidates

ZIVO is developing bioactive compounds derived from its proprietary algal culture, targeting human and animal diseases, such as poultry coccidiosis, bovine mastitis, human cholesterol, and canine osteoarthritis. As part of its strategy, ZIVO will continue to seek strategic partners for late stage development, regulatory preparation and commercialization of its products in key global markets.

Agtech – ZIVO's Algal Biomass

ZIVO's algal biomass is currently produced in Peru. ZIVO's algal biomass contains Vitamin A, protein, iron, important fatty acids, non-starch polysaccharides and other micronutrients that position the product as a viable functional food ingredient and nutritional enhancement for human and animal use and as a viable functional ingredient for skin care products, such as mists, gommages, facial masks and serums. The Company currently has contracts for the sale of its algal biomass, however, no sales have been made pursuant to these contracts at this time and we don't expect any sales to be made until we expand production of our algal biomass.

Poultry Gut Health

ZIVO's initial focus is on developing a product candidate designed to target poultry gut health. ZIVO has conducted multiple poultry clinical trials to develop and refine a treatment for coccidiosis, a condition that inflames the digestive tracts of poultry, currently treated with various antibiotics, antimicrobials and chemicals. In May 2022, ZIVO submitted a whitepaper to the United States Department of Agriculture ("USDA") on the nature of its feed additive, requesting that the USDA claim jurisdiction of ZIVO's product candidate. Additionally, ZIVO continues to actively seek a partner to license its product candidate for poultry gut health.

Additional Indications

Pending additional funding, ZIVO may also pursue the following indications:

Biotech:

- **Bovine Mastitis**: ZIVO is developing a treatment for bovine mastitis derived from its proprietary algal culture and the bioactive agents contained within.
- **Canine Joint Health**: Studies have indicated the potential of a chondroprotective property when a compound fraction was introduced into ex vivo canine joint tissues.
- **Human Immune Modulation**: Early human immune cell in vitro and in vivo studies have indicated that one of the isolated and characterized biologically active molecules in the Company's portfolio may serve as an immune modulator with potential application in multiple disease situations.

Agtech:

- **Human Food Ingredient**: The self-affirmed GRAS process was completed for ZIVO algal biomass in late 2018 and is therefore available and suitable for human consumption as an ingredient in foods and beverages.
- **Skin Health**: ZIVO is developing its algal biomass as a skin health ingredient, with topical skin product testing started in the third quarter of 2020, and clinical efficacy claim studies planned for ingestible and topical products.
- **Poultry Feed**: ZIVO anticipates that following commercialization, dried ZIVO algal biomass would be mixed directly into poultry feed at an estimated ratio of 1kg to 1000kg at the feed mill and may be fed continuously from hatch to harvest, or at certain time periods in the grow cycle.

Results of Operations for the three months ended March 31, 2022 and 2021

The following table summarizes ZIVO's operating results for the periods indicated

	Quarter ended March 31, 2022	Quarter ended March 31, 2021
Total revenues	$ -	$ -
Costs and expenses:		
Research and development	679,773	646,752
General and administrative	1,346,742	1,436,822
Total costs and expenses	2,026,515	2,083,574
Loss from operations	(2,026,515)	(2,083,574)
Other expense		
Interest expense	1,805	135,404
Total other expense	1,805	135,404
Net loss	$ (2,028,320)	$ (2,218,978)

Net Sales

The Company had no sales during the three months ended March 31, 2022 and 2021.

Cost of Sales

The Company had no cost of sales during the three months ended March 31, 2022 and 2021.

General and Administrative Expenses.

General and administrative expenses were approximately $1.3 million for the three months ended March 31, 2022, as compared to approximately $1.4 million for the comparable prior period. The $100,000 reduction versus the same quarter last year was primarily driven by a $900,000 reduction in labor expenses, partially offset by increases of $700,000 in professional fees and $100,000 increase in other overhead. Labor related reductions of $900,000 included $400,000 lower expense due to the termination of the Company's CEO in the quarter ended March 31, 2022, and lower non-cash equity based compensation of $500,000. Professional services increased by $700,000; including higher directors fees of $300,000, legal fees of $270,000, and $100,000 of other services. Other overhead increased by $100,000 almost fully explained by increase in D&O insurance premiums versus the prior year.

Research and Development Expenses

For the three months ended March 31, 2022, ZIVO incurred roughly $680,000 in R&D expenses, as compared to roughly $650,000 for the comparable period in 2021. All of these expenses were associated with research relating for our biotech and agtech businesses. The Company incurred no expenses in either period relating to the Company's Wellmetrix business. In the quarter ended March 31, 2022, the Company's research and development spending included roughly $137,000 of amortization of deferred R&D obligations for the participation agreements; there was no amortization of deferred R&D in the prior year period. (See *Note 6: Deferred R&D Obligations - Participation Agreements*)

In the quarter ended March 31, 2022, excluding this amortization, the Company had gross R&D spending of approximately $817,000; a $170,000 increase in spending from the first quarter of 2021. Of these costs in 2021, $515,000 is for salary related cost, an increase of approximately $150,000 from the prior year. The increase is fully explained by higher stock related compensation costs. Third party research and development spending of $300,000 was about $20,000 higher from the prior year.

	Quarter ended March 31, 2022	Quarter ended March 31, 2021
Labor and other internal expenses	$ 515,478	$ 366,352
External research expenses	301,143	280,400
Total gross R&D expenses	816,621	646,752
Less contra-expense for amortization of deferred R&D obligation – participation agreements	(136,848)	-
Research and development	$ 679,773	$ 646,752

Subject to the availability of funding, the Company expects its R&D costs to 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.

Capital Resources

As of March 31, 2022, our principal source of liquidity consisted of cash of $6.6 million. The Company expects to continue to incur significant expenses and increasing operating and net losses for the foreseeable future until and unless we generate an adequate level of revenue from potential commercial sales to cover expenses. The sources of cash to date have been limited proceeds from the issuances of notes with warrants, common stock with and without warrants and unsecured loans, with the terms of our most recent financings described below.

June 2021 Underwritten Public Offering

On May 27, 2021, we entered into an Underwriting Agreement relating to the issuance and sale of 2,760,000 Units, at a price to the public of $5.00 per unit consisting of one common stock share and a warrant to buy one share of common stock for $5.50. In addition, under the terms of the underwriting agreement, we granted the underwriter an option, exercisable for 45 days, to purchase up to an additional 414,000 shares of common stock and/or 414,000 2021 Warrants, in any combination thereof, on the same terms. The base offering closed on June 2, 2021, and the sale of 150,000 shares of common stock subject to the Underwriter's overallotment option closed on July 2, 2021. The gross proceeds from this offering were approximately $14.5 million prior to deducting underwriting discounts and other offering expenses payable by us.

Participation Agreements

From April 13, 2020, through May 14, 2021, the Company entered into twenty-one License Co-Development Participation Agreements (the "Participation Agreements") with certain accredited investors ("Participants") for an aggregate of $2,985,000. The Participation Agreements provide for the issuance of warrants to such Participants and allows the Participants to participate in the fees (the "Fees") from licensing or selling bioactive ingredients or molecules derived from ZIVO's algae cultures. Specifically, ZIVO has agreed to provide to the Participants a 44.775% "Revenue Share" of all license fees generated by ZIVO from any licensee.

The Participation Agreements allow the Company the option to buy back the right, title and interest in the Revenue Share for an amount equal to the amount funded plus a forty percent (40%) premium, if the option is exercised less than 18 months following execution, and for either forty (40%) or fifty percent (50%) if the option is exercised more than 18 months following execution. Pursuant to the terms of twelve of the Participation Agreements, the Company may not exercise its option until it has paid the Participants a revenue share equal to a minimum of thirty percent (30%) of the amount such Participant's total payment amount. Pursuant to the terms of the one of the Participation Agreements, the Company may not exercise its option until it has paid the Participant a revenue share equal to a minimum of one hundred forty percent (140%) of the amount such Participant's total payment amount. Five of the Participation Agreements have no minimum threshold payment. Once this minimum threshold is met, the Company may exercise its option by delivering written notice to a Participant of its intent to exercise the option, along with repayment terms of the amount funded, which may be paid, in the Company's sole discretion, in one lump sum or in four (4) equal quarterly payments. If the Company does not make such quarterly payments timely for any quarter, then the Company shall pay the prorate Revenue Share amount, retroactive on the entire remaining balance owed, that would have been earned during such quarter until the default payments have been made and the payment schedule is no longer in default.

Funding Requirements

Management has noted the existence of substantial doubt about our ability to continue as a going concern. Our existing cash may not be sufficient to fund our operating expenses through at least twelve months from the date of this filing. To continue to fund operations, we will need to secure additional funding through public or private equity or debt financings, through collaborations or partnerships with other companies or other sources. We may not be able to raise additional capital on terms acceptable to us, or at all. Any failure to raise capital when needed could compromise our ability to execute on our business plan. If we are unable to raise additional funds, or if our anticipated operating results are not achieved, we believe planned expenditures may need to be reduced in order to extend the time period that existing resources can fund our operations. If we are unable to obtain the necessary capital, it may have a material adverse effect on our operations and the development of our technology, or we may have to cease operations altogether.

Our material cash requirements relate to the funding of our ongoing product development. The development of our product candidates is subject to numerous uncertainties, and we could use our cash resources sooner than we expect. Additionally, the process of development is costly, and the timing of progress in pre-clinical tests and clinical trials is uncertain. Our ability to successfully transition to profitability will be dependent upon achieving further regulatory approvals and achieving a level of product sales adequate to support our cost structure. We cannot assure you that we will ever be profitable or generate positive cash flow from operating activities.

Cash Flows

Cash Flows from Operating Activities. During the three months ended March 31, 2022, our operating activities used $2.9 million in cash, an increase of cash used of roughly $1.8 million from the comparable prior period when the Company used approximately $1.1 million for operating activities. After adjusting the comparison periods net income for non-cash expenses including equity based compensation and amortization of lease liabilities, the Company incurred roughly $350,000 of additional net loss than in the prior year period. In addition, for the quarter ended March 31, 2022, the Company invested $600,000 more in prepaid expenses primarily for directors' and officers' insurance, spent an additional $310,000 in lowering accounts payable, $480,000 in lowering accrued expenses, and had a lower increase in deferred R&D obligations of $50,000.

Cash Flows from Investing Activities. During the three months ended March 31, 2022 and 2021, there were no investing activities.

Cash Flows from Financing Activities. During the three months ended March 31, 2022, our financing activities generated approximately $560,000, a decrease of approximately $590,000 million from the comparable prior period when the Company generated approximately $1.1 million from financing activities. In the quarter ended March 31, 2022 the Company collected no cash from any equity or equity related transaction, compared to the same quarter in 2021 when the Company collected roughly $990,000 from those transactions. The Company did, in the quarter ended March 31, 2022, receive net proceeds of $560,000 from the establishment of a short-term loan, this represented a $400,000 increase in net loan proceeds from the first quarter of 2021.

We estimate that we would require approximately $4 million in cash over the next 12 months in order to fund our basic operations, excluding our R&D initiatives. Based on this cash requirement, we have a near term need for additional funding to continue to develop our products and intellectual property. Historically, we have had substantial difficulty raising funds from external sources. If we are unable to raise the required capital, we will be forced to curtail our business operations, including our R&D activities. The following table shows a summary of our cash flows for the periods indicated:

	Three months ended March 31,	
	2022	**2021**
Net cash provided by (used in):		
Operating activities	$ (2,861,649)	$ (1,051,998)
Investing activities	-	-
Financing activities	558,756	1,146,072
Net increase (decrease) in cash and cash equivalents	$ (2,302,893)	$ 94,074

Critical Accounting Policies and Significant Judgments and Estimates

Critical Accounting Policies

Our management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of these financial statements requires us to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the dates of the balance sheets and the reported amounts of revenue and expenses during the reporting periods. In accordance with GAAP, we base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances at the time such estimates are made. Actual results may differ materially from our estimates and judgments under different assumptions or conditions. We periodically review our estimates in light of changes in circumstances, facts and experience. The effects of material revisions in estimates are reflected in our financial statements prospectively from the date of the change in estimate.

While our significant accounting policies are more fully described in the notes to our financial statements appearing elsewhere in this Report, we believe the following are the critical accounting policies used in the preparation of our financial statements that require significant estimates and judgments.

Fair Value of Financial Instruments

We account for fair value measurements of assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring or nonrecurring basis adhering to the Financial Accounting Standards Board ("FASB") fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the Company at the measurement date.
- Level 2 Inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

As of March 31, 2022 and 2021, fair values of cash, prepaid, other assets, accounts payable and accrued expenses approximated their carrying values because of the short-term nature of these assets or liabilities. We elected to account for the convertible notes while they were outstanding on a fair value basis under ASC 825 to comprehensively value and streamline the accounting for the embedded conversion options. The fair value of these convertible notes were based on both the fair value of our common stock, discount associated with the embedded redemption features, and cash flow models discounted at current implied market rates evidenced in recent arms-length transactions representing expected returns by market participants for similar instruments and are based on Level 3 inputs.

Premium Conversion Derivatives

We evaluate all conversion and redemption features contained in a debt instrument to determine if there are any embedded derivatives that require separation from the host debt instrument. An embedded derivative that requires separation is bifurcated from its host debt instrument and a corresponding discount to the host debt instrument is recorded. The discount is amortized and recorded to interest expense over the term of the host debt instrument using the straight-line method which approximates the effective interest method. The separated embedded derivative is accounted for separately on a fair market value basis. We record the fair value changes of a separated embedded derivative at each reporting period in the consolidated statements of comprehensive loss as a fair value change in derivative and warrant liabilities.

Stock-Based Compensation

We account for share-based compensation in accordance with the provisions of the ASC 718,*Compensation — Stock Compensation.* Accordingly, compensation costs related to equity instruments granted are recognized at the grant-date fair value. The Company records forfeitures when they occur. Share-based compensation arrangements to non-employees are accounted for in accordance with the applicable provisions of ASC 718.

Recent Accounting Pronouncements

See "*Note 2 – Summary of Significant Accounting Policies*" in this Report regarding the impact of certain recent accounting pronouncements on our financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable for smaller reporting companies.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures.

The Company's management, including its Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of the end of the period covered by this Quarterly Report. Based on management's review, with participation of the Chief Executive Officer and Chief Financial Officer, the Chief Executive Officer and Chief Financial Officer have concluded that, as of the quarter ended March 31, 2022, the Company's disclosure controls and procedures were not effective. Specifically, the Company did not maintain effective controls over the following:

Control Environment, Risk Assessment, and Monitoring

As previously disclosed under the section titled "Controls and Procedures" included under Part II, Item 9A of the Company's Annual Report, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were not effective as of December 31, 2021, because of a material weakness in internal control over financial reporting. The Chief Executive Officer and Chief Financial Officer concluded that such material weakness was also present as of March 31, 2022.

Specifically, management did not maintain appropriately designed entity-level controls impacting the control environment, risk assessment procedures, and effective monitoring controls to prevent or detect material misstatements to the consolidated financial statements. These deficiencies were attributed to: (i) lack of structure and responsibility, insufficient number of qualified resources, and inadequate oversight and accountability over the performance of controls, (ii) ineffective identification and assessment or risks impacting internal control over financial reporting, and (iii) ineffective evaluation and determination as to whether the components of internal control were present and functioning.

Control Activities and Information and Communication

These material weaknesses contributed to the following additional material weaknesses with certain business processes and the information technology environment:

- Management did not maintain appropriately designed information technology general controls in the areas of user access, vendor management controls, and segregation of duties, including controls over the recording of journal entries, related to certain information technology systems that support the Company's financial reporting process.

- Management did not design and maintain effective controls over complex accounting areas and related disclosures including income tax and R&D arrangement accounting. Specifically, management did not identify controls over the review of the tax provision, including the valuation analysis relating to deferred tax assets, considerations for uncertain tax positions, the preparation of income tax footnote and required disclosures and selecting and applying accounting policies, proper review of the financial statements and the application of United States Generally Accepted Accounting Principles ("US GAAP"), relating to the accounting and classification of Deferred R&D obligations – participation agreements.

However, after giving full consideration to these material weaknesses, and the additional analyses and other procedures that we performed to ensure that our consolidated financial statements included in this Quarterly Report on Form 10-Q were prepared in accordance with US GAAP, our management has concluded that our consolidated financial statements present fairly, in all material respects, our financial position, results of operations and cash flows for the periods disclosed in conformity with US GAAP.

Remediation

Management has been implementing and continues to implement measures designed to ensure that control deficiencies contributing to the material weaknesses are remediated, such that these controls are designed, implemented, and operating effectively. The remediation actions that the Company has taken, and/or intends to take, include:

- Developing monitoring controls and protocols that will allow us to timely assess the design and the operating effectiveness of controls over financial reporting and make necessary changes to the design of controls, if any;
- Restricting user access and dedicating personnel, including management, to specific controls to improve the control environment, including the evaluation of potential alternative accounting software;
- Continue to hire qualified staff and outside resources to segregate key functions within our financial and information technology processes supporting our internal controls over financial reporting, including the hiring in December 2021 of a full time Accounting Manager;
- Enhancing and expanding policies and procedures over the performance of user access reviews, change management, and the monitoring of segregation of duties;
- Developing a training program and educating control owners concerning the principles and requirements of each control related to user access, change management, and segregation of duties within IT systems impacting financial reporting;
- Reassessing and formalizing the design of certain accounting and information technology policies relating to security and change management controls;
- Continuing to enhance and formalize our accounting, business operations, and information technology policies, procedures, and controls to achieve complete, accurate, and timely; financial accounting, reporting and disclosures;
- Enhancing policies and procedures to retain adequate documentary evidence for certain management review controls over certain business processes including precision of review and evidence of review procedures performed to demonstrate effective operation of such controls;
- Developing internal controls documentation, including comprehensive accounting policies and procedures over certain key financial processes and related disclosures; and
- Draft position papers for all complex, non-recurring transactions and engaging outside resources for complex accounting matters.

Changes in Internal Control Over Financial Reporting

Except for the remediation measures in connection with the material weaknesses described above, there were no other changes in our internal control over financial reporting that occurred during the quarter ended March 31, 2022, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are subject to litigation and claims arising in the ordinary course of business.

See "*Note 10 – Subsequent Events*" in this Quarterly Report for information regarding a dispute between the parties to the Supply Chain Consulting Agreement (see "*Note 8 – Commitments and Contingencies – Supply Chain Consulting Agreement*").

We are not currently a party to any other material legal proceedings, and we are not aware of any pending or threatened legal proceeding.

Item 1A

Risk Factors

There have been no material changes in our risk factors previously disclosed in Part I, Item 1A "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021. You should carefully consider the risks and uncertainties described therein.

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

None.

Item 3. Defaults upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Description
3.1	Articles of Incorporation of the Registrant as amended (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q filed on August 22, 2011)
3.2	Certificate of Amendment to Articles of Incorporation dated October 16, 2014 (incorporated by reference to Exhibit 3.12 to the Registrant's Quarterly Report on Form 10-Q filed on November 14, 2014)
3.3	Certificate to Amendment dated May 28, 2021 (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 8-K filed on June 2, 2021)
3.4	Amended and Restated By-laws of the Registrant (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 10-Q filed on May 17, 2010)
10.1	Employment Agreement, dated as of February 15, 2022, by and between John Payne and the Company (incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on February 16, 2022)
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 Executive 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 *
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

*Furnished herewith (all other exhibits are deemed filed)

SIGNATURES

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

ZIVO BIOSCIENCE, INC.

Date: May 13, 2022

By: */s/ John B. Payne*
John B. Payne
Chief Executive Officer

By: */s/ Keith R. Marchiando*
Keith R. Marchiando
Chief Financial Officer

EXHIBIT 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, John B. Payne, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2022 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(s) 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 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 registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) 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(s) 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 the registrant’s board of directors (or persons performing the equivalent functions):

(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: May 13, 2022

/s/ John B. Payne
Name: John B. Payne
Title: Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION PURSUANT TO EXCHANGE ACT RULE 13a-14(a) OR 15d-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, Keith Marchiando, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2022 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(s) 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 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 registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) 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(s) 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 the registrant's board of directors (or persons performing the equivalent functions):

(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: May 13, 2022

/s/ Keith Marchiando
Name: Keith Marchiando
Title: Chief Financial Officer
(Principal 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 of Zivo Bioscience, Inc., a Nevada corporation (the "Company"), on Form 10-Q for the period ended March 31, 2022 as filed with the Securities and Exchange Commission (the "Report"), I, John B. Payne, 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 (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 results of operations of the Company.

/s/ John B. Payne
John B. Payne
Chief Executive Officer

Dated: May 13, 2022

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 Quarterly Report of Zivo Bioscience, Inc., a Nevada corporation (the “Company”), on Form 10-Q for the period ended March 31, 2022 as filed with the Securities and Exchange Commission (the “Report”), I, Keith Marchiando, 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 results of operations of the Company.

/s/ Keith Marchiando
Keith Marchiando
Chief Financial Officer

Dated: May 13, 2022