

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Vivakor, Inc.

A Nevada Corporation

433 Lawndale Drive, South Salt Lake City, UT 84115

949-281-2606

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info@vivakor.com

SIC codes 8731, 1000 and 2833

Quarterly Report

For the Period Ending: March 31, 2021
(the "Reporting Period")

As of March 31, 2021, the number of shares outstanding of our Common Stock was:

339,638,080

As of December 31, 2020, the number of shares outstanding of our Common Stock was:

337,679,020

As of December 31, 2020, the number of shares outstanding of our Common Stock was:

337,679,020

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐ No: ☒

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This disclosure statement contains forward-looking statements that present our current expectations or forecasts of future events. These statements do not relate strictly to historical or current facts. Forward-looking statements involve risks and uncertainties and include statements regarding, among other things, our projected revenue growth and profitability, our growth strategies and opportunity, anticipated trends in our market and our anticipated needs for working capital. They are generally identifiable by use of the words “may,” “will,” “should,” “anticipate,” “estimate,” “plans,” “potential,” “projects,” “continuing,” “ongoing,” “expects,” “management believes,” “we believe,” “we intend” or the negative of these words or other variations on these words or comparable terminology. These statements may be found under the sections entitled “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business,” as well as in this disclosure statement generally. In particular, these include statements relating to future actions, prospective products, market acceptance, future performance or results of current and anticipated products, sales efforts, expenses, and the outcome of contingencies such as legal proceedings and financial results.

Examples of forward-looking statements in this report include, but are not limited to, our expectations regarding our business strategy, business prospects, operating results, operating expenses, working capital, liquidity and capital expenditure requirements. Important assumptions relating to the forward-looking statements include, among others, assumptions regarding demand for our products and services, the cost, terms and availability of components, pricing levels, the timing and cost of capital expenditures, competitive conditions and general economic conditions. These statements are based on our management’s expectations, beliefs and assumptions concerning future events affecting us, which in turn are based on currently available information. These assumptions could prove inaccurate. Although we believe that the estimates and projections reflected in the forward-looking statements are reasonable, our expectations may prove to be incorrect.

Important factors that could cause actual results to differ materially from the results and events anticipated or implied by such forward-looking statements include, but are not limited to:

- changes in the market acceptance of our products and services;
- increased levels of competition;
- changes in political, economic or regulatory conditions generally and in the markets in which we operate;
- our relationships with our key customers;
- adverse conditions in the industries in which our customers operate;
- our ability to retain and attract senior management and other key employees;
- our ability to quickly and effectively respond to new technological developments;
- our ability to protect our trade secrets or other proprietary rights, operate without infringing upon the proprietary rights of others and prevent others from infringing on the proprietary rights of the Company; and
- other risks, including those described in the “Risk Factors” discussion of this report.

We operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for us to predict all of those risks, nor can we assess the impact of all of those risks on our business or the extent to which any factor may cause actual results to differ materially from those contained in any forward-looking statement. The forward-looking statements in this report are based on assumptions management believes are reasonable. However, due to the uncertainties associated with forward-looking statements, you should not place undue reliance on any forward-looking statements. Further, forward-looking statements speak only as of the date they are made, and unless required by law, we expressly disclaim any obligation or undertaking to publicly update any of them in light of new information, future events, or otherwise.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

The Company was originally organized on November 1, 2006 as a limited liability company in the State of Nevada as Genecular Holdings, LLC. The Company’s name was changed to NGI Holdings, LLC on

November 3, 2006. On April 30, 2008, the Company was converted to a C-corporation and changed its name to Vivakor, Inc. pursuant to Articles of Conversion filed with the Nevada Secretary of State.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Nevada, active.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

N/A

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

On December 18, 2020, our Board of Directors (the "Board") and stockholders holding a majority of our outstanding voting shares, authorized a reverse stock split of each of the outstanding shares of the Corporation's common stock, \$0.001 par value per share, as well as each of the outstanding shares of the Corporation's preferred stock, at a ratio to be determined by the Board of within a range of a minimum of a one-for-twelve (1-for-12) to a maximum of one-for-forty (1-for-40) (the "Reverse Stock Split Ratio"), with the exact ratio to be set at a number within this range as determined by the Board in its sole discretion, with no change in par value. We intend for the Board to effect such reverse stock split in connection with the underwritten offering and our intended listing of our common stock on the Nasdaq Capital Market, however we cannot guarantee that such reverse stock split will occur based on the ratio stated above, that such reverse stock split will be necessary or will occur in connection with the listing of our common stock on the Nasdaq Capital Market, or that the Nasdaq Stock Market will approve our initial listing application for our common stock upon such reverse stock split. We intend to effect the reverse stock split of our outstanding shares of common stock prior to the effective date of the registration statement of which this prospectus forms a part.

Subsequent to March 31, 2021, the Company issued 168,783 shares of Series B-1 Preferred Stock as a \$42,197 stock dividend paid to Series B Preferred Shareholders.

For the year ended December 31, 2020, the Company issued 691,182 shares of Series B-1 Preferred Stock as a \$172,795 stock dividend paid to Series B Preferred Shareholders.

The address(es) of the issuer's principal executive office:

433 Lawndale Drive., South Salt Lake City, UT 84115

The address(es) of the issuer's principal place of business:

Check box if principal executive office and principal place of business are the same address: ☒

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

2) Security Information

Trading symbol:

VIVK

Exact title and class of securities outstanding:

Common Stock
Preferred Stock Series A
Preferred Stock Series B

Preferred Stock Series B-1
Preferred Stock Series C-1

CUSIP: 92852R304
Par or stated value: Common Stock: \$.001 par value per share
Preferred Stock (Series A): \$.001 par value per share
Preferred Stock (Series B): \$.001 par value per share
Preferred Stock (Series B-1): \$.001 par value per share
Preferred Stock (Series C-1): \$.001 par value per share

Common Stock:

Total shares authorized:	1,250,000,000	as of date: March 31, 2021
Total shares outstanding:	339,638,080	as of date: March 31, 2021
Number of shares in the Public Float ² :	53,984,430	as of date: March 31, 2021
Total number of shareholders of record:	479	as of date: March 31, 2021

Preferred Stock:

Total shares authorized:	450,000,000	as of date: March 31, 2021
Total shares outstanding:	30,011,322	as of date: March 31, 2021

Transfer Agent

Name: Empire Stock Transfer
Phone: 702-818-5898
Email: info@empirestock.com
Address: 1859 Whitney Mesa Dr., Henderson NV 89014

Is the Transfer Agent registered under the Exchange Act?³ Yes: ☒ No: ☐

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

For further detailed disclosure on the chart below, refer to the OTC filed Supplemental Disclosure Statement: Issuance History for the year ended December 31, 2020 and for the here months ended March 31, 2021.

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>December 31, 2018</u>	<u>Opening Balance:</u> Common: <u>230,256,188</u> Preferred: <u>2,000,000</u>		*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/ No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
For the year ended December 31, 2019	Class base transaction	53,492,583	Common Stock	\$11,072,019	Yes	See Supplemental Schedule	Class base transaction	Restricted	Exempt
For the year ended December 31, 2019	New issuance	1,155,779	Common Stock	\$219,597	N/A	See Supplemental Schedule	Stock issued for services	Restricted	Exempt
For the year ended December 31, 2019	New issuance	230,000	Common Stock	\$91,982	Yes	See Supplemental Schedule	Exercise of stock warrants	Restricted	Exempt
For the year ended December 31, 2019	New issuance	209,414	Common Stock	\$53,500	Yes	See Supplemental Schedule	Stock issued for reduction of liabilities	Restricted	Exempt
For the year ended December 31, 2020	New issuance	20,000,000	Common Stock	\$11,800,000	No	See Supplemental Schedule	Reduction of liability from past acquisition	Restricted	Exempt
For the year ended December 31, 2020	Class base transaction	228,000	Common Stock	\$41,028	N/A	See Supplemental Schedule	Issued for cash or notes	Restricted	Exempt
For the year ended December 31, 2020	New issuance	274,922	Common Stock	\$135,993	Yes	See Supplemental Schedule	Stock issued for a reduction of liabilities	Restricted	Exempt
For the year ended December 31, 2020	New issuance	700,000	Common Stock	\$281,231	Yes	See Supplemental Schedule	Stock issued for services	Restricted	Exempt

For the year ended December 31, 2020	Class base transaction	31,132,134	Common Stock	\$7,593,816	N/A	See Supplemental Schedule	Class base transaction	Restricted	Exempt
For the three months ended March 31, 2021	Class base transaction	349,060	Common Stock	\$82,265	N/A	See Supplemental Schedule	Class base transaction	Restricted	Exempt
For the three months ended March 31, 2021	New issuance	1,010,000	Common Stock	\$438,000	Yes	See Supplemental Schedule	Stock issued for services	Restricted	Exempt
For the three months ended March 31, 2021	New issuance	100,000	Common Stock	\$36,000	Yes	See Supplemental Schedule	Stock issued for a reduction of liabilities	Restricted	Exempt
For the three months ended March 31, 2021	New issuance	500,000	Common Stock	\$225,000	Yes	See Supplemental Schedule	Stock issued for the purchase of a license	Restricted	Exempt
Shares Outstanding on Date of This Report: <u>March 31, 2021:</u>	<u>Ending Balance:</u> Common: 339,638,080 Preferred: <u>2,000,000</u>								

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2020, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2018 through September 30, 2020 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

See accompanying notes to the consolidated financial statements.

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
8/4/2012	\$11,200	\$10,000	\$1,200	8/4/2013*	Convertible to common stock after one year of issuance at \$0.10	David Rodewald	Working capital

9/10/2012	\$3,360	\$3,000	\$360	9/10/2013*	Convertible to common stock after one year of issuance at \$0.10	Paul Damico	Working capital
11/12/2012	\$22,400	\$20,000	\$2,400	11/12/2013*	Convertible to common stock after one year of issuance at \$0.125	Adam Bertagnole	Working capital
12/30/2012	\$14,000	\$12,500	\$1,500	12/30/2013*	Convertible to common stock after one year of issuance at \$0.125	David Rodewald	Working capital
4/5/2020	\$217,800	\$198,000	\$19,800	4/5/2021	Convertible to common stock after one year of issuance at a 20% discount to market	Daniel Ritt	Working capital
6/1/2020	\$107,500	\$100,000	\$7,500	6/1/2021	Convertible to common stock after one year of issuance at a 20% discount to market	Everett Monroe	Working capital
5/18/2020	\$10,833	\$10,000	\$833	5/18/21	Convertible to common stock after one year of issuance at a 20% discount to market	Eric Jorgensen	Working capital
10/13/20	\$286,110	\$280,500	\$5,610	10/13/21	Convertible at the lower of \$0.40 or 80% discount to market, but in the event of a Qualified Uplist the note may be converted at a 30% discount to market. The conversion price will never be lower than \$0.10 per share.	Tysadco Partners, LLC (control person: Howard Davner)	Working capital
11/23/20	166,467	\$165,000	\$1,467	8/23/20	Convertible at the \$0.40 per share. In the event of an Uplist, the conversion price shall equal the lower of 20%	LGH Investments, LLC (control person: Luke Hoppel)	Working capital

					discount to market.		
11/27/2020	\$77,500	\$75,000	\$2,500	11/27/21	Convertible to common stock after one year of issuance at a 20% discount to market	Anne Mitchell	Working capital
12/9/2020	\$51,250	\$50,000	\$1,250	12/9/21	Convertible to common stock after one year of issuance at a 20% discount to market	George Sentena	Working capital
1/8/2021	\$50,833	\$50,000	\$833	1/8/2022	Convertible to common stock after one year of issuance at a 20% discount to market	Marathon Management & Consulting, Inc. (control person: Donald L. Kern)	Working capital
1/12/2021	\$254,167	\$250,000	\$4,167	1/12/2022	Convertible to common stock after one year of issuance at a 20% discount to market	Thomas H. Ruan 1972 Irrevocable Trust FBO Philip A. Ruan	Working capital
1/28/2021	\$50,417	\$50,000	\$417	1/28/2022	Convertible to common stock after one year of issuance at a 20% discount to market	Arnaldo Aleman	Working capital
2/4/2021	\$280,556	\$277,778	\$2,778	2/4/2022	Convertible at the lower of \$0.40 or 80% discount to market, but in the event of a Qualified Uplist the note may be converted at a 30% discount to market. The conversion price will never be lower than \$0.10 per share.	Tysadco Partners, LLC (control person: Howard Davner)	Working capital
2/4/2021	\$50,417	\$50,000	\$417	2/4/2022	Convertible to common stock after one year of issuance at a 20% discount to market	McDonald Plummer, Jr.	Working capital

* In attempts to process payment or conversion of this note, the Company has made considerable efforts over the years to contact this noteholder without avail.

Use the space below to provide any additional details, including footnotes to the table above:

See accompanying notes to the consolidated financial statements.

4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: Tyler Nelson
Title: Chief Financial Officer

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

The consolidated financial statements of the Company for the years ended December 31, 2020, 2019, and 2018 have all been published as the Annual Reports through the OTC Disclosure and News Service and are incorporated by reference herein. The consolidated financial statements as of December 31, 2020 and 2019 have been audited and filed with the Securities Exchange Commission in a Form S-1. The consolidated financial statements as of March 31, 2021 has been published as a Quarterly Report through the OTC Disclosure and News Service and are incorporated by reference herein. The consolidated financial statements as of March 31, 2021 have been reviewed and filed with the Securities Exchange Commission in a Form S-1. All of the statements referenced herein have been prepared on an accrual basis. Below is a list describing the financial statements that are incorporated by reference herein:

Consolidated Balance Sheet As of March 31, 2021
Consolidated Statement of Operations for the Three Months Ended March 31, 2021 and 2020
Consolidated Statements of Stockholders' Equity for the Three Months Ended March 31, 2021 and 2020
Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2021 and 2020
Notes to Consolidated Financial Statements

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

Consolidated Balance Sheets As of December 31, 2020 and 2021
Consolidated Statement of Operations for the Years Ended December 31, 2020 and 2019
Consolidated Statements of Stockholders' Equity for the Year Ended December 31, 2020 and 2019
Consolidated Statements of Cash Flows for the Years Ended December 31, 2020 and 2019
Notes to Consolidated Financial Statements

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

BUSINESS

Vivakor, Inc. is a socially responsible operator, acquirer and developer of clean energy technologies and environmental solutions, primarily focused on soil remediation. We specialize in the remediation of soil and the extraction of hydrocarbons, such as oil, from properties contaminated by or laden with heavy crude oil and other hydrocarbon-based substances. Our patented process allows us to successfully recover the hydrocarbons which we believe could then be used to produce asphaltic cement and/or other petroleum-based products.

We are focused on the remediation of contaminated soil and water resulting from either man-made spills or naturally occurring deposits of oil. Our primary focus has been the remediation of oil spills resulting from the Iraqi invasion of Kuwait and naturally occurring oil sands deposits in the Uinta basin located in Eastern Utah. We plan to expand into other markets, both in Utah and globally, where we believe our technology and services will provide a distinct competitive advantage over our competition.

Our current focus is on the clean-up of greater than 7% hydrocarbon contaminated soil located in Kuwait as a result of the Iraqi invasion, and naturally occurring oil sands deposits in Utah. We have deployed two RPC units to date including one unit to Kuwait (for which operations have been temporarily suspended due to COVID-19) and another to Vernal, Utah (which is presently operating). We expect to deploy two additional RCPs to Vernal, Utah with the proceeds from this offering and believe that there may be an opportunity to deploy additional RPCs in Utah as well as to Kuwait and the Middle East.

We have applied to list our common stock on the Nasdaq Capital Market under the symbol "VIVK". If our listing application is not approved, we will not proceed with a public offering of the Company's common stock. Our common stock is currently quoted on the OTCPink Marketplace operated by OTC Markets Group Inc. (the "OTCPink") under the trading symbol "VIVK". On May 13, 2021, the last reported sale price for our common stock on the OTCPink was \$0.49.

On December 18, 2020, our Board of Directors (the "Board") and stockholders holding a majority of our outstanding voting shares, authorized a reverse stock split of each of the outstanding shares of the Corporation's common stock, \$0.001 par value per share, as well as each of the outstanding shares of the Corporation's preferred stock, at a ratio to be determined by the Board of within a range of a minimum of a one-for-twelve (1-for-12) to a maximum of one-for-forty (1-for-40) (the "Reverse Stock Split Ratio"), with the exact ratio to be set at a number within this range as determined by the Board in its sole discretion, with no change in par value. We intend for the Board to effect such reverse stock split in connection with the underwritten offering and our intended listing of our common stock on the Nasdaq Capital Market, however we cannot guarantee that such reverse stock split will occur based on the ratio stated above, that such reverse stock split will be necessary or will occur in connection with the listing of our common stock on the Nasdaq Capital Market, or that the Nasdaq Stock Market will approve our initial listing application for our

common stock upon such reverse stock split. We intend to effect the reverse stock split of our outstanding shares of common stock prior to the effective date of the registration statement of which this prospectus forms a part.

Our Technologies

We own and/or license a number of technologies that allow us to effectively operate our remediation and recovery business along with other technologies that provide synergies with our core business. The description of these various technologies follows.

Hydrocarbon Extraction Technology

In 2015, we acquired and improved technology aimed at remediating contaminated soil and recovering usable hydrocarbons, which we refer to as RPCs. We presently have two US patents and pending foreign applications related to our RPCs. Our RPCs each have the potential to clean a minimum of 20 tons of contaminated material per hour, depending on the oil contamination percentage in the processed material. Each RPC has the capacity to extract on a 24-hour operation 500 tons or more of contaminated material per day. The amount of extracted hydrocarbon recovered depends on the extent to which the material is contaminated. For example, we estimate that for every 480 tons of contaminated material processed per day that contains at least 10% oil, we will recover approximately 250 barrels of extracted hydrocarbons. The above example has been calculated as follows: contaminated material that is 10% oil is comprised of 200 pounds of oil per ton; one gallon of oil weighs 8.44 pounds, resulting in 23.69 gallons of oil per ton of contaminated material (200/8.44); there are 42 gallons per barrel, resulting in 0.56 barrels of oil per ton of contaminated material (23.69/42); 20 tons of contaminated material can typically be processed per hour, resulting in 11.2 barrels of oil per hour (0.56*20); and operations continue 24 hours per day, resulting in 268.8 barrels per day (11.2*24).

We believe our RPCs are significantly more advanced than other oil remediation technologies or offerings presently available on the market. Our RPCs have successfully cleaned contaminated soil containing greater than 7% hydrocarbon content, while, to our knowledge, our competitors are limited to projects containing less than 5% hydrocarbon contamination. We believe our ability to clean soil with higher percentages of hydrocarbon contamination is a distinctive advantage that will allow us to operate on a global basis in any location that has suffered from oil spills or naturally occurring oil sands deposits. While our primary focus and mandate will be on the manufacture and deployment of our RPCs, we intend to continue to develop, acquire or license additional clean energy technologies and environmental solutions that will directly enhance and expand our current technologies and service offerings.

We have designed our RPCs to provide an environmentally friendly solution to the remediation of hydrocarbon-contaminated soil, as they do not utilize water. Our RPCs operate by loading contaminated soil onto a feeder and conveyor system that effectively delivers the material prepares the material into a fully contained, closed-loop system. Physical separation of the hydrocarbons from the contaminated soil does not utilize water or steam and is instead accomplished using a proprietary extraction fluid to dissolve the hydrocarbon components.

In the first stage of the process, hydrocarbon contaminated soil is mixed with our proprietary solvent which forms a slurry of sand, hydrocarbon and extraction fluid. This slurry moves from the mixing chamber into a separation chamber where the sand is separated from the hydrocarbon/extraction fluid mix by gravity. The soil is then dried and transported via a conveyor to a lined pit where extensive testing is performed to ensure the hydrocarbons have been properly removed. Meanwhile, the extracted hydrocarbon and solvent travels to a separate chamber where the hydrocarbons are separated from the extraction solvent. The solvent is then reclaimed.

The entire extraction process is completed in a series of sealed chambers. The reclaimed extraction fluid is then recycled back into the process, which ensures that no toxic chemicals are released into the soil or the environment. Upon completion of our remediation and separation process, the extracted hydrocarbons are placed into holding tanks to be picked up by our customers, while clean soil is returned to the environment.

Our RPCs are manufactured in Salt Lake City, Utah. In the future, we expect to finance our RPCs through special purpose vehicles pursuant to 20-year sale/leaseback arrangements. In each instance, the special purpose vehicle will finance the RPC through third party investors, and we will act as the manager of such special purpose vehicle and hold a 1% ownership interest. Management believes that utilizing this structure provides significant benefits to our shareholders, as these financings are less dilutive in nature.

Wastewater Management System

In April 2020, we entered into a project charter agreement with solvAQUA, a Canadian-based clean water technology company, pursuant to which we may purchase certain wastewater removal equipment from solvAQUA. The solvAQUA WMS is a compact solution that continually processes and separates large volumes of wastewater (4,000+ m³/day for each WMS) with an ability to scale to remove any volume of oil, grease and suspended solids from wastewater, in most cases removing 99.99% of waste. The processed water stream can in some cases be discharged or reused without further treatment. We have placed our first order with solvAQUA for WMS equipment and anticipate receipt and installation of the equipment prior to December 31, 2020, with operations to commence shortly thereafter. On July 15, 2020, solvAQUA granted us an exclusive license to either incorporate solvAQUA's technology platform into our RPCs or to use independently. This will allow us to service remediation projects that have a combination of wet and dry opportunities. The exclusive license has an initial term of one year, which may be extended to five years upon our successful installation and deployment of the first two WMSs.

We believe that the combination of being able to remediate both dry and wet locations could more than double our market opportunity in the future, given the prevalence of remediation locations where oil is mixed with water. Although wastewater remediation is not required for any of our current projects, we believe that this capability will prove valuable to us in the future.

Automation and Machine Learning

The RPC systems we build are automated and controlled by software enabling us to maximize efficiencies. We believe that these automations may ultimately allow us to operate the RPCs twenty-four hours a day, resulting in continuous feed capabilities that will allow us to manage our systems remotely world-wide. Each RPC unit is designed with a focus on automation to achieve our Key Performance Indicators (KPIs). We have deployed data analytics and machine learning, to enable operations to be predictive, reduce risk, improve safety, and reduce costs.

Metallic Separation Technology

In 2015, we obtained two metal extraction systems and a perpetual license to use the proprietary technology and machinery for extracting precious metals from sand-based ore materials for \$7.6 million from Vivaventures Precious Metals, LLC ("VV Precious Metals"), pursuant to our loan outstanding to VV Precious Metals being extinguished. We also received a 75% ownership interest in the concentrated unrefined flakes of precious metals and rare earth minerals that had already been recovered from soils by VV Precious Metals through a royalty agreement. We divested our 39% interest in VV Precious Metals in July 2020. Such divestiture has had a de minimis impact on our business.

Our proprietary metallic separation technology uses a thermal vapor process to extract and process micro particles of precious metals and rare earth minerals, including gold, silver, platinum, palladium and rhodium from soils. After we complete our soil remediation services, we evaluate the post-remediated soil and, if we find that the soil contains more than 1% concentration of these metals, we process it through this technology to extract and concentrate these micro particles of precious metals and rare earth minerals into a concentrated, unrefined flake form.

We market and sell the precious metals we extract from contaminated soil. As we continue our efforts, we anticipate increased opportunities to monetize our precious metals end product.

Hydrocarbon Upgrading Technologies

We have acquired and/or licensed two separate technologies described below that will enable us to upgrade the hydrocarbons recovered from our remediation process. These processes have been proven in laboratory tests, but we have not yet performed this upgrading in a commercial setting.

We entered into a letter of intent with B Green, Inc. ("B Green") in February 2020 providing us with certain rights to use on a trial basis cavitation hydrocarbon technology (CHU) from B Green, Inc. Subsequently, on September 30, 2020, we entered into an Intellectual Property License Agreement with B Green ("B Green License Agreement"), pursuant to which we have been granted a worldwide, exclusive, non-transferable license to the intellectual property embodied in B Green's cavitation technology to develop, manufacture, have manufactured, use market, import, have imported, offer for sale and sell cavitation devices built from the licensed intellectual property. The B Green License

Agreement also grants us the first right of refusal to purchase all devices and all intellectual property associated with the cavitation technology. The B Green License Agreement extends for the lifetime of the Intellectual Property. In 2021 we made an initial payment of \$5,000 after delivery of the first simple cavitation device, and thereafter we will be obligated to pay \$3,000 in monthly services fees, for any requested engineering support, and 50% of the net profits. Additionally, under the terms of the B Green License Agreement, at such time as we successfully improve and manufacture a cavitation device with a processing rate equal to, or greater than, 30 barrels per hour, we will be required to issue 33,333 shares of our common stock to B Green. Third party, independent testing conducted by the University of Utah has shown that this proprietary technology increases the API gravity of hydrocarbons by elongating the hydrocarbon chains without cutting or cracking these chains. API gravity is the measure of how heavy or light petroleum liquid is compared to water and is used in the industry as the standard measure for viscosity. The API of the recovered crude is increased, allowing such crude to have additional uses and usually at higher unit prices.

In addition, in 2017, we acquired from CSS Nanotech an exclusive right to use their nano-sponge technology, which essentially serves as a micro-upgrader, transforming hydrocarbon product into a more useful product, such as petroleum or gasoline, as an addition to our hydrocarbon extraction technology. The inventor of this technology subsequently joined us as our Chief Scientific Officer. This patented technology allows for hydrocarbon material to be absorbed by a specialized sponge. Low energy microwaves are then introduced into the process and the sponge, which is made of a highly thermally conductive material, absorbs this energy causing an instant thermal effect, which essentially refines the crude by cutting or cracking the carbon chains. We intend to add this system to our process of upgrading the heavy crude recovered by our RPCs.

We believe that each of these technologies has the ability to upgrade the heavy crude that is recovered from our recovery and remediation process based on our needs and demand, and we intend to fully integrate these technologies into our process. For example, if there is a high demand for fuels we would process the extracted crude through the nano-sponge technology to refine and upgrade the product into diesel fuel. If the demand is instead for certain types of asphaltic cement, where the heavy crude is not refined but processed, we would utilize the CHU technology.

Market Opportunity

We believe that the market for remediating oil from both soil and water is significant. According to Grandview Research, the market for environmental clean-up of oil spills will reach \$177 billion by 2025. We believe that a large portion of that market will originate from contamination of more than 7% hydrocarbon content and that our technology is currently the only one that can economically remediate these environmental disasters, while allowing for the capture and reuse of the crude.

In addition, we believe that the heavy crude that we have been recovering in Utah is ideal for producing asphaltic cement. The demand for asphaltic cement in the United States is presently estimated to be \$93 billion this year according to Transparency Market Research. We provided our material to asphalt companies for testing to determine what modifications, if any, needed to be made to meet general asphalt specifications. We recently received notification that our asphaltic cement now meets the general classification of AC20 asphaltic cement and that it passed the specifications of several potential clients. We are expecting several orders in the near term and we believe that we will be able to offer our product at very competitive prices and in an environmentally friendly manner.

Revenue

We presently have two projects utilizing our first two manufactured RPCs - our project in Kuwait (which has been temporarily suspended due to COVID-19) and our project in Vernal, Utah (which is currently operating).

In Kuwait, where we do not have ownership of the recovered oil, we will generate revenues by charging per cubic meter of soil remediated. For our current project we generate revenues of \$72 per cubic meter of contaminated material processed.

Our RPC situated in Vernal, Utah has the capacity to process 500 tons or more of naturally occurring oil sands deposits per day. We estimate that if the extracted material is composed of at least 10% oil, we will recover approximately 250 barrels of extracted hydrocarbons each day, which could then be sold for energy or converted to asphaltic cement and sold for use in roads at higher prices.

We also market and sell the precious metals we extract from our remediated and waste soils. As we continue our efforts, we anticipate increased opportunities to monetize our precious metals end product.

Kuwait Project

The United Nations (UN) had allocated up to \$14.7 billion for post-Iraq war reparations in order to clean up Kuwait. Kuwait suffered extensive contamination as a result of the 1991 Persian Gulf War. At the close of the Gulf War, Saddam Hussein ordered Kuwaiti oil wells to be blown up, resulting in the destruction of approximately 600 oil wells. The damage resulting from such fires, which burned for seven months, included a layer of hardened “tarcrete,” caused by the sand and gravel on the land’s surface combining with oil and soot, forming over almost 5% of the country’s area.

We were engaged as a subcontractor by the KOC for two hydrocarbon remediation projects in the country in January 2018 and July 2019: the Sustainable Economic Environmental Development Project (“SEED”) project and the Kuwait Environmental Remediation Program (“KERP”) project. Both projects are managed by the Soils Remediation team at KOC. Both projects have a range of contaminated soils to be remediated.

Our technology has been successful in reducing the amount of contaminated material in the SEED project from 20% hydrocarbon contamination to just 0.2% hydrocarbon contamination, based on third party independent testing performed by ALS Arabia in March 2020. We believe we possess the only technology that has been successful at remediating such highly contaminated soil (defined as anything above 20% hydrocarbon contamination), while also returning usable hydrocarbons. KOC has advised us that we are the only company to have submitted third-party testing results regarding our technology that has met KOC’s specifications for remediating oil sands in excess of 7% hydrocarbons. For this reason, we believe that our technology will be selected for future KOC projects to clean contaminated soils containing in excess of 7% hydrocarbons. Our initial contract for the SEED projects was to clean 14,000 metric tons of contaminated soil and is expected to significantly grow in size and scope. The project pays us, based on the specific characteristics of the soil, a flat fee of \$70 to \$100 per ton of contaminated soil we clean. We then return the remediated soil and the recovered oil to the Kuwaiti government. Accordingly, for this project, the Company does not have any short-term risk relating to volatile oil prices.

The KERP project is anticipated to involve approximately 26 million cubic meters of contaminated oil sands requiring remediation. We expect that as much as 20% of the contaminated soil will contain more than 5% hydrocarbon contamination. We also believe that we will have the opportunity to act as a technology provider to the main KERP project contractors on other projects requiring remediation of sands exhibiting greater than 7% contamination, which we believe could have a market potential of up to \$500 million for us.

The oil recovered from these projects in Kuwait is considered a sovereign asset, so the ability to reclaim this asset also creates a social value for the country. In order to remediate all of the contaminated sand exhibiting greater than 7% contamination in the timeframe required by the UN, the Company expects to expand its contract and deploy 10 RPC units to Kuwait over the next several years.

Other International Projects

In addition to managing the projects in Kuwait, the UN is overseeing the funds allocated to the remediation and clean-up of the Ogoni Lands in Africa, which is estimated to contain millions of tons of both contaminated soil and water and has allocated significant funding for its cleanup. Taking into consideration this particular environmental disaster, plus other global oil contamination projects involving oversight by the UN, together with our successful performance on the UN-managed SEED Project in Kuwait, we believe we will be a contender for significant additional contracts.

Vernal, Utah Project

The State of Utah has, according to the U.S. Geological Survey, approximately 14 billion barrels of measured oil in place with an additional estimated 23 to 28 billion barrels of oil contained in contaminated oil sands that are deposited near the ground surface. We believe that the crude from these oil sands can be turned into asphaltic cement for making roads, or upgraded for polymers or fuel. In 2019, we acquired an option to acquire surface rights and the approvals to operate on an oil sands parcel of land located in Vernal, Utah, for which an initial fee of \$200,000 was paid. Such option has expired, and we are currently negotiating an agreement to provide for such option to continue. We are continuing to operate on the land, pursuant to an arrangement with the landowner, as we negotiate extension of the

option. Vernal is the county seat, and largest city in Uintah County, located in northeastern Utah, approximately 175 miles east of Salt Lake City, and 20 miles west of the Colorado border.

The Vernal property contains approximately 300 million cubic yards of oil sand material available for processing. The property is located on approximately 600 acres. If acquired, we believe that we could ultimately recover as much as 40 million barrels of oil from this property if we are able to economically scale our operations. Each upgraded RPC unit, such as the RPC unit in Vernal, Utah, has the ability to process, at a minimum, 20 tons of contaminated material per hour depending on the oil contamination percentage in the processed material. We believe, based on the number of estimated barrels of oil contained in oil sands deposits located on SITLA property, that there may be an opportunity to deploy as many as 100 RPCs to properties containing oil sands deposits owned by the State of Utah.

Material extracted from our Vernal, Utah project can be sold for energy or converted into asphaltic cement, which we believe is less affected by daily changes in oil prices. With our one RPC unit, assuming full utilization, we anticipate producing approximately 50 tons of asphaltic cement per day. We anticipate that we will be able to sell our asphaltic cement for, referencing present pricing, approximately \$50 per ton.

Competitive Strengths and Growth Strategy

We are focused on the remediation of contaminated soil and water resulting from either man-made spills or naturally occurring deposits of oil. Our primary focus has been the remediation of oil spills resulting from the Iraqi invasion of Kuwait and naturally occurring oil sands deposits in the Uinta basin located in Eastern Utah. We plan to expand into other markets, both in Utah and globally, where we believe our technology and services will provide a distinct competitive advantage over our competition.

Competitive Strengths

We believe the following strengths provide us with a distinct competitive advantage and will enable us to effectively compete on a global basis:

- Proprietary patented technology;
- Environmental advantages;
- Strong relationships with customers and regulatory agencies; and
- Experienced and highly-skilled management, Board of Directors and Advisory Board.

Proprietary Patented Technology

In total, we, together with our subsidiaries, have intellectual property that is in the form of both proprietary knowledge and patents. Our patent portfolio consists of four issued U.S. patents, one pending international patent application filed through the Paris Cooperation Treaty (PCT), and one pending patent application in Kuwait. In addition, we have licensed from our partners the right to use additional patented technologies.

We presently have two US patent and pending foreign applications related to our RPCs and two issued US patents related to our other remediation technologies.

We believe, based on direct and ongoing conversations with our customers and third-party independent test results, that our technology is the only commercially available technology that can not only clean soil that contains greater than 7% hydrocarbon, but also preserves the hydrocarbons extracted from such soil for future use. We believe that this provides us with a true competitive advantage.

Our main technology has been tested and validated for all of its claims by multiple separate independent expert firms both in the United States and the Middle East, whose reports confirm that we have reclamation technology, which has

been tested and reviewed, that possesses the ability to clean soil with more than 7% hydrocarbon contamination and still leave the recovered hydrocarbons in a usable state.

We are also expanding our remediation services and offerings to include the solvAQUA technology, which will enable us to remove hydrocarbons from water (as opposed to soil), while preserving the hydrocarbons for future usage. We expect delivery of our first solvAQUA WMS machine by the end of the calendar year, with operations to commence shortly thereafter. The solvAQUA WMS machines can operate either in conjunction with, or independently of, the RPCs.

Environmental Advantages

Among our key corporate objectives is to be at the forefront of social responsibility for its technological impact. We strive for all of our systems to ultimately become closed loop systems, to minimize adverse impacts on air quality and reduce the need for use of clean water. Our ability to turn waste into value is in line with this core objective. Our remediation projects in Kuwait are expected to reduce emissions from vaporization of the oil spilled in the soil. The ability to clean produced water from oil production can eliminate the need for evaporation ponds, improving air quality and saving on the use of clean water.

We believe our technology and service offerings will position us well to conduct our business in any geographical region in which soil or water has been contaminated by hydrocarbons.

Strong Relationships with Customers and Regulatory Agencies

We have developed close relationships with customers and government agencies, including SITLA and the KOC. We anticipate receiving access to additional oil sands deposits located in Utah from SITLA, based on our existing relationship with SITLA and our conversations with them. We also anticipate receiving additional contracts from KOC to remediate contaminated properties in Kuwait, based on our existing relationship with KOC and conversations with them.

Experienced and Highly Skilled Management, Board of Directors and Advisory Board

Our management team has started and successfully grown numerous technology-based companies and has utilized this experience to develop a strategic vision for the Company. The implementation of this plan has resulted in the acquisition and in-house development of numerous technologies, which are currently in operation. We have demonstrated the effectiveness of our technologies in both Vernal, Utah and Kuwait, accomplishing the clean-up of contaminated areas while also recovering precious metals through our metallic separation technology.

Our Board of Directors is comprised of accomplished professionals who bring decades of experience to the Company. Our Board of Directors includes a director who has served as a member of the Executive Committee of one of the largest global accounting firms and has served on the Board of Directors of two multi-billion dollar publicly traded companies, a former director of technology investment banking at Goldman Sachs, a successful investor and entrepreneur who has founded and provided initial financing for numerous life science companies, several of which have grown to multi-billion dollar publicly traded companies, and the mayor of a city in Utah.

In addition, we have an Advisory Board comprised of former senior members of oil and gas companies, both in the United States and in the Middle East. Our Advisory Board is led by one member who is an accomplished business professional and a member of a royal family based in the Middle East and another member who is an experienced health and safety expert operating in the oil and gas industries.

We rely on our Board of Directors and Advisory Board to provide it both high level advice and guidance along with using their contacts to help open various markets. Additionally, the Advisory Board acts as a preliminary informal sounding board for the Board and management for these particular areas in which the Advisory Board members have expertise. We believe the combination of our management team, Board of Directors and Advisory Board provides us with a significant competitive advantage over our competitors due to their breadth of experiences and relationships.

Growth Strategies

We will strive to grow our business by pursuing the following strategies:

- Expansion of our oil recovery projects in Utah;
- Expansion of our remediation projects in Kuwait;
- Expansion into new and complementary markets;
- Increase of revenue via new service and product offerings;
- Strategic acquisitions and licenses targeting complementary technologies; and
- Redeployment of the metallic separation technologies.

Expansion of our Oil Recovery Projects in Utah

The State of Utah has, according to the U.S. Geological Survey, approximately 14 billion barrels of measured oil in place with an additional estimated 23 to 28 billion barrels of oil contained in contaminated oil sands that are deposited near the ground surface. The majority of these oil sands deposits are located on land owned by SITLA. While our current project in Vernal, Utah is not located on SITLA land and we do not yet have a definitive agreement, SITLA has expressed an interest in providing us leased access to these lands in exchange for a royalty to be paid by us in an amount equal to 8% of all revenue generated from any hydrocarbon-based products produced by us from hydrocarbons extracted from these lands. All royalty payments to SITLA would result in direct funding to the State's school system. We believe, based on the number of estimated barrels of oil contained in oil sands deposits located on SITLA property, that there may be an opportunity to deploy as many as 100 RPCs to oil sands deposits located on land owned by the State of Utah. We will seek to acquire additional properties and mineral rights in the vicinity of Vernal, Utah from individual land owners and the State of Utah with a goal of increasing our hydrocarbon holdings to as much as one billion barrels of contingent resources containing a minimum of 10% hydrocarbon saturation.

Expansion of our Remediation Projects in Kuwait

Our RPC technology was successfully used in our initial project for KOC in Kuwait, where we removed hydrocarbons from soil with more than 7% contamination and, following the process, the hydrocarbon contamination level of the soil was reduced to less than 0.5%, which was lower than the level needed to meet the project specifications. There is still approximately 26 million cubic meters of soil contaminated by oil from the Iraqi invasion of Kuwait. Under our current contract, we will charge \$72 per cubic meter of soil remediated. We are currently working with KOC and other government-controlled entities to expand our remediation projects in Kuwait. We are in active negotiations to provide the technology and operations as a subcontractor to large, multinational remediation companies within the region where our technology could be used on all of the sands with contamination levels greater than 7%. Other technologies may also be used for the less contaminated soils.

Expansion into New and Complementary Markets

We intend to explore expansion opportunities on a global basis, including in places with extreme contamination such as the Ogoni Lands region of Nigeria, oil spill lakes located in Saudi Arabia and Turkmenistan, and naturally occurring oil sands deposits in Kazakhstan, where we believe our technology and service offerings may provide a distinct competitive advantage. We are currently in discussions with several groups for deploying our RPCs for remediation projects (primarily for oil spills, tank bottom sludge and drill cuttings) in Saudi Arabia, Qatar and Texas. Saudi Arabia has the objective to create a circular carbon economy that will ultimately have zero wasted hydrocarbons. Our technology is able to process tank bottom sludge, drill cuttings, and soils from hydrocarbon spills, returning the sand to less than 0.5% contamination while reclaiming the oil for waste energy use.

Increase of Revenue via New Service and Product Offerings.

To date, we have focused on the remediation of soil contaminated by oil. We are in the process of expanding our services to include the remediation of water and the recovery of hydrocarbons from water through our exclusive license with solvAQUA. We also intend to target other hydrocarbon remediation businesses that focus on, among other things, the cleaning of tank bottom sludge, and the cleaning of the water used from drilling oil wells. Oil producers generally pay to dispose of sludge at the bottom of storage tanks and contaminated water produced from the drilling of oil wells. We believe that our technologies could be used to clean the contaminated water produced from drilling, while simultaneously recovering the heavy crude. We believe we will be able to offer these services at a cost that is very competitive with current methods and that our ability to recover the heavy crude for resale will give us a competitive advantage. The patented RPC technology, in conjunction with the enzymatic water remediation technology that we have licensed from solvAQUA, have the potential to eradicate all oil evaporation ponds and landfills in the United States presently utilized for disposal of tank bottom sludge and drill cutting waste. We are currently in early stage discussions relating to some of these remediation projects.

Strategic Acquisitions and Licenses Targeting Complementary Technologies

We intend to seek out opportunities to acquire or license only specific technologies that are either complementary to our existing product offerings or that will allow us to expand into the environmental infrastructure markets. We recently entered into a worldwide, exclusive license agreement with TBT Group, Inc. to license piezo electric and energy harvesting technologies for creating self-powered sensors for making smart roadways, which we believe could be embedded directly into the asphaltic cement we intend to produce from the hydrocarbons we extract, providing the basis for smart roads and infrastructure. We believe that these sensors, which are self-powered, could be used to provide information about traffic, road conditions and repair needs as well as allowing the roads to communicate directly with autonomous vehicles enabling these vehicles to sense the road in all weather conditions. By complementing the asphaltic cement we expect to produce with integrated sensors for automated vehicles, we believe that we will be able to offer a smart road – moving this company from one of “Waste to Road” to one of “Waste to Smart Road”.

Redeployment of the Metallic Separation Technology

Our licensed metallic separation technology has successfully recovered precious metals including, but not limited to, gold, palladium, platinum, rhodium and silver. We intend to modify our existing metallic separation equipment to allow us to capture more precious metals. We intend to redeploy our metallic separation technology machines in conjunction with our RPC machines to locations where precious metals have been detected in the soil and to standalone locations to process mine tailings and other soils.

Other Holdings

Historically, as part of our strategy to find and invest in technologies that might develop synergies with our existing businesses, we have invested in other companies and/or entities. Not all of our investments to date have developed into complementary technologies and/or businesses, but with our management’s assistance, many of them have still become successful and accretive to our Company’s value. Over time, we intend to divest our ownership of companies that are not synergistic with our business.

Scepter Holdings

In 2012, we provided secured loan financing and assistance to Vivaceuticals, Inc. (“Vivaceuticals”) for the development and commercialization of two bioactive beverages and one weight loss beverage. In 2018, Scepter Holdings, Inc. (OTCMARKETS: BRZL), a company that manages the sales and development of consumer-packaged goods, purchased certain assets of Vivaceuticals, and in 2019, we received 800,000 shares of preferred stock in Scepter Holdings, Inc. in exchange for extinguishing our loan, which had become an obligation of Scepter Holdings, Inc. The Company has since converted such shares of preferred stock into 800,000,000 shares of common stock of Scepter Holdings, Inc., which represents a market value of approximately \$5,760,000 as of the date of May 13, 2021.

Odyssey Group International

In 2014, we acquired a minority interest in Odyssey Group International, Inc. (“Odyssey”) (OTCQB: ODYY), a trans-disciplinary product development enterprise involved in the discovery, development and commercialization of a broad range of products applied to targeted segments of the health care industry. We also have provided a \$750,000 secured loan Odyssey, which they used to acquire a license to use and develop a new technology called CardioMap®, which is an advanced technology for early non-invasive testing for heart disease. The loan is secured by Odyssey’s assets, and we are entitled to receive a percentage of Odyssey’s total gross sales until the loan has been repaid in full. During June 2020, we converted the outstanding secured loan into 809,578 shares of Odyssey common stock. We presently own 3,309,578 shares of Odyssey common stock representing a market value of approximately \$1,902,345, as of May 13, 2021.

Future Products; Research and Acquisition

We intend to identify, develop or acquire, and bring to market products primarily in the Clean Tech sector with a primary focus on the petroleum, mining and minerals, and alternative energy industries, as well opportunities that may arise in the natural and formulary products industry. Our general approach is to select products or processes that are at or near commercial viability, or that we believe can be substantially developed for commercialization. We then negotiate agreements to either acquire or to provide secured loan financing to these companies to complete their development, testing and product launches in exchange for control of, or a significant ownership interest in, the products or companies.

History

The Company was originally organized on November 1, 2006 as a limited liability company in the State of Nevada as Genecular Holdings, LLC. The Company’s name was changed to NGI Holdings, LLC on November 3, 2006. On April 30, 2008, the Company was converted to a Nevada corporation and changed its name to Vivakor, Inc. pursuant to Articles of Conversion filed with the Nevada Secretary of State.

We have the following direct and indirect wholly-owned active subsidiaries: VivaVentures Management Company, Inc., a Nevada corporation, VivaSphere, Inc., a Nevada corporation, VivaVentures Oil Sands, Inc., a Utah corporation, and RPC Design and Manufacturing LLC, a Utah limited liability company. We have a 99.95% ownership interest in VivaVentures Energy Group, Inc., a Nevada Corporation; the 0.05% minority interest in VivaVentures Energy Group, Inc. is held by a private investor unaffiliated with the Company. We also have an approximate 49% ownership interest in Vivakor Middle-East Limited Liability Company, a Qatar limited liability company.

Regulations Affecting our Business

The Company’s business is subject to federal, state and local laws, regulations and policies, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Exploration and exploitation activities are also subject to federal, state and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of exploration methods and equipment. Environmental and other legal standards imposed by federal, state or local authorities are constantly evolving, and typically in a manner which will require stricter standards and enforcement, and increased fines and penalties for noncompliance. Such changes may prevent us from conducting planned activities or increase our costs of doing so, which would have material adverse effects on our business. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on us. Additionally, we may be subject to liability for pollution or other environmental damages that we may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Unknown environmental hazards may exist on our mining claims, or we may acquire properties in the future that have unknown environmental issues caused by previous owners or operators, or that may have occurred naturally.

Failure to comply with applicable federal, state, local or foreign laws or regulations could subject our company to enforcement action, including product seizures, recalls, withdrawal of marketing clearances and civil and criminal penalties, any one or more of which could have a material adverse effect on our company’s businesses. We believe that our company is in substantial compliance with such governmental regulations. However, federal, state, local and foreign laws and regulations regarding the manufacture and sale of medical devices are subject to future changes. There can be no assurance that such changes would not have a material adverse effect on our company.

Intellectual Property

We own four issued US patents and two pending international PCT patent application covering our propriety technology, specifically:

- US Patent 7,282,167 for methods for producing nano-scale particles by vaporizing raw material and then cooling the vaporized raw material using a cooling gas, granted October 16, 2007 and expiring July 23, 2025;
- US Patent 9,272,920 for methods for producing ammonia by mixing a first catalyst including a millimeter-sized, granular, ferrous material and a promoter and a second catalyst including discrete nano-sized ferrous catalyst particles that comprise a metallic core with an oxide shell and then reacting hydrogen and nitrogen in the presence of the mixture, granted March 1, 2016 and expiring November 7, 2028; and
- US Patent 10,913,903 for SYSTEM AND METHOD FOR USING A FLASH EVAPORATOR TO SEPARATE BITUMEN AND HYDROCARBON CONDENSATE granted February 9, 2021 and expiring August 28, 2039;
- US Patent 7,282,167 for US Patent 10,947,456 for SYSTEMS FOR THE EXTRACTION OF BITUMEN FROM OIL SAND MATERIAL granted on March 16, 2021 to expire on December 3, 2038;
- Pending US Patent Series Nos. 16/177,210 and 16/554,158, International PCT Application No. PCT Application No. PCT/US2019/048587, and pending Kuwait application KW/P/2020/000111 relating to systems and processes for extracting bitumen from oil sands material which employ a centrifuge and a flash evaporator.

RISK FACTORS

Investing in our common stock involves a great deal of risk. Careful consideration should be made of the following factors as well as other information included in this report before deciding to purchase our common stock. There are many risks that affect our business and results of operations, some of which are beyond our control. Our business, financial condition or operating results could be materially harmed by any of these risks. This could cause the trading price of our common stock to decline, and you may lose all or part of your investment. Additional risks that we do not yet know of or that we currently think are immaterial may also affect our business and results of operations.

Risks Relating to our Business

We are at an early operational stage, and our success is subject to the substantial risks inherent in the establishment of a new business venture.

Our business and operations are in an early stage and subject to all of the risks inherent with new business ventures. Our initial operations have been focused on the remediation of soil and the extraction of hydrocarbons, such as oil, from properties contaminated by or laden with heavy crude oil and hydrocarbon-based substances. We intend to, but have not yet, completed the second stage of our operational strategy, selling the asphaltic cement and/or other petroleum-based products we are able to produce from the hydrocarbons we recover.

Our business and operations may not prove to be successful. We have deployed only two RPC units to date, including one unit to Kuwait (for which operations have been temporarily suspended due to COVID-19) and another to Vernal, Utah (which is presently operating). We will need to scale our business beyond these two RPCs and demonstrate that our scaled-up recovery and remediation business can be profitable. Any future success that we may enjoy will depend on many factors, some of which may be beyond our control, and others which cannot be predicted at this time. Although we began operations in 2008 as a technology acquisition company primarily focused on medical technologies, we have only been operating under our current business plan focused on soil remediation since 2011, and we have not yet proven to be profitable. We have not yet sold any substantial amount of products or services commercially and have not proven that our business model will allow us to identify and develop commercially feasible products or technologies.

We have historically suffered net losses, and we may not be able to sustain profitability.

We had an accumulated deficit of \$20,688,151 as of March 31, 2021, and we expect to continue to incur significant development expenses in the foreseeable future related to the completion of the development and commercialization of our products. As a result, we are incurring operating and net losses, and it is possible that we may never be able to sustain the revenue levels necessary to achieve and sustain profitability. If we fail to generate sufficient revenues to operate profitably on a consistent basis, or if we are unable to fund our continuing losses, you could lose all or part of your investment.

We rely upon a few, select key employees who are instrumental in our ability to conduct and grow our business. In the event any of those key employees would no longer be affiliated with the Company, it may have a material detrimental impact as to our ability to successfully operate our business.

Our future success will depend in large part on our ability to attract and retain high-quality management, operations, and other personnel who are in high demand, are often subject to competing employment offers, and are attractive recruiting targets for our competitors. The loss of qualified executives and key employees, or our inability to attract, retain, and motivate high-quality executives and employees required for the planned expansion of our business, may harm our operating results and impair our ability to grow.

We depend on the continued services of our key personnel, including Matthew Nicosia, our Chief Executive Officer, Tyler Nelson, our Chief Financial Officer, and Daniel Hashim, our Chief Scientific Officer. Our work with each of these key personnel are subject to changes and/or termination, and our inability to effectively retain the services of our key management personnel, could materially and adversely affect our operating results and future prospects.

We may have difficulty raising additional capital, which could deprive us of necessary resources, and you may experience dilution or subordinate stockholder rights, preferences and privileges as a result of our financing efforts.

We expect to continue to devote significant capital resources to fund the continued development of our RPCs and related technologies. In order to support the initiatives envisioned in our business plan, we will need to raise additional funds through the sale of public or private debt or equity financing or other arrangements. Our ability to raise additional financing depends on many factors beyond our control, including the state of capital markets, the market price of our common stock and the development or prospects for development of competitive technologies by others. Sufficient additional financing may not be available to us or may be available only on terms that would result in further dilution to the current owners of our common stock.

We expect to obtain additional capital during 2021 through financing lease structures for our RPCs or other financing structures related to our RPCs. We also expect that the net proceeds from this offering, along with our current cash position, will enable us to fund our operating expenses and capital expenditure requirements for the next twelve months. Thereafter, unless we can achieve and sustain profitability, we anticipate that we will need to raise additional capital to fund our operations while we implement and execute our business plan.

Any future equity financing may involve substantial dilution to our then existing shareholders. Any future debt financing could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities. There can be no assurance that such additional capital will be available, on a timely basis, or on terms acceptable to us. If we are unsuccessful in raising additional capital or the terms of raising such capital are unacceptable, then we may have to modify our business plan and/or curtail our planned activities and other operations.

If we raise additional funds through government or other third-party funding, collaborations, strategic alliances, licensing arrangements or marketing and distribution arrangements, we may have to relinquish valuable rights to our technologies, future revenue stream or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market products that we would otherwise prefer to develop and market ourselves.

The COVID-19 pandemic has had and may continue to have a negative impact on our business and operations.

Our Kuwait operations have been suspended to comply with the social distancing measures implemented in Kuwait. Our Utah operations were temporarily suspended from March through May 2020, but have since resumed in full. These suspensions have had a negative impact on our business and there can be no guaranty that we will not need to suspend operations again in the future as a result of the pandemic. We are closely monitoring the COVID-19 pandemic and the directives from federal and local authorities in the United States and in Kuwait affecting not only our workforce, but those of companies with whom we work.

Economic conditions in the current period of disruption and instability could adversely affect our ability to access the capital markets, in both the near and long term, and thus adversely affect our business and liquidity.

The current economic conditions related to the COVID-19 pandemic have had, and likely will continue to have for the foreseeable future a negative impact on the capital markets. Even if we are able to raise capital, it may not be at a price or on terms that are favorable to us. We cannot predict the occurrence of future disruptions or how long the current conditions may continue.

Failure to effectively manage our expected growth could place strains on our managerial, operational and financial resources and could adversely affect our business and operating results.

Our expected growth could place a strain on our managerial, operational and financial resources. Further, if our subsidiaries' businesses grow, then we will be required to manage multiple relationships. Any further growth by us or our subsidiaries, or any increase in the number of our strategic relationships, will increase the strain on our managerial, operational and financial resources. This strain may inhibit our ability to achieve the rapid execution necessary to implement our business plan and could have a material adverse effect on our financial condition, business prospects and operations and the value of an investment in our company.

We will need to achieve commercial acceptance of our products to continue to generate revenues and sustain profitability.

Our goal is to ultimately produce asphaltic cement and/or other petroleum-based products from the hydrocarbons we recover and sell these products to customers; however, we may not be able to successfully commercialize our products, and even if we do, we may not be able to do so on a timely basis. Superior competitive technologies may be introduced, or customer needs may change, which will diminish or extinguish the commercial uses for our applications. We cannot predict when significant commercial market acceptance for our products will develop, if at all, and we cannot reliably estimate the projected size of any such potential market. If the markets fail to accept our products, then we may not be able to generate revenues from the commercial application of our technologies. Our revenue growth and profitability will depend substantially on our ability to manufacture and deploy additional RPCs and produce asphaltic cement to the specifications required by each of our potential customers.

We have identified a material weakness in our internal control over financial reporting. Failure to maintain effective internal controls could cause our investors to lose confidence in us and adversely affect the market price of our common stock. If our internal controls are not effective, we may not be able to accurately report our financial results or prevent fraud.

Section 404 of the Sarbanes-Oxley Act of 2002 ("Section 404"), requires that we maintain internal control over financial reporting that meets applicable standards. We may err in the design or operation of our controls, and all internal control systems, no matter how well designed and operated, can provide only reasonable assurance that the objectives of the control system are met. Because there are inherent limitations in all control systems, there can be no assurance that all control issues have been or will be detected. If we are unable, or are perceived as unable, to produce reliable financial reports due to internal control deficiencies, investors could lose confidence in our reported financial information and operating results, which could result in a negative market reaction and a decrease in our stock price.

We have identified a material weakness in our internal controls related to management not yet having completed a formal assessment of internal controls. Management anticipates completing the formal assessment in 2021. We believe that we will have substantially resolved our previously identified material weakness in our internal controls as a result of implementation of new policies and procedures. There can be no assurances that weakness in our internal controls will not occur in the future.

If we identify new material weaknesses in our internal control over financial reporting, if we are unable to comply with the requirements of Section 404 in a timely manner, if we are unable to assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting (if and when required), we may be late with the filing of our periodic reports, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected. As a result of such failures, we could also become subject to investigations by the stock exchange on which our securities are listed, the SEC, or other regulatory authorities, and become subject to litigation from investors and stockholders, which could harm our reputation, financial condition or divert financial and management resources from our core business, and would have a material adverse effect on our business, financial condition and results of operations.

A major portion of our business is dependent on the oil industry, which is subject to numerous worldwide variables.

Our prospective customers are concentrated in the oil industry. As a result, we will be subject to the success of the oil industry, which is subject to substantial volatility based on numerous worldwide factors. A decline in the oil industry may have a material adverse effect on our business, financial condition, results of operations and cash flows. The oil and gas industry is competitive in all its phases. Competition in the oil and gas industry is intense. We will compete with other participants in the search for oil sand properties and in the marketing of oil and other hydrocarbon products. Our customers could include competitors such as oil and gas companies that have substantially greater financial resources, staff and facilities than those of our customers and lessees. Competitive factors in the distribution and marketing of oil and other hydrocarbon products include price and methods and reliability of delivery.

Within the oil remediation market, demand for our services will be limited to a specific customer base and highly correlated to the oil industry. The oil industry's demand for equipment is affected by a number of factors including the volatile nature of the oil industry's business, increased use of alternative types of energy and technological developments in the oil extraction process. A significant reduction in the target market's demand for oil would reduce the demand for the equipment, which would have a material adverse effect upon our business, financial condition, results of operations and cash flows.

Low oil prices may substantially impact our ability to generate revenues.

Low oil prices may negatively impact our ability to operate. The demand for our products and services depend, in part, on the price of oil and the margins oil producers receive on the sale of oil. Oil prices are volatile and can fluctuate widely based upon a number of factors beyond our control. Any decline in the prices of and demand for oil could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We require a variety of permits to operate our business. If we are not successful in obtaining and/or maintaining those permits it will adversely impact our operations.

Our business requires permits to operate. Our inability to obtain permits in a timely manner could result in substantial delays to our business. In addition, our customers may not receive permitting for our equipment's specific use and we may be unable to adjust our equipment to meet our customer's permitting needs. The issuance of permits is dependent on the applicable government agencies and is beyond our control and that of our customers. There can be no assurance that we and/or our customers will receive the permits necessary to operate, which could substantially and adversely affect our operations and financial condition.

We are required to pay permit and approval fees to operate in certain business segments and locations. If we are not able to pay those fees it would adversely impact our business.

We are required to pay various types of permit and approval fees to the applicable governmental and quasi-governmental agencies to operate our business. These fees are subject to change at the discretion of the various agencies. Our inability to pay these permit and approval fees could substantially and adversely affect our operations and financial condition.

We, and our customers and prospective customers, are subject to numerous governmental regulations, both domestically and internationally. In order to operate successfully we must be able comply with these regulations.

Current and future government laws, regulations and other legal requirements may increase the costs of doing business or restrict business operations. Laws, regulations and other legal requirements, such as those relating to the protection of the environment and natural resources, health, business and tax have an effect on our cost of operation or those of our customers. Such governmental regulation may result in delays, cause us to incur substantial compliance and other costs and prohibit or severely restrict our business or that of our customers, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

Based on the nature of our business we currently depend and are likely to continue to depend on a limited number of customers for a significant portion of our revenues.

We currently have two customers in Utah and a single customer in Kuwait. The failure to obtain additional customers or the loss of all or a portion of the revenues attributable to any current or future customer as a result of competition, creditworthiness, inability to negotiate extensions or replacement of contracts or otherwise could have a material adverse effect on our business, financial condition, results of operations and cash flows.

If our customers do not enter into, extend or honor their contracts with us, our profitability could be adversely affected. Our ability to receive payment for production depends on the continued solvency and creditworthiness of our customers and prospective customers. If any of our customers' creditworthiness suffers, we may bear an increased risk with respect to payment defaults. If customers refuse to accept our equipment or make payments for which they have a contractual obligation, our revenues could be adversely affected. In addition, if a substantial portion of our contracts are modified or terminated and we are unable to replace the contracts (or if new contracts are priced at lower levels), our results of operations will be adversely affected.

Our primary business is impacted by the oil industry and the manufacturing industry, which are subject to uncertain economic conditions.

The global economy is subject to fluctuation and it is unclear how stable the oil industry and the manufacturing industry will be in the future. As a result, there can be no assurance that the business will achieve anticipated cash flow levels. Further, recent world events evolving out of trade disputes, increased terrorist activities and political and military action, and the COVID-19 pandemic, among other events, have created an air of uncertainty concerning the stability of the global economy. Historically, such events have resulted in disturbances in financial markets, and it is impossible to determine the likelihood of future events. Any negative change in the general economic conditions in the United States and globally could adversely affect the financial condition and operating results of the business. We plan to expand our level of operations. Slower economic activity, concerns about inflation or deflation, decreased consumer confidence, reduced corporate profits and capital spending, adverse business conditions and liquidity concerns in the general economy and recent international conflicts and terrorist and military activity have resulted in a downturn in worldwide economic conditions, especially in the United States. Political and social turmoil related to international conflicts and terrorist acts may place further pressure on economic conditions in the United States and worldwide. These political, social and economic conditions make it extremely difficult for us to accurately forecast and plan future business activities. If such conditions continue or worsen, then our business, financial condition and results of operations could be materially and adversely affected.

We will continue to be subject to competition in our business.

Our oil remediation equipment utilizes specific technology to extract oil from sand. Oil producers are continually investigating alternative oil production technologies with a view to reduce production costs. In addition, industries that compete with the oil industry, such as the electric power industry, also continue to innovate and create products that compete with the oil industry. There can be no assurance that superior alternative technologies will emerge, which could reduce the demand for and price of our product and services.

The market for our products and services is highly competitive and is becoming more so, which could hinder our ability to successfully market our products and services. We may not have the resources, expertise or other competitive factors to compete successfully in the future. We expect to face additional competition from existing competitors and new market entrants in the future. Many of our competitors have greater name recognition and more established relationships in the industry than we do. As a result, these competitors may be able to:

- develop and expand their product offerings more rapidly;

- adapt to new or emerging changes in customer requirements more quickly;
- take advantage of acquisition and other opportunities more readily; and
- devote greater resources to the marketing and sale of their products and adopt more aggressive pricing policies than we can.

We carry insurance coverage against liabilities for personal injury, death and property damage, but there is no guarantee this coverage will be sufficient to cover us against all claims.

Although, we maintain insurance coverage against liability for personal injury, death and property damage. There can be no assurance that this insurance will be sufficient to cover any such liabilities. We may not be insured or fully insured against the losses or liabilities that could arise from a casualty in the business operations. In addition, there can be no assurance that particular risks that are currently insurable will continue to be insurable on an economical basis or that the current levels of coverage will continue to be available. If a loss occurs that is partially or completely uninsured, we may incur a significant liability.

We may be unable to adequately protect our proprietary rights.

Our ability to compete partly depends on the superiority, uniqueness and value of our intellectual property. To protect our proprietary rights, we will rely on a combination of patents, copyrights and trade secrets, confidentiality agreements with our employees and third parties, and protective contractual provisions. Despite these efforts, any of the following occurrences may reduce the value of our intellectual property:

- Our applications for patents relating to our business may not be granted and, if granted, may be challenged or invalidated;
- Issued patents may not provide us with any competitive advantages;
- Our efforts to protect our intellectual property rights may not be effective in preventing misappropriation of our technology;
- Our efforts may not prevent the development and design by others of products or technologies similar to or competitive with, or superior to those we develop; or
- Another party may obtain a blocking patent and we would need to either obtain a license or design around the patent in order to continue to offer the contested feature or service in our products.

We may become involved in lawsuits to protect or enforce our patents that would be expensive and time consuming.

In order to protect or enforce our patent rights, we may initiate patent litigation against third parties. In addition, we may become subject to interference or opposition proceedings conducted in patent and trademark offices to determine the priority and patentability of inventions. The defense of intellectual property rights, including patent rights through lawsuits, interference or opposition proceedings, and other legal and administrative proceedings, would be costly and divert our technical and management personnel from their normal responsibilities. An adverse determination of any litigation or defense proceedings could put our pending patent applications at risk of not being issued.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. For example, during the course of this type of litigation, confidential information may be

inadvertently disclosed in the form of documents or testimony in connection with discovery requests, depositions or trial testimony. This disclosure could have a material adverse effect on our business and our financial results.

Our primary business operations rely on our ability to transport our equipment to different locations. Any impact on the cost, availability and reliability of transportation could adversely affect our business.

The availability and reliability of transportation and fluctuation in transportation costs could negatively impact the business. Transportation logistics play an important role in the sale of our products and services and in the oil industry generally. Delays and interruptions of transportation services because of accidents, failure to complete construction of infrastructure, infrastructure damage, lack of capacity, weather-related problems, governmental regulation, terrorism, strikes, lock-outs, third-party actions or other events could impair the operations of our customers and may also directly impair our ability to commence or complete production or services, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The lands on which we conduct our business operations must be properly zoned for our services. If they aren't then it could impact our business.

The lands on which we conduct our business operates must comply with applicable zoning regulations. Any unknown or future violations could limit or require us to cease operations.

Data security breaches are increasing worldwide. If we are the victim of such a breach it will materially impact our business.

We will collect and retain certain personal information provided by our employees and investors. We intend to implement certain protocols designed to protect the confidentiality of this information and periodically review and improve our security measures; however, these protocols may not prevent unauthorized access to this information. Technology and safeguards in this area are consistently changing and there is no assurance that we will be able to maintain sufficient protocols to protect confidential information. Any breach of our data security measures and disbursement of this information may result in legal liability and costs (including damages and penalties), as well as damage to our reputation, that could materially and adversely affect our business and financial performance.

We may indemnify our directors and officers against liability to us and holders of our securities, and such indemnification could increase our operating costs.

Our bylaws allow us to indemnify our directors and officers against claims associated with carrying out the duties of their offices. Our Bylaws also allow us to reimburse them for the costs of certain legal defenses. Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Securities Act") may be permitted to our directors, officers or control persons, we have been advised by the SEC that such indemnification is against public policy and is therefore unenforceable. If our officers and directors file a claim against us for indemnification, the associated expenses could also increase our operating costs.

We may be subject to liability if our equipment does not perform as expected.

We may be exposed to liability in the event our equipment does not perform as expected. We intend to enter into contracts with customers, which will grant certain rights with respect to the condition and use of our products. Certain contractual and legal claims could arise in the event the equipment does not perform as expected and in the event of personal injury, death or property damage as a result of the use of our equipment. There can be no assurance that particular risks are insured or, if insured, will continue to be insurable on an economical basis or that current levels of coverage will continue to be available. We may be liable for any defects in the equipment or its products and services and uninsured or underinsured personal injury, death or property damage claims.

Our business depends on our ability to manufacture various pieces of equipment, many of which are quite large. Any disruption in our manufacturing ability will adversely affect our business and operations.

Our business involves manufacturing and plant operation risks of delay that may be outside of our control. Production or services may be delayed or prevented by factors such as adverse weather, strikes, energy shortages, shortages or increased costs of materials, inflation, environmental conditions, legal matters and other unknown contingencies. Our business also requires certain manufacturing apparatus to manufacture the equipment. If the manufacturing apparatus

were to suffer major damage or are destroyed by fire, abnormal wear, flooding, incorrect operation or otherwise, we may be unable to replace or repair such apparatus in a timely manner or at a reasonable cost, which would impact our ability to stay in production or service. Any significant downtime of the equipment manufacturing could impair our ability to produce for or serve customers and materially and adversely affect our results of operations. In addition, changes in the equipment plans and specifications, delays due to compliance with governmental requirements or impositions of fees or other delays could increase production costs beyond those budgeted for the business. If any cost overruns exceed the funds budgeted for operations, the business would be negatively impacted.

Any accident at our manufacturing facilities could subject us to substantial liability.

The manufacturing and operation of the equipment involves hazards and risks which could disrupt operations, decrease production and increase costs. The occurrence of a significant accident or other event that is not fully insured could adversely affect our business, financial condition, results of operations and cash flows.

If critical components become unavailable or our suppliers delay their production of our key components, our business will be negatively impacted.

Our ability to get key components to build our equipment is crucial to our ability to manufacture our products. These components are supplied by certain third-party manufacturers, and we may be unable to acquire necessary amounts of key components at competitive prices.

If we are successful in our growth, outsourcing the production of certain parts and components would be one way to reduce manufacturing costs. We plan to select these particular manufacturers based on their ability to consistently produce these products according to our requirements in an effort to obtain the best quality product at the most cost-effective price. However, the loss of all or any one of these suppliers or delays in obtaining shipments would have an adverse effect on our operations until an alternative supplier could be found, if one may be located at all. If we get to that stage of growth, such loss of manufacturers could cause us to breach any contracts we have in place at that time and would likely cause us to lose sales.

Any shortage of skilled labor would have a detrimental impact on our ability to provide our products and services.

The manufacturing and operating of the equipment requires skilled laborers. In the event there is a shortage of labor, including skilled labor, it could have an adverse impact on our productivity and costs and our ability to expand production in the event there is an increase in demand for our product or services.

We rely on third party contractors for some of our operations. If we are unable to find quality contractors, it would severely impact our business.

We outsource certain aspects of our business to third party contractors. We are subject to the risks associated with such contractors' ability to successfully provide the necessary services to meet the needs of our business. If the contractors are unable to adequately provide the contracted services, and we are unable to find alternative service providers in a timely manner, our ability to operate the business may be disrupted, which may adversely affect our business, financial condition, results of operations and cash flows.

Union activities could adversely impact our business.

While none of our employees are currently members of unions, we may become adversely effected by union activities. We are not subject to any collective bargaining or union agreement; however, it is possible that future employees may join or seek recognition to form a labor union or may be required to become a labor agreement signatory. If some or all of our employees become unionized, it could adversely affect productivity, increase labor costs and increase the risk of work stoppages. If a work stoppage were to occur, it could interfere with the business operations and have a material adverse effect on our business, financial condition, results of operations and cash flows.

Although we do not believe that we are, or will be, an investment company covered by the Investment Company Act of 1940, if we are deemed to be an investment company, we may be required to institute burdensome compliance requirements and our activities may be restricted, which may make it difficult for us to engage in strategic transactions.

A company that, among other things, is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting, owning, trading or holding certain types of securities would be deemed an investment company under the Investment Company Act of 1940, as amended, (the “Investment Company Act”). We are not in the business of buying and selling securities of other companies. As our strategy had involved the Company investing in other companies, including Scepter Holdings and Odyssey Group International, it is possible that we could be deemed an investment company, although, given the nature and extent of our business operations, we do not believe that we are or will be subject us to the Investment Company Act. Our investments in Scepter Holdings and Odyssey Group International arise from loan agreements that were settled in the form of equity because cash was not available for the borrowers. The Company has not traded or sold any securities of other companies that it has acquired. For those LLCs for which the Company serves as manager, it has been disclosed in the business plan of these LLCs that their primary business is manufacturing heavy machinery or to provide the Company with cash to specifically manufacture or purchase heavy machinery in exchange for a royalty from the production of the heavy machinery. These entities do not engage in activities such as investing, reinvesting, owning, holding or trading “investment securities,” and neither the units of ownership for these entities, nor rights to royalties, have any market and are not traded, and such interests are accounted for at cost.

In order not to be regulated as an investment company under the Investment Company Act, unless we can qualify for an exclusion, we must ensure that we are engaged primarily in a business other than investing, reinvesting or trading in securities and that our activities do not include investing, reinvesting, owning, holding or trading “investment securities” constituting more than 40% of our total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We do not plan to buy businesses or assets with a view to resale or profit from their resale. We do not plan to buy unrelated businesses or assets or to be a passive investor.

If we are nevertheless deemed to be an investment company under the Investment Company Act, we may be subject to certain restrictions that may make it more difficult for us to complete a business combination, including:

- restrictions on the nature of our investments; and
- restrictions on the issuance of securities.

In addition, we may have imposed upon us certain burdensome requirements, including:

- registration as an investment company;
- adoption of a specific form of corporate structure; and
- reporting, record keeping, voting, proxy, compliance policies and procedures and disclosure requirements and other rules and regulations.

Compliance with these additional regulatory burdens would require additional expense for which we have not allotted.

Risks Relating to our Common Stock and the Offering

Future sales or potential sales of our common stock in the public market could cause our share price to decline.

If the existing holders of our common stock, particularly our directors and officers, sell a large number of shares, they could adversely affect the market price for our common stock. Sales of substantial amounts of our common stock in the public market, or the perception that these sales could occur, could cause the market price of our common stock to decline.

Because we will not pay dividends on our common stock in the foreseeable future, stockholders will only benefit from owning common stock if it appreciates.

We have never paid cash dividends on our common stock, and we do not intend to do so in the foreseeable future. We intend to retain any future earnings to finance our growth. Accordingly, any potential investor who anticipates the need for current dividends from his investment should not purchase our common stock.

Our share price has been, and will likely continue to be, volatile, and you may be unable to resell your shares at or above the price at which you acquired them.

The trading price of our common stock has been, and is likely to continue to be, highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control.

The market price for our securities may be influenced by many factors that are beyond our control, including, but not limited to:

- variations in our revenue and operating expenses;
- market conditions in our industry and the economy as a whole;
- actual or expected changes in our growth rates or our competitors' growth rates;
- developments or disputes concerning patent applications, issued patents or other proprietary rights;
- developments in the financial markets and worldwide or regional economies;
- variations in our financial results or those of companies that are perceived to be similar to us;
- announcements by the government relating to regulations that govern our industry;
- sales of our common stock or other securities by us or in the open market;
- changes in the market valuations of other comparable companies;
- general economic, industry and market conditions; and
- the other factors described in this "Risk Factors" section.

The trading price of our shares might also decline in reaction to events that affect other companies in our industry, even if these events do not directly affect us. Each of these factors, among others, could harm the value of your investment in our securities. In the past, following periods of volatility in the market, securities class-action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management's attention and resources, which could materially and adversely affect our business, operating results and financial condition.

The proposed reverse stock split may decrease the liquidity of our common stock.

The liquidity of our common stock may be affected adversely by the reverse stock split given the reduced number of common stock that will be outstanding following the reverse stock split. In addition, the reverse stock split may increase the number of stockholders who own odd lots (less than 100 shares) of our common stock, creating the potential for such stockholders to experience an increase in the cost of selling their common stock and greater difficulty effecting such sales.

Following the reverse stock split, the resulting market price of our common stock may not attract new investors, including institutional investors, and may not satisfy the investing requirements of those investors. Consequently, the trading liquidity of our common stock may not improve.

Although we believe that a higher market price of our common stock may help generate greater or broader investor interest, there can be no assurance that the reverse stock split will result in a common stock price that will attract new investors, including institutional investors. In addition, there can be no assurance that the market price of our common stock will satisfy the investing requirements of those investors.

Anti-takeover provisions in our charter documents and Nevada law could discourage, delay or prevent a change in control of our company and may affect the trading price of our common stock.

We are a Nevada corporation and the anti-takeover provisions of the Nevada Revised Statutes may discourage, delay or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder, even if a change in control would be beneficial to our existing stockholders. In addition, our articles of incorporation and bylaws may discourage, delay or prevent a change in our management or control over us that stockholders may consider favorable. Our articles of incorporation and bylaws:

- authorize the issuance of “blank check” preferred stock that could be issued by our Board of Directors to thwart a takeover attempt;
- provide that vacancies on our Board of Directors, including newly created directorships, may be filled by a majority vote of directors then in office;
- place restrictive requirements (including advance notification of stockholder nominations and proposals) on how special meetings of stockholders may be called by our stockholders;
- do not provide stockholders with the ability to cumulate their votes; and
- provide that our Board of Directors or a majority of our stockholders may amend our bylaws.

We are an “emerging growth company” and will be able to avail ourselves of reduced disclosure requirements applicable to emerging growth companies, which could make our common stock less attractive to investors.

We are an “emerging growth company,” as defined in the JOBS Act and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not “emerging growth companies” including not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

We may take advantage of these reporting exemptions until we are no longer an “emerging growth company.” We will remain an “emerging growth company” until the earliest of (i) the last day of the fiscal year in which we have total annual gross revenues of \$1.07 billion or more; (ii) the last day of our fiscal year following the fifth anniversary of the date of the completion of this offering; (iii) the date on which we have issued more than \$1 billion in nonconvertible debt during the previous three years; or (iv) the date on which we are deemed to be a large accelerated filer under the rules of the SEC.

We have issued shares of Series A Preferred Stock, which have super voting rights, and the holder of such Series A Preferred Stock owns additional shares of our common stock, allowing the holder of such shares to control a majority of the voting power with respect to certain business matters, subject to the completion of this Offering.

AKMN Irrevocable Trust is the record holder of 2,000,000 shares of our Series A Preferred Stock. Matthew Nicosia, CEO, is the trustee of AKMN Irrevocable Trust, and Johnathan Nicosia (Matthew Nicosia’s son) is the beneficiary. Pursuant to the designations of the Series A Preferred Stock, AKMN Irrevocable Trust currently has 500,000,000 votes.

In addition, AKMN Irrevocable Trust owns 108,682,850 shares of our common stock as of the date of this report. As a result of the concentrated ownership of our stock, Mr. Nicosia, as the trustee of this stockholder, will be able to control all matters requiring stockholder approval, including the election of directors and approval of mergers and other significant corporate transactions. This concentration of ownership may have the effect of delaying, preventing

or deterring a change in control of our company. It also could deprive our stockholders of an opportunity to receive a premium for their shares as part of a sale of our company, and it may affect the market price of our Common Stock.

Our Common Stock is traded in the Pink Sheets, which may deprive stockholders of the full value of their shares.

Our Common Stock is approved for quotation on the Pink Sheets. Therefore, our Common Stock is expected to have fewer market makers, lower trading volumes and larger spreads between bid and asked prices than securities listed on an exchange such as the NYSE or the NASDAQ Stock Market. These factors may result in higher price volatility and less market liquidity for our Common Stock.

A low market price would severely limit the potential market for our Common Stock.

Since trading commenced, our Common Stock has traded at a price substantially below \$5.00 per share, subjecting trading in the stock to certain SEC rules requiring additional disclosures by broker-dealers. These rules generally apply to any non-FINRA equity security that has a market price share of less than \$5.00 per share, subject to certain exceptions (a “penny stock”). Such rules require the delivery, before any penny stock transaction, of a disclosure schedule explaining the penny stock market and the risks associated therewith and impose various sales practice requirements on broker-dealers who sell penny stocks to persons other than established customers and institutional or wealthy investors. For these types of transactions, the broker-dealer must make a special suitability determination for the purchaser and have received the purchaser’s written consent to the transaction before the sale. The broker-dealer also must disclose the commissions payable to the broker-dealer and current bid and offer quotations for the penny stock, and, if the broker-dealer is the sole market maker, the broker-dealer must disclose that fact and the broker-dealer’s presumed control over the market. Such information must be provided to the customer orally or in writing before or with the written confirmation of trade sent to the customer. Monthly statements must be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks. The additional burdens imposed on broker-dealers by such requirements could discourage broker-dealers from effecting transactions in our Common Stock.

FINRA sales practice requirements also may limit a stockholder’s ability to buy and sell our Common Stock.

In addition to the penny stock rules promulgated by the SEC, which are discussed in the immediately preceding risk factor, FINRA rules require that, in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Before recommending speculative low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer’s financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low-priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our Common Stock, which may limit the ability to buy and sell our Common Stock and have an adverse effect on the market value for our shares.

A stockholder’s ability to trade our Common Stock may be limited by trading volume.

A consistently active trading market for our Common Stock may not occur on the Pink Sheets. A limited trading volume may prevent our stockholders from selling shares at such times or in such amounts as they otherwise may desire.

Our company has a concentration of stock ownership and control, which may have the effect of delaying, preventing or deterring a change of control.

Our Common Stock ownership is highly concentrated. AKMN Irrevocable Trust, of which Matthew Nicosia, our CEO, is the trustee, is the record owner of all 2,000,000 shares of our Series A Preferred Stock, which has super voting rights to control certain business aspects. As a result of the concentrated ownership of our stock, Mr. Nicosia, as the trustee of this stockholder, will be able to control all matters requiring stockholder approval, including the election of directors and approval of mergers and other significant corporate transactions. This concentration of ownership may have the effect of delaying, preventing or deterring a change in control of our company. It also could deprive our stockholders of an opportunity to receive a premium for their shares as part of a sale of our company, and it may affect the market price of our Common Stock.

Our board of directors has the authority to issue shares of “blank check” Preferred Stock, which may make an acquisition of our company by another company more difficult.

We have adopted and may in the future adopt certain measures that may have the effect of delaying, deferring or preventing a takeover or other change in control of our company that a holder of our Common Stock might consider in its best interest. Specifically, as of March 31, 2021, our board of directors, without further action by our stockholders, had the authority to issue up to approximately 419,988,678 additional shares of Preferred Stock (not counting the 2,000,000 shares of Series A Preferred Stock or the approximate 6,407,492 shares of Series B Preferred Stock or the 13,782,775 shares of Series B-1 Preferred Stock, and 7,821,055 shares of Series C-1 Preferred Stock) and to fix the rights (including voting rights), preferences and privileges of these shares (“blank check” Preferred Stock). Such Preferred Stock may have rights, including economic rights, senior to our Common Stock. As a result, the issuance of the Preferred Stock could have a material adverse effect on the price of our Common Stock and could make it more difficult for a third party to acquire a majority of our outstanding Common Stock.

B. Please list any subsidiaries, parents, or affiliated companies.

Principles of Consolidation

The consolidated financial statements include the accounts of Vivakor, Inc., its wholly owned and majority-owned active subsidiaries, or joint ventures (collectively, the “Company”). Intercompany balances and transactions between consolidated entities are eliminated. Inactive entities have no value, assets or liabilities. Vivakor has the following wholly and majority-owned subsidiaries: Vivaventures Management Company, Inc., Vivaventures Energy Group, Inc. (99%), Vivaventures Oil Sands, Inc., Vivasphere, Inc., Vivasight, Inc. (inactive), and Vivathermic, Inc. (inactive). Vivakor maintains an interest in the following entities: Health America, Inc. (39%, inactive), VVPM 100, LLC (inactive), which is managed by Vivakor, VPM VII, LLC (inactive), which is managed by Vivakor, Vivakor Middle East, LLC (49%, consolidated), VivaRRT, LLC (50%, inactive). The Company withdrew from VivaVentures Precious Metal, LLC (39%, equity method investment) in July 2020. Vivakor manages and consolidates RPC Design and Manufacturing LLC, which includes a noncontrolling interest investment from Vivaopportunity Fund, LLC, which is also managed by Vivaventures Management Company, Inc. Vivakor has common officers with and consolidates Viva Wealth Fund I, LLC.

The Company follows ASC 810-10-15 guidance with respect to accounting for Variable Interest Entities (“VIE”). A VIE is an entity that does not have sufficient equity at risk to finance its activities without additional subordinated financial support from other parties, or whose equity investors lack any of the characteristics of a controlling financial interest. A variable interest is an investment or other interest that will absorb portions of a VIE’s expected losses or receive portions of the entity’s expected residual returns. Variable interests are contractual, ownership, or other pecuniary interests that change with changes in the fair value of the entity’s net assets. A party is the primary beneficiary of a VIE and must consolidate it when that party has a variable interest, or combination of variable interests, that provides the party with a controlling financial interest. A party is deemed to have a controlling financial interest if it meets both of the power and losses/benefits criteria. The power criterion is the ability to direct the activities of the VIE that most significantly impact its economic performance. The losses/benefits criterion is the obligation to absorb losses from, or right to receive benefits from, the VIE that could potentially be significant to the VIE. The VIE model requires an ongoing reconsideration of whether a reporting entity is the primary beneficiary of a VIE due to changes in facts and circumstances. For the three months ended March 31, 2021 and for the year ended December 31, 2020 the following entities are considered to be a VIE and are consolidated in our consolidated financial statements: Viva Wealth Fund I, LLC (organized in 2020) and RPC Design and Manufacturing, LLC. For the three months ended March 31, 2021 and year ended December 31, 2020 the following entities were considered to be a VIE, but were not consolidated in our consolidated financial statements due to a lack of the power criterion or the losses/benefits criterion: Vivaventures UTSI, LLC, Vivaventures Royalty II, LLC, Vivaopportunity Fund, LLC, and International Metals Exchange, LLC. For the three months ended March 31, 2021 and for the year ended December 31, 2020 the unaudited financial information for the unconsolidated VIEs is as follows: Vivaventures UTSI, LLC held assets of \$3,302,246 and \$3,113,292 (where the primary asset represents a receivable from the Company), and liabilities of \$42,494 and \$41,894. Vivaventures Royalty II, LLC held assets of \$2,286,898 and \$2,117,066 (where the primary asset represents a receivable from the Company), and liabilities of \$300. Vivaopportunity Fund LLC held assets of \$2,119,972 (where the primary asset represents a noncontrolling interest in units of a consolidated entity of the Company) and no liabilities. International Metals Exchange, LLC held assets of \$4,212 and \$82,711 and liabilities of \$4,900.

RPC Design and Manufacturing, LLC: The Company established RPC Design and Manufacturing, LLC (“RDM”) in December 2018 with a business purpose of manufacturing custom machinery and selling or leasing the manufactured equipment in long term contracts with financing or leasing activities to the Company. We own 100% of the voting rights in the RDM. We, as the sole general partner of RDM, have the full, exclusive and complete right, power and discretion to operate, manage and control the affairs of RDM and take certain actions necessary to maintain RDM in good standing without the consent of the limited partners. RDM has entered into a license agreement with the Company indicating that while RDM builds custom machinery incorporating the Company’s hydrocarbon extraction technology, RDM will pay the Company a license fee of \$500,000 per Remediation Processing Center manufactured. Creditors of RDM have no recourse to the general credit of the Company. For the three months ended March 31, 2021 and for the year ended December 31, 2020, investors in RDM have a noncontrolling interest of \$2,110,000, respectively. We have the primary risk (expense) exposure in financing and operating the assets and are responsible for 100% of the operation, maintenance and any unfunded capital expenditures, which ultimately could be 100% of a custom machine, and the decisions related to those expenditures including budgeting, financing and dispatch of power. Based on all these facts, it was determined that we are the primary beneficiary of RDM. Therefore, RDM has been consolidated by the Company. Any intercompany revenue and expense associated with RDM and its license agreement with the Company has been eliminated in consolidation.

Viva Wealth Fund I, LLC: The Company assisted in designing and organizing Viva Wealth Fund I, LLC (“VWFI”) in November 2020, as a special purpose entity, for the purpose of manufacturing, leasing and selling custom equipment solely to the Company. The Company commenced co-managing VWFI with Wealth Space, LLC, an unaffiliated entity, but as of the date of this report Wealth Space, LLC is the sole manager. The Company has been retained by the manager and continues to have common officers with VWFI, including our CEO and CFO, who will assist in the day-to-day operations. VWFI has also retained the Company to act as its sole Plant manager, and we will manage and direct all of the manufacturing, leasing and selling of custom equipment in behalf of VWFI to the Company. In November 2020, VWFI commenced a \$25,000,000 private placement offering to sell convertible promissory notes, which convert to VWFI LLC units, to accredited investors to raise funds to manufacture equipment that will expand the Company’s second RPC. In the event that VWFI does not raise at least \$6,250,000 by the offering termination date (November 13, 2021, which date may be extended until November 13, 2022 in the sole discretion of the Company), then the convertible notes and/or units would convert into Vivakor common stock where the minimum conversion price will not be higher of than \$0.45 or a 10% discount to market per share or in the event of a public offering, 200% of the per share price of the Company common stock sold in an underwritten offering pursuant to the Company becoming listed on a senior stock exchange (i.e. The Nasdaq Capital Market or New York Stock Exchange). As of May 13, 2021 VWFI has raised approximately \$5,065,000 of the \$6,250,000. VWFI unit holders may also sell their units to the Company for their principal investment amount on the 3rd, 4th, and 5th anniversary of the offering termination date. The Company also has the option to purchase any LLC units where the members did not exercise their conversion option under the same terms and pricing. VWFI has entered into a license agreement with the Company indicating that VWFI will pay the Company a license fee of \$1,000,000 per series of equipment manufactured with the Company’s proprietary technology. All of the operations of VWFI relate to private placement offering to fund and manufacture proprietary equipment for the Company, as intended in VWFI’s design and organization by the Company, so that the Company controls VWFI in its business purpose, use of proceeds, and selling and leasing of its equipment solely to the Company. Creditors of VWFI have no recourse to the general credit of the Company. We have the primary risk (expense) exposure in financing and operating the assets and are responsible for 100% of the operation, and any unfunded capital expenditures, and the expense to the unit holders in conversion to common stock if series of equipment cannot be fully funded, which ultimately could be 100% of any custom machine. We are responsible for the decisions related to the expenditures of VWFI proceeds including budgeting, financing and dispatch of power surrounding the series of equipment. Based on all these facts, it was determined that we are the primary beneficiary of VWFI. Therefore, VWFI has been consolidated by the Company.

C. Describe the issuers’ principal products or services, and their markets

Commercialized Products and Services.

Our Technologies

We own and/or license a number of technologies that allow us to effectively operate our remediation and recovery business along with other technologies that provide synergies with our core business. The description of these various technologies follows.

Hydrocarbon Extraction Technology

In 2015, we acquired and improved technology aimed at remediating contaminated soil and recovering usable hydrocarbons, which we refer to as RPCs. We presently have two US patents and pending foreign applications related to our RPCs. Our RPCs each have the potential to clean a minimum of 20 tons of contaminated material per hour, depending on the oil contamination percentage in the processed material. Each RPC has the capacity to extract on a 24-hour operation 500 tons or more of contaminated material per day. The amount of extracted hydrocarbon recovered depends on the extent to which the material is contaminated. For example, we estimate that for every 480 tons of contaminated material processed per day that contains at least 10% oil, we will recover approximately 250 barrels of extracted hydrocarbons. The above example has been calculated as follows: contaminated material that is 10% oil is comprised of 200 pounds of oil per ton; one gallon of oil weighs 8.44 pounds, resulting in 23.69 gallons of oil per ton of contaminated material ($200/8.44$); there are 42 gallons per barrel, resulting in 0.56 barrels of oil per ton of contaminated material ($23.69/42$); 20 tons of contaminated material can typically be processed per hour, resulting in 11.2 barrels of oil per hour ($0.56*20$); and operations continue 24 hours per day, resulting in 268.8 barrels per day ($11.2*24$).

We believe our RPCs are significantly more advanced than other oil remediation technologies or offerings presently available on the market. Our RPCs have successfully cleaned contaminated soil containing greater than 7% hydrocarbon content, while, to our knowledge, our competitors are limited to projects containing less than 5% hydrocarbon contamination. We believe our ability to clean soil with higher percentages of hydrocarbon contamination is a distinctive advantage that will allow us to operate on a global basis in any location that has suffered from oil spills or naturally occurring oil sands deposits. While our primary focus and mandate will be on the manufacture and deployment of our RPCs, we intend to continue to develop, acquire or license additional clean energy technologies and environmental solutions that will directly enhance and expand our current technologies and service offerings.

We have designed our RPCs to provide an environmentally friendly solution to the remediation of hydrocarbon-contaminated soil, as they do not utilize water. Our RPCs operate by loading contaminated soil onto a feeder and conveyor system that effectively delivers the material prepares the material into a fully contained, closed-loop system. Physical separation of the hydrocarbons from the contaminated soil does not utilize water or steam and is instead accomplished using a proprietary extraction fluid to dissolve the hydrocarbon components.

In the first stage of the process, hydrocarbon contaminated soil is mixed with our proprietary solvent which forms a slurry of sand, hydrocarbon and extraction fluid. This slurry moves from the mixing chamber into a separation chamber where the sand is separated from the hydrocarbon/extraction fluid mix by gravity. The soil is then dried and transported via a conveyor to a lined pit where extensive testing is performed to ensure the hydrocarbons have been properly removed. Meanwhile, the extracted hydrocarbon and solvent travels to a separate chamber where the hydrocarbons are separated from the extraction solvent. The solvent is then reclaimed.

The entire extraction process is completed in a series of sealed chambers. The reclaimed extraction fluid is then recycled back into the process, which ensures that no toxic chemicals are released into the soil or the environment. Upon completion of our remediation and separation process, the extracted hydrocarbons are placed into holding tanks to be picked up by our customers, while clean soil is returned to the environment.

Our RPCs are manufactured in Salt Lake City, Utah. In the future, we expect to finance our RPCs through special purpose vehicles pursuant to 20-year sale/leaseback arrangements. In each instance, the special purpose vehicle will finance the RPC through third party investors, and we will act as the manager of such special purpose vehicle and hold a 1% ownership interest. Management believes that utilizing this structure provides significant benefits to our shareholders, as these financings are less dilutive in nature.

Wastewater Management System

In April 2020, we entered into a project charter agreement with solvAQUA, a Canadian-based clean water technology company, pursuant to which we may purchase certain wastewater removal equipment from solvAQUA. The solvAQUA WMS is a compact solution that continually processes and separates large volumes of wastewater (4,000+ m³/day for each WMS) with an ability to scale to remove any volume of oil, grease and suspended solids from wastewater, in most cases removing 99.99% of waste. The processed water stream can in some cases be discharged or reused without further treatment. We have placed our first order with solvAQUA for WMS equipment and

anticipate receipt and installation of the equipment prior to December 31, 2020, with operations to commence shortly thereafter. On July 15, 2020, solvAQUA granted us an exclusive license to either incorporate solvAQUA's technology platform into our RPCs or to use independently. This will allow us to service remediation projects that have a combination of wet and dry opportunities. The exclusive license has an initial term of one year, which may be extended to five years upon our successful installation and deployment of the first two WMSs.

We believe that the combination of being able to remediate both dry and wet locations could more than double our market opportunity in the future, given the prevalence of remediation locations where oil is mixed with water. Although wastewater remediation is not required for any of our current projects, we believe that this capability will prove valuable to us in the future.

Automation and Machine Learning

The RPC systems we build are automated and controlled by software enabling us to maximize efficiencies. We believe that these automations may ultimately allow us to operate the RPCs twenty-four hours a day, resulting in continuous feed capabilities that will allow us to manage our systems remotely world-wide. Each RPC unit is designed with a focus on automation to achieve our Key Performance Indicators (KPIs). We have deployed data analytics and machine learning, to enable operations to be predictive, reduce risk, improve safety, and reduce costs.

Metallic Separation Technology

In 2015, we obtained two metal extraction systems and a perpetual license to use the proprietary technology and machinery for extracting precious metals from sand-based ore materials for \$7.6 million from Vivaventures Precious Metals, LLC ("VV Precious Metals"), pursuant to our loan outstanding to VV Precious Metals being extinguished. We also received a 75% ownership interest in the concentrated unrefined flakes of precious metals and rare earth minerals that had already been recovered from soils by VV Precious Metals through a royalty agreement. We divested our 39% interest in VV Precious Metals in July 2020. Such divestiture has had a de minimis impact on our business.

Our proprietary metallic separation technology uses a thermal vapor process to extract and process micro particles of precious metals and rare earth minerals, including gold, silver, platinum, palladium and rhodium from soils. After we complete our soil remediation services, we evaluate the post-remediated soil and, if we find that the soil contains more than 1% concentration of these metals, we process it through this technology to extract and concentrate these micro particles of precious metals and rare earth minerals into a concentrated, unrefined flake form.

We market and sell the precious metals we extract from contaminated soil. As we continue our efforts, we anticipate increased opportunities to monetize our precious metals end product.

Hydrocarbon Upgrading Technologies

We have acquired and/or licensed two separate technologies described below that will enable us to upgrade the hydrocarbons recovered from our remediation process. These processes have been proven in laboratory tests, but we have not yet performed this upgrading in a commercial setting.

We entered into a letter of intent with B Green, Inc. ("B Green") in February 2020 providing us with certain rights to use on a trial basis cavitation hydrocarbon technology (CHU) from B Green, Inc. Subsequently, on September 30, 2020, we entered into an Intellectual Property License Agreement with B Green ("B Green License Agreement"), pursuant to which we have been granted a worldwide, exclusive, non-transferable license to the intellectual property embodied in B Green's cavitation technology to develop, manufacture, have manufactured, use market, import, have imported, offer for sale and sell cavitation devices built from the licensed intellectual property. The B Green License Agreement also grants us the first right of refusal to purchase all devices and all intellectual property associated with the cavitation technology. The B Green License Agreement extends for the lifetime of the Intellectual Property. In 2021 we made an initial payment of \$5,000 after delivery of the first simple cavitation device, and thereafter we will be obligated to pay \$3,000 in monthly services fees, for any requested engineering support, and 50% of the net profits. Additionally, under the terms of the B Green License Agreement, at such time as we successfully improve and manufacture a cavitation device with a processing rate equal to, or greater than, 30 barrels per hour, we will be required to issue 33,333 shares of our common stock to B Green. Third party, independent testing conducted by the University of Utah has shown that this proprietary technology increases the API gravity of hydrocarbons by elongating the hydrocarbon chains without cutting or cracking these chains. API gravity is the measure of how heavy or light

petroleum liquid is compared to water and is used in the industry as the standard measure for viscosity. The API of the recovered crude is increased, allowing such crude to have additional uses and usually at higher unit prices.

In addition, in 2017, we acquired from CSS Nanotech an exclusive right to use their nano-sponge technology, which essentially serves as a micro-upgrader, transforming hydrocarbon product into a more useful product, such as petroleum or gasoline, as an addition to our hydrocarbon extraction technology. The inventor of this technology subsequently joined us as our Chief Scientific Officer. This patented technology allows for hydrocarbon material to be absorbed by a specialized sponge. Low energy microwaves are then introduced into the process and the sponge, which is made of a highly thermally conductive material, absorbs this energy causing an instant thermal effect, which essentially refines the crude by cutting or cracking the carbon chains. We intend to add this system to our process of upgrading the heavy crude recovered by our RPCs.

We believe that each of these technologies has the ability to upgrade the heavy crude that is recovered from our recovery and remediation process based on our needs and demand, and we intend to fully integrate these technologies into our process. For example, if there is a high demand for fuels we would process the extracted crude through the nano-sponge technology to refine and upgrade the product into diesel fuel. If the demand is instead for certain types of asphaltic cement, where the heavy crude is not refined but processed, we would utilize the CHU technology.

Market Opportunity

We believe that the market for remediating oil from both soil and water is significant. According to Grandview Research, the market for environmental clean-up of oil spills will reach \$177 billion by 2025. We believe that a large portion of that market will originate from contamination of more than 7% hydrocarbon content and that our technology is currently the only one that can economically remediate these environmental disasters, while allowing for the capture and reuse of the crude.

In addition, we believe that the heavy crude that we have been recovering in Utah is ideal for producing asphaltic cement. The demand for asphaltic cement in the United States is presently estimated to be \$93 billion this year according to Transparency Market Research. We provided our material to asphalt companies for testing to determine what modifications, if any, needed to be made to meet general asphalt specifications. We recently received notification that our asphaltic cement now meets the general classification of AC20 asphaltic cement and that it passed the specifications of several potential clients. We are expecting several orders in the near term and we believe that we will be able to offer our product at very competitive prices and in an environmentally friendly manner.

Revenue

We presently have two projects utilizing our first two manufactured RPCs - our project in Kuwait (which has been temporarily suspended due to COVID-19) and our project in Vernal, Utah (which is currently operating).

In Kuwait, where we do not have ownership of the recovered oil, we will generate revenues by charging per cubic meter of soil remediated. For our current project we generate revenues of \$72 per cubic meter of contaminated material processed.

Our RPC situated in Vernal, Utah has the capacity to process 500 tons or more of naturally occurring oil sands deposits per day. We estimate that if the extracted material is composed of at least 10% oil, we will recover approximately 250 barrels of extracted hydrocarbons each day, which could then be sold for energy or converted to asphaltic cement and sold for use in roads at higher prices.

We also market and sell the precious metals we extract from our remediated and waste soils. As we continue our efforts, we anticipate increased opportunities to monetize our precious metals end product.

Kuwait Project

The United Nations (UN) had allocated up to \$14.7 billion for post-Iraq war reparations in order to clean up Kuwait. Kuwait suffered extensive contamination as a result of the 1991 Persian Gulf War. At the close of the Gulf War, Saddam Hussein ordered Kuwaiti oil wells to be blown up, resulting in the destruction of approximately 600 oil wells. The damage resulting from such fires, which burned for seven months, included a layer of hardened "tarcrete," caused

by the sand and gravel on the land's surface combining with oil and soot, forming over almost 5% of the country's area.

We were engaged as a subcontractor by the KOC for two hydrocarbon remediation projects in the country in January 2018 and July 2019: the Sustainable Economic Environmental Development Project (“SEED”) project and the Kuwait Environmental Remediation Program (“KERP”) project. Both projects are managed by the Soils Remediation team at KOC. Both projects have a range of contaminated soils to be remediated.

Our technology has been successful in reducing the amount of contaminated material in the SEED project from 20% hydrocarbon contamination to just 0.2% hydrocarbon contamination, based on third party independent testing performed by ALS Arabia in March 2020. We believe we possess the only technology that has been successful at remediating such highly contaminated soil (defined as anything above 20% hydrocarbon contamination), while also returning usable hydrocarbons. KOC has advised us that we are the only company to have submitted third-party testing results regarding our technology that has met KOC’s specifications for remediating oil sands in excess of 7% hydrocarbons. For this reason, we believe that our technology will be selected for future KOC projects to clean contaminated soils containing in excess of 7% hydrocarbons. Our initial contract for the SEED projects was to clean 14,000 metric tons of contaminated soil and is expected to significantly grow in size and scope. The project pays us, based on the specific characteristics of the soil, a flat fee of \$70 to \$100 per ton of contaminated soil we clean. We then return the remediated soil and the recovered oil to the Kuwaiti government. Accordingly, for this project, the Company does not have any short-term risk relating to volatile oil prices.

The KERP project is anticipated to involve approximately 26 million cubic meters of contaminated oil sands requiring remediation. We expect that as much as 20% of the contaminated soil will contain more than 5% hydrocarbon contamination. We also believe that we will have the opportunity to act as a technology provider to the main KERP project contractors on other projects requiring remediation of sands exhibiting greater than 7% contamination, which we believe could have a market potential of up to \$500 million for us.

The oil recovered from these projects in Kuwait is considered a sovereign asset, so the ability to reclaim this asset also creates a social value for the country. In order to remediate all of the contaminated sand exhibiting greater than 7% contamination in the timeframe required by the UN, the Company expects to expand its contract and deploy 10 RPC units to Kuwait over the next several years.

Other International Projects

In addition to managing the projects in Kuwait, the UN is overseeing the funds allocated to the remediation and clean-up of the Ogoni Lands in Africa, which is estimated to contain millions of tons of both contaminated soil and water and has allocated significant funding for its cleanup. Taking into consideration this particular environmental disaster, plus other global oil contamination projects involving oversight by the UN, together with our successful performance on the UN-managed SEED Project in Kuwait, we believe we will be a contender for significant additional contracts.

Vernal, Utah Project

The State of Utah has, according to the U.S. Geological Survey, approximately 14 billion barrels of measured oil in place with an additional estimated 23 to 28 billion barrels of oil contained in contaminated oil sands that are deposited near the ground surface. We believe that the crude from these oil sands can be turned into asphaltic cement for making roads, or upgraded for polymers or fuel. In 2019, we acquired an option to acquire surface rights and the approvals to operate on an oil sands parcel of land located in Vernal, Utah, for which an initial fee of \$200,000 was paid. Such option has expired, and we are currently negotiating an agreement to provide for such option to continue. We are continuing to operate on the land, pursuant to an arrangement with the landowner, as we negotiate extension of the option. Vernal is the county seat, and largest city in Uintah County, located in northeastern Utah, approximately 175 miles east of Salt Lake City, and 20 miles west of the Colorado border.

The Vernal property contains approximately 300 million cubic yards of oil sand material available for processing. The property is located on approximately 600 acres. If acquired, we believe that we could ultimately recover as much as 40 million barrels of oil from this property if we are able to economically scale our operations. Each upgraded RPC unit, such as the RPC unit in Vernal, Utah, has the ability to process, at a minimum, 20 tons of contaminated material per hour depending on the oil contamination percentage in the processed material. We believe, based on the number

of estimated barrels of oil contained in oil sands deposits located on SITLA property, that there may be an opportunity to deploy as many as 100 RPCs to properties containing oil sands deposits owned by the State of Utah.

Material extracted from our Vernal, Utah project can be sold for energy or converted into asphaltic cement, which we believe is less affected by daily changes in oil prices. With our one RPC unit, assuming full utilization, we anticipate producing approximately 50 tons of asphaltic cement per day. We anticipate that we will be able to sell our asphaltic cement for, referencing present pricing, approximately \$50 per ton.

Competitive Strengths and Growth Strategy

We are focused on the remediation of contaminated soil and water resulting from either man-made spills or naturally occurring deposits of oil. Our primary focus has been the remediation of oil spills resulting from the Iraqi invasion of Kuwait and naturally occurring oil sands deposits in the Uinta basin located in Eastern Utah. We plan to expand into other markets, both in Utah and globally, where we believe our technology and services will provide a distinct competitive advantage over our competition.

Competitive Strengths

We believe the following strengths provide us with a distinct competitive advantage and will enable us to effectively compete on a global basis:

- Proprietary patented technology;
- Environmental advantages;
- Strong relationships with customers and regulatory agencies; and
- Experienced and highly-skilled management, Board of Directors and Advisory Board.

Proprietary Patented Technology

In total, we, together with our subsidiaries, have intellectual property that is in the form of both proprietary knowledge and patents. Our patent portfolio consists of four issued U.S. patents, one pending international patent application filed through the Paris Cooperation Treaty (PCT), and one pending patent application in Kuwait. In addition, we have licensed from our partners the right to use additional patented technologies.

We presently have two US patent and pending foreign applications related to our RPCs and two issued US patents related to our other remediation technologies.

We believe, based on direct and ongoing conversations with our customers and third-party independent test results, that our technology is the only commercially available technology that can not only clean soil that contains greater than 7% hydrocarbon, but also preserves the hydrocarbons extracted from such soil for future use. We believe that this provides us with a true competitive advantage.

Our main technology has been tested and validated for all of its claims by multiple separate independent expert firms both in the United States and the Middle East, whose reports confirm that we have reclamation technology, which has been tested and reviewed, that possesses the ability to clean soil with more than 7% hydrocarbon contamination and still leave the recovered hydrocarbons in a usable state.

We are also expanding our remediation services and offerings to include the solvAQUA technology, which will enable us to remove hydrocarbons from water (as opposed to soil), while preserving the hydrocarbons for future usage. We expect delivery of our first solvAQUA WMS machine by the end of the calendar year, with operations to commence shortly thereafter. The solvAQUA WMS machines can operate either in conjunction with, or independently of, the RPCs.

Environmental Advantages

Among our key corporate objectives is to be at the forefront of social responsibility for its technological impact. We strive for all of our systems to ultimately become closed loop systems, to minimize adverse impacts on air quality and reduce the need for use of clean water. Our ability to turn waste into value is in line with this core objective. Our remediation projects in Kuwait are expected to reduce emissions from vaporization of the oil spilled in the soil. The ability to clean produced water from oil production can eliminate the need for evaporation ponds, improving air quality and saving on the use of clean water.

We believe our technology and service offerings will position us well to conduct our business in any geographical region in which soil or water has been contaminated by hydrocarbons.

Strong Relationships with Customers and Regulatory Agencies

We have developed close relationships with customers and government agencies, including SITLA and the KOC. We anticipate receiving access to additional oil sands deposits located in Utah from SITLA, based on our existing relationship with SITLA and our conversations with them. We also anticipate receiving additional contracts from KOC to remediate contaminated properties in Kuwait, based on our existing relationship with KOC and conversations with them.

Experienced and Highly Skilled Management, Board of Directors and Advisory Board

Our management team has started and successfully grown numerous technology-based companies and has utilized this experience to develop a strategic vision for the Company. The implementation of this plan has resulted in the acquisition and in-house development of numerous technologies, which are currently in operation. We have demonstrated the effectiveness of our technologies in both Vernal, Utah and Kuwait, accomplishing the clean-up of contaminated areas while also recovering precious metals through our metallic separation technology.

Our Board of Directors is comprised of accomplished professionals who bring decades of experience to the Company. Our Board of Directors includes a director who has served as a member of the Executive Committee of one of the largest global accounting firms and has served on the Board of Directors of two multi-billion dollar publicly traded companies, a former director of technology investment banking at Goldman Sachs, a successful investor and entrepreneur who has founded and provided initial financing for numerous life science companies, several of which have grown to multi-billion dollar publicly traded companies, and the mayor of a city in Utah.

In addition, we have an Advisory Board comprised of former senior members of oil and gas companies, both in the United States and in the Middle East. Our Advisory Board is led by one member who is an accomplished business professional and a member of a royal family based in the Middle East and another member who is an experienced health and safety expert operating in the oil and gas industries.

We rely on our Board of Directors and Advisory Board to provide it both high level advice and guidance along with using their contacts to help open various markets. Additionally, the Advisory Board acts as a preliminary informal sounding board for the Board and management for these particular areas in which the Advisory Board members have expertise. We believe the combination of our management team, Board of Directors and Advisory Board provides us with a significant competitive advantage over our competitors due to their breadth of experiences and relationships.

Growth Strategies

We will strive to grow our business by pursuing the following strategies:

- Expansion of our oil recovery projects in Utah;
- Expansion of our remediation projects in Kuwait;

- Expansion into new and complementary markets;
- Increase of revenue via new service and product offerings;
- Strategic acquisitions and licenses targeting complementary technologies; and
- Redeployment of the metallic separation technologies.

Expansion of our Oil Recovery Projects in Utah

The State of Utah has, according to the U.S. Geological Survey, approximately 14 billion barrels of measured oil in place with an additional estimated 23 to 28 billion barrels of oil contained in contaminated oil sands that are deposited near the ground surface. The majority of these oil sands deposits are located on land owned by SITLA. While our current project in Vernal, Utah is not located on SITLA land and we do not yet have a definitive agreement, SITLA has expressed an interest in providing us leased access to these lands in exchange for a royalty to be paid by us in an amount equal to 8% of all revenue generated from any hydrocarbon-based products produced by us from hydrocarbons extracted from these lands. All royalty payments to SITLA would result in direct funding to the State's school system. We believe, based on the number of estimated barrels of oil contained in oil sands deposits located on SITLA property, that there may be an opportunity to deploy as many as 100 RPCs to oil sands deposits located on land owned by the State of Utah. We will seek to acquire additional properties and mineral rights in the vicinity of Vernal, Utah from individual land owners and the State of Utah with a goal of increasing our hydrocarbon holdings to as much as one billion barrels of contingent resources containing a minimum of 10% hydrocarbon saturation.

Expansion of our Remediation Projects in Kuwait

Our RPC technology was successfully used in our initial project for KOC in Kuwait, where we removed hydrocarbons from soil with more than 7% contamination and, following the process, the hydrocarbon contamination level of the soil was reduced to less than 0.5%, which was lower than the level needed to meet the project specifications. There is still approximately 26 million cubic meters of soil contaminated by oil from the Iraqi invasion of Kuwait. Under our current contract, we will charge \$72 per cubic meter of soil remediated. We are currently working with KOC and other government-controlled entities to expand our remediation projects in Kuwait. We are in active negotiations to provide the technology and operations as a subcontractor to large, multinational remediation companies within the region where our technology could be used on all of the sands with contamination levels greater than 7%. Other technologies may also be used for the less contaminated soils.

Expansion into New and Complementary Markets

We intend to explore expansion opportunities on a global basis, including in places with extreme contamination such as the Ogoni Lands region of Nigeria, oil spill lakes located in Saudi Arabia and Turkmenistan, and naturally occurring oil sands deposits in Kazakhstan, where we believe our technology and service offerings may provide a distinct competitive advantage. We are currently in discussions with several groups for deploying our RPCs for remediation projects (primarily for oil spills, tank bottom sludge and drill cuttings) in Saudi Arabia, Qatar and Texas. Saudi Arabia has the objective to create a circular carbon economy that will ultimately have zero wasted hydrocarbons. Our technology is able to process tank bottom sludge, drill cuttings, and soils from hydrocarbon spills, returning the sand to less than 0.5% contamination while reclaiming the oil for waste energy use.

Increase of Revenue via New Service and Product Offerings.

To date, we have focused on the remediation of soil contaminated by oil. We are in the process of expanding our services to include the remediation of water and the recovery of hydrocarbons from water through our exclusive license with solvAQUA. We also intend to target other hydrocarbon remediation businesses that focus on, among other things, the cleaning of tank bottom sludge, and the cleaning of the water used from drilling oil wells. Oil producers generally pay to dispose of sludge at the bottom of storage tanks and contaminated water produced from the drilling of oil wells.

We believe that our technologies could be used to clean the contaminated water produced from drilling, while simultaneously recovering the heavy crude. We believe we will be able to offer these services at a cost that is very competitive with current methods and that our ability to recover the heavy crude for resale will give us a competitive advantage. The patented RPC technology, in conjunction with the enzymatic water remediation technology that we have licensed from solvAQUA, have the potential to eradicate all oil evaporation ponds and landfills in the United States presently utilized for disposal of tank bottom sludge and drill cutting waste. We are currently in early stage discussions relating to some of these remediation projects.

Strategic Acquisitions and Licenses Targeting Complementary Technologies

We intend to seek out opportunities to acquire or license only specific technologies that are either complementary to our existing product offerings or that will allow us to expand into the environmental infrastructure markets. We recently entered into a worldwide, exclusive license agreement with TBT Group, Inc. to license piezo electric and energy harvesting technologies for creating self-powered sensors for making smart roadways, which we believe could be embedded directly into the asphaltic cement we intend to produce from the hydrocarbons we extract, providing the basis for smart roads and infrastructure. We believe that these sensors, which are self-powered, could be used to provide information about traffic, road conditions and repair needs as well as allowing the roads to communicate directly with autonomous vehicles enabling these vehicles to sense the road in all weather conditions. By complementing the asphaltic cement we expect to produce with integrated sensors for automated vehicles, we believe that we will be able to offer a smart road – moving this company from one of “Waste to Road” to one of “Waste to Smart Road”.

Redeployment of the Metallic Separation Technology

Our licensed metallic separation technology has successfully recovered precious metals including, but not limited to, gold, palladium, platinum, rodium and silver. We intend to modify our existing metallic separation equipment to allow us to capture more precious metals. We intend to redeploy our metallic separation technology machines in conjunction with our RPC machines to locations where precious metals have been detected in the soil and to standalone locations to process mine tailings and other soils.

Other Holdings

Historically, as part of our strategy to find and invest in technologies that might develop synergies with our existing businesses, we have invested in other companies and/or entities. Not all of our investments to date have developed into complementary technologies and/or businesses, but with our management’s assistance, many of them have still become successful and accretive to our Company’s value. Over time, we intend to divest our ownership of companies that are not synergistic with our business.

Scepter Holdings

In 2012, we provided secured loan financing and assistance to Vivaceuticals, Inc. (“Vivaceuticals”) for the development and commercialization of two bioactive beverages and one weight loss beverage. In 2018, Scepter Holdings, Inc. (OTCMarkets: BRZL), a company that manages the sales and development of consumer-packaged goods, purchased certain assets of Vivaceuticals, and in 2019, we received 800,000 shares of preferred stock in Scepter Holdings, Inc. in exchange for extinguishing our loan, which had become an obligation of Scepter Holdings, Inc. The Company has since converted such shares of preferred stock into 800,000,000 shares of common stock of Scepter Holdings, Inc., which represents a market value of approximately \$5,760,000 as of the date of May 13, 2021.

Odyssey Group International

In 2014, we acquired a minority interest in Odyssey Group International, Inc. (“Odyssey”) (OTCQB: ODYY), a trans-disciplinary product development enterprise involved in the discovery, development and commercialization of a broad range of products applied to targeted segments of the health care industry. We also have provided a \$750,000 secured loan Odyssey, which they used to acquire a license to use and develop a new technology called CardioMap®, which is an advanced technology for early non-invasive testing for heart disease. The loan is secured by Odyssey’s assets, and we are entitled to receive a percentage of Odyssey’s total gross sales until the loan has been repaid in full. During June 2020, we converted the outstanding secured loan into 809,578 shares of Odyssey common stock. We presently

own 3,309,578 shares of Odyssey common stock representing a market value of approximately \$1,902,345, as of May 13, 2021.

Future Products; Research and Acquisition

We intend to identify, develop or acquire, and bring to market products primarily in the Clean Tech sector with a primary focus on the petroleum, mining and minerals, and alternative energy industries, as well opportunities that may arise in the natural and formulary products industry. Our general approach is to select products or processes that are at or near commercial viability, or that we believe can be substantially developed for commercialization. We then negotiate agreements to either acquire or to provide secured loan financing to these companies to complete their development, testing and product launches in exchange for control of, or a significant ownership interest in, the products or companies.

6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The following is an excerpt from the Company's Notes to the Consolidated Financial Statements:

Note 4. Prepaid Expenses and Other Assets

As of March 31, 2021 and December 31, 2020, our other assets consist of various deposits with vendors, professional service agents, or security deposits on office and warehouse leases. As of March 31, 2021 and December 31, 2020 we had deposits in the amount of \$73,245 and \$87,052.

The Company entered into an Option Agreement in July 2019 for the exclusive right to purchase certain real property commonly known as Asphalt Ridge. The right to purchase the land was purchased for \$200,000, which would be applied as a payment on the land if the option is exercised to purchase the land. The agreement gives the Company 12 months for due diligence and to operate on the land. The agreement grants the Company the option to extend the option for an additional 6 months for a cost of \$200,000. The Company capitalized the cost of legal expense for this option in the amount of \$2,096 bringing the gross value of the option to \$202,096. The Company amortized the prepaid over the life of the agreement, 12 months, and the option was completed amortized as of December 31, 2019. For the three months ended March 30, 2020 amortization expense was \$50,524. As the Company negotiates extending the option, it is continuing to operate on the land, pursuant to an arrangement with the landowner.

Note 5. Marketable Securities

Investments in marketable securities consist of equity securities recorded at fair value. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. We analyze our marketable securities in accordance with Accounting Standard Codification 321 ("ASC 321"). Valuations for marketable securities are based on quoted prices for identical assets in active markets. Where marketable securities were found not be part of an actively traded market, we made a measurement alternative election and estimate the fair value at cost of the investment minus impairment.

As of March 31, 2021 and December 31, 2020, the Company owned 3,309,758 shares of common stock in Odyssey Group International, Inc. ("Odyssey") ticker: ODYY, OTC Markets. The Company owned 2,500,000 shares of Odyssey common stock until June 2020, when the Company converted the outstanding balance of \$809,578 of its note receivable with Odyssey into 809,578 shares of Odyssey common stock according to the terms of the note receivable.

As of December 31, 2020, these marketable securities are classified as trading securities. The Company accounted for such securities based on the quoted price from the OTC Markets where the stock is traded which resulted in the Company recording an unrealized gain on these marketable securities of \$2,089,667 and \$7,350,000 for the three months ended March 31, 2021 and 2020. As of March 31, 2021 and December 31, 2020 our Odyssey marketable securities were \$2,746,619 and \$656,951.

In 2019 the Company had an investment of \$800,000 or 800,000,000 shares of common stock, or a diluted 23% equity holding in Scepter Holdings, Inc. (“Scepter”), ticker: BRZL, OTC Markets. In the fourth quarter of 2020, the Company was diluted to a 19% equity holding in Scepter, and was no longer deemed to have significant influence and ceased to be an equity investment, and as the stock is traded on an active market, the Company has classified the investment as trading securities for the three months ended March 31, 2021 and for the year ended December 31, 2020 with the change in unrealized gains and losses on the investment included in the statement of operations. As of March 31, 2021 and December 31, 2020, the Company owns 800,000,000 shares of Scepter. The Company classified these marketable securities as trading securities with the change in unrealized gains and losses on the investment included in the statement of operations. The Company accounted for such securities based on the quoted price from the OTC Markets where the stock is traded which resulted in the Company recording an unrealized gain on marketable securities of \$10,593,777 and none for the three months ended March 31, 2021 and 2020. As of March 31, 2021 and December 31, 2020, the Company’s Chief Executive Officer has an immediate family member who sits on the board of directors of Scepter Holdings, Inc. As of March 31, 2021 and December 31, 2020 our Scepter marketable securities were \$13,953,776 and \$3,360,000.

As of March 31, 2021 and December 31, 2020, marketable securities were \$16,700,395 and \$4,016,951. For the three months ended March 31, 2021 and 2020, the Company recorded a total unrealized gain on marketable securities in the statement of operations of \$12,683,444 and \$7,350,000.

Note 6. Inventories

Inventories consist primarily of raw materials (including tar-sand stockpiles) and finished goods (which includes Fenix iron). Inventories are valued at the lower of cost or market (net realizable value). The tar-sand stockpiles consist of 400,000 tons of tar sand stockpile and are anticipated to be used as test material for our extraction remediation units. The stockpiles were acquired at a cost of approximately \$0.83 per ton or \$333,744. The nano Fenix Iron are finished goods that have a 20-year shelf life and were acquired at cost for \$192,000.

Note 7. Precious Metal Concentrate

Precious metal concentrate includes metal concentrates located at the Company’s facilities. Concentrates consist of gold, silver, platinum, palladium, and rhodium. Precious metal concentrate was acquired from our funding agreements for extraction operations with Vivaventures Precious Metals LLC from 2013 through 2016. Our precious metal concentrate requires further refining to be sold as a finished product and is valued at the lower of cost or market (net realizable value).

As of March 31, 2021 and December 31, 2020, the Company carried a refining reserve of \$1,166,709 against its precious metal concentrate asset based on estimates that the Company received if it were to sell the precious metal concentrate in its current concentrated form to processing refineries. The Company intends to sell our precious metal concentrate in its current state or refine it into dore bars for sale or monetization and investment purposes. In July 2020, the Company entered into an agreement with International Metals Exchange, LLC (“IME”, a related party) giving IME the option to purchase approximately 1,331 ounces of our precious metal concentrate for approximately \$2,800,000. For the year ended December 31, 2020, the Company sold \$54,250 of the precious metal concentrate through this option. No metals were sold for the three months ended March 31, 2020. As of March 31, 2021 this option to purchase precious metals as expired and is being renegotiated.

As of March 31, 2021 and December 31, 2020 the net realizable value of our precious metal concentrate is \$1,166,709.

Note 8. Notes Receivable

As of March 31, 2021 and December 31, 2020, our notes receivable consist of a Master Revolving Note with Scepter Holdings, Inc. (ticker: BRZL, OTC Markets), which the Company entered into in January 2019 to lend up to \$70,000 to the holder. The note accrues interest at a rate of 7% per annum and accrues monthly on the outstanding principal.

The note is convertible into common shares of Scepter Holdings, Inc. at a rate of \$0.002 per share or a 50% discount to market on the date of conversion, whichever is less. The note matured in January 2020 and was amended to extend the maturity for an additional year with a maturity of January 2022 and the maximum amount of note was increased to \$100,000.

Note 9. Property and Equipment

The following table sets forth the components of the Company's property and equipment at March 31, 2021 and December 31, 2020:

	March 31, 2021			December 31, 2020		
	Gross Carrying Amount	Accumulated Depreciation	Net Book Value	Gross Carrying Amount	Accumulated Depreciation	Net Book Value
Office furniture and equipment	\$ 14,998	\$ 2,566	\$ 12,432	\$ 14,998	\$ 2088	\$ 12,910
Vehicles	48,248	19,069	29,179	48,248	16,657	31,591
Precious metal extraction machine- 1 ton	2,280,000	228,000	2,052,000	2,280,000	228,000	2,052,000
Precious metal extraction machine- 10 ton	5,320,000	532,000	4,788,000	5,320,000	532,000	4,788,000
Construction in process:						
Bioreactors	1,440,000	—	1,440,000	1,440,000	—	1,440,000
Cavitation device	22,103	—	22,103	22,103	—	22,103
Remediation Processing Unit 1	5,785,407	—	5,785,407	5,558,949	—	5,558,949
Remediation Processing Unit 2	4,748,301	—	4,748,301	4,149,793	—	4,149,793
Remediation Processing Unit 3	97,353	—	97,353	97,353	—	97,353
Total fixed assets	<u>\$19,756,410</u>	<u>\$ 781,635</u>	<u>\$18,974,775</u>	<u>\$18,931,444</u>	<u>\$ 778,745</u>	<u>\$18,152,699</u>

For the three months ended March 31, 2021 the Company paid \$64,950 with 162,375 shares of Series C-1 Preferred Stock for equipment, which has been valued based on similar cash purchases of the Series C-1 Preferred Stock at \$0.40 per share. For the three months ended March 31, 2021 2020 depreciation expense was \$2,890 and \$2,829. For the three months ended March 31, 2021 and 2020 capitalized interest to equipment from debt financing was \$393,869 and \$361,681. Equipment that is currently being manufactured is considered construction in process and is not depreciated until the equipment is placed into service. Equipment that is temporarily not in service is not depreciated until placed into service.

Note 10. License Agreements

On August 17, 2017, the Company purchased rights to an exclusive license for the applications and implementations involving the Nanosponge Technology and to use and develop the Nanosponge as we see fit at our sole discretion. The Nanosponge contribution in the Company's processes is to facilitate a cracking process whereby remediated or extracted oil may be further refined from a crude product to a diesel fuel. The license was valued at \$2,416,572 and is amortized over its useful life of 20 years. As of March 31, 2021 and December 31, 2020 the accumulated amortization of the license was \$432,969 and \$402,762. For the three months ended March 31, 2021 and 2020 amortization expense of the license was \$30,207. Amortization expense for the years 2022 through 2026 is \$120,829 in each respective year. As of March 31, 2021 and December 31, 2020 the net value of the license is \$1,983,603 and \$2,013,810.

On January 20, 2021, the Company entered into a worldwide, exclusive license agreement with TBT Group, Inc. (of which an independent Vivakor Board member is a 7% shareholder) to license piezo electric and energy harvesting technologies for creating self-powered sensors for making smart roadways. The Company is required to pay \$25,000

and 500,000 shares of restricted common stock upon signing. Upon the earlier of (i) 120 days or (ii) the effectiveness of the Company's Registration Statement and receipt of public offering proceeds, the Company will pay licensor \$225,000. When the licensor delivers to the Company data showing that the sensor performs based on mutually defined specifications and all designs for the sensor are completed, Company shall pay an additional \$250,000 and 500,000 shares of restricted common stock. Upon the delivery of a mutually agreed working prototype, Company will pay licensor \$250,000 and 500,000 shares of restricted common stock. Upon commercialization of the product, the Company will pay licensor \$250,000 and 1,000,000 shares of restricted common stock. TBT shall have the option, at its sole discretion, to convert the license to a non-exclusive license if the Company fails to pay \$500,000 to TBT for sensor inventory per year, which will commence after the second anniversary of product commercialization. The Company shall share in the development costs of the sensor technology to the time of commercialization. Total costs attributed to the Company are estimated to be \$125,000. On May 10, 2021, the parties amended the license agreement to extend the terms of the first milestone payment at 120 days to 180 days with a prepayment of \$15,000 of the \$225,000 to be paid in 180 days.

As of March 31, 2021, the license is valued at \$250,000 (or the initial required payment of \$25,000 and 500,000 shares of restricted common stock, valued at \$225,000 upon signing) and is amortized over its useful life of 20 years. As of March 31, 2021 the accumulated amortization of the license was \$2,083. For the three months ended March 31, 2021 amortization expense of the license was \$2,083. Amortization expense for the years 2022 through 2026 is \$12,500 in each respective year. As of March 31, 2021 the net value of the license is \$247,917.

Note 11. Intellectual Property, Net

The Company entered into a Contribution Agreement dated January 5, 2015, where proprietary information and intellectual property related to certain petroleum extraction technology (also known as hydrocarbon extraction technology) suitable to extract petroleum (or hydrocarbons) from tar sands and other sand-based ore bodies, and all related concepts and conceptualizations thereof (the "Extraction Technology") was contributed to VivaVentures Energy Group, Inc., a 99% majority-owned subsidiary of Vivakor, and was assessed a fair market value of \$16,385,157, which consists of the consideration of \$11,800,000 and the Company assuming a deferred tax liability in the amount of \$4,585,157. All ownership in the Extraction Technology (including all future enhancements, improvements, modifications, supplements, or additions to the Extraction Technology) was assigned to the Company and is currently being applied to the Company Remediation Processing Centers, which are the units that remediate material. The Extraction Technology is amortized over a 20-year life. For the three months ended March 31, 2021 and 2020 the amortization expense of the technology was \$204,814. Amortization expense for the years 2022 through 2026 is \$819,258 in each respective year. As of March 31, 2021 and December 31, 2020 the net value of the Extraction Technology is \$11,333,067 and \$11,537,881.

In 2019, the Company began the process of patenting the Extraction Technology and all of its developments and additions since the acquisition, and we have filed a series of patents and capitalized the costs of these patents. As of March 31, 2021 and December 31, 2020, the capitalized costs of these patents are \$105,024 and \$100,064. The patents were placed in service in 2021, and will begin amortizing the cost in April 2021 over the patent useful life.

The Company entered into an asset purchase agreement dated September 5, 2017, where two patents (US patent number 7282167- Method and apparatus for forming nano-particles and US patent number 9272920- System and method for ammonia synthesis) were purchased and attributed a fair market value of \$4,931,380, which consists of the consideration of \$3,887,982 and the Company assuming a deferred tax liability in the amount of \$1,043,398. The patents grant the Company ownership of a nano catalyst technology that facilitates chemical manufacturing, with a focus on the production of ammonia, specifically for the gas phase condensation process used to create the iron catalyst. The nano catalyst accelerators make the Haber-Bosch process more efficient by increasing the active surface area of standard commercial iron catalysts, thereby lowering the reaction temperature and pressure required for the Haber-Bosch process to occur. As a result, less energy is needed to complete the reaction and create ammonia. The patents are amortized over their useful life of 10 years. For the three months ended March 31, 2021 and 2020 the amortization expense of the patents was \$123,285. Amortization expense for the years 2022 through 2026 is \$493,138 in each respective year. As of March 31, 2021 and December 31, 2020 the net value of the patents was \$3,205,397 and \$3,328,682.

The following table sets forth the components of the Company's intellectual property at March 31, 2021 and December 31, 2020:

	March 31, 2021			December 31, 2020		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Extraction Technology patents	\$ 105,024	\$ –	\$ 105,024	\$ 100,064	\$ –	\$ 100,064
Extraction Technology	16,385,157	5,052,090	11,333,067	16,385,157	4,847,276	11,537,881
Ammonia synthesis patents	4,931,380	1,725,983	3,205,397	4,931,380	1,602,698	3,328,682
Total Intellectual property	<u>\$21,421,561</u>	<u>\$ 6,778,073</u>	<u>\$14,643,488</u>	<u>\$21,416,601</u>	<u>\$ 6,449,974</u>	<u>\$14,966,627</u>

Note 15. Commitments and Contingencies

Leases

In June 2019, the Company entered into a Sublease agreement with US Closer, LLC, whereby we agreed to lease approximately 12,061 square feet of office and manufacturing space located in South Salt Lake City, Utah. Pursuant to the Sublease, the sublease expired on December 31, 2020 and required a monthly lease payment of \$6,633.55 plus other pass-through expenses as required under the Primary Lease. The Company renegotiated with the landlord to renew this lease as the primary tenant in January 2021 to lease this warehouse on a month-to-month basis. The lease may be terminated at any time or for any reason with a 30-day written notice to terminate. The January 2021 lease requires a monthly lease payment of \$6,833 plus other pass-through expenses as required under the lease as long as the Company remains in the space. As a condition of the lease, we were required to provide a \$6,965 security deposit.

Commencing on September 15, 2019, the Company entered into a five-year lease with Jamboree Center 1 & 2 LLC covering approximately 6,961 square feet of office space in Irvine, CA. Under the terms of the lease agreement, we are required to make the following monthly lease payments: Year 1 \$21,927, Year 2 \$22,832, Year 3 \$23,737, Year 4 \$24,712, Year 5 \$25,686. As a condition of the lease, we were required to provide a \$51,992 security deposit.

The right-of-use asset for operating leases as of March 31, 2021 and December 31, 2020 was \$828,290 and \$881,804. Rent expense for the three month period ended March 31, 2021 and March 31, 2020 was \$73,329 and \$65,781.

The following table reconciles the undiscounted cash flows for the leases as of March 31, 2021 to the operating lease liability recorded on the balance sheet:

2021	\$ 208,203
2022	287,769
2023	299,466
2024	231,174
2025	–
Total undiscounted lease payments	1,026,612
Less: Abatement of rents	22,832
Less: Imputed interest	138,555
Present value of lease payments	<u>\$ 865,225</u>
Operating lease liabilities, current	\$ 208,203
Operating lease liabilities, long-term	\$ 657,022
Weighted-average remaining lease term	3.75 years
Weighted-average discount rate	7.0%

The discount rate is the Company's incremental borrowing rate, or the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment. Based on an assessment of the Company's borrowings the incremental borrowing rate was determined to be 7%.

Note 16. Long-term Debt

To assist in funding the manufacture of the Company's Remediation Processing Centers, between 2015 and 2017, the Company entered into two agreements which include terms for the purchase of participation rights for the sale of future revenue of the funded RPCs, and which also require working interest budget payments by the Company.

The Company accounts for the terms under these contracts for the sale of future revenue under Accounting Standards Codification 470 ("ASC 470"). Accordingly, these contracts include the receipt of cash from an investor where the Company agrees to pay the investor for a defined period a specified percentage or amount of the revenue or a measure of income (for example, gross revenue) according to their contractual right, in which the Company will record the cash as debt and apply the effective interest method to calculate and accrue interest on the contracts. The terms of these agreements grant the holder a prorated 25% participation in the gross revenue of the assets as defined in the agreements for 20 years after operations commence for a purchase price of approximately \$2,200,000. In the event that the contract is not fully subscribed by the LLCs it will receive only a prorated participation of the available 25% participation. Under the terms of the agreement, we anticipate Remediation Processing Centers to commence operations and to begin making estimated annual payments of \$1,769,000 in September 2021 based on revenue projections for the RPCs.

In accordance with ASC 470, the Company records the proceeds from these contracts as debt because the Company has significant continuing involvement in the generation of the cash flows due to the investor (for example, active involvement in the generation of the operating revenues of the business segment), which constitutes the presence of a factor that independently creates a rebuttable presumption that debt classification is appropriate. The Company has determined its effective interest rates to be between 36.1% and 36.52% based on each contract's future revenue streams expected to be paid to the investor. These rates represent the discount rate that equates estimated cash flows with the initial proceeds received from the investor and is used to compute the amount of interest expense to be recognized each period. During the development and manufacturing of the assets the effective interest has been capitalized to the assets. As the assets enter operations or service of their intended use, the effective interest on these contracts will be recognized as interest expense (See Note 9).

In 2016 and 2017, additional consideration to investors to enter into these agreements was granted, and the Company issued to these investors 3,390,000 shares of Series B-1 Preferred Stock with a relative fair value of \$0.25 per share or based on conversion terms and price of the Company's Common Stock at the time of issuance. The Company also issued 3,185,000 common stock warrants to investors. The relative fair value of the warrants and Series B-1 preferred stock in aggregate was \$1,488,550, and was recorded as a debt discount, which is amortized to interest expense over the term of the agreements using the effective interest method. During the manufacturing phase of the asset, the interest expense is capitalized to the asset.

Some holders of these participation rights also have the option to relinquish ownership and all remaining benefits of their LLC units in exchange for Common Stock in the Company. Depending on the contract, these options to convert to common stock range from between 1 and 5.5 years. The exercise period ranges from between 1 year to 5.5 years with a step-up discount to market for each year the option is not exercised with a range of between a 5% to a 25% discount to market. Accordingly, under Accounting Standards Codification 815 ("ASC 815") the Company valued these options at fair value using a Monte Carlo Simulation by a third-party valuation expert, which found the fair value of the options to be nominal. Long-term debt related to these participation rights is recorded in "Long-term debt" on the consolidated balance sheet.

The accounting for the terms under these contracts that call for working interest budget payments by the Company are recorded in current liabilities on the consolidated balance sheet and paid down through pass-through expenses or cash according to the contract. Accordingly, the Company records any unpaid balance of budget payments received in "Long-term debt, current" as these liabilities are generally paid within 12 months after proceeds are received.

Long-term debt consists of the following:

	<u>March, 31</u>	<u>December 31,</u>
	<u>2021</u>	<u>2020</u>
Principal	\$ 2,196,233	\$ 2,196,233
Accrued interest	3,391,006	2,997,136
Debt discount	(237,987)	(241,709)
Total long term debt	\$ 5,349,252	\$ 4,951,660

Long term debt, current	\$	2,123	\$	1,020
Long term debt	\$	5,347,129	\$	4,950,640

The following table sets forth the estimated payment schedule of long-term debt as of March 31, 2021:

2021	\$	2,123
2022		5,370
2023		7,318
2024		9,974
2025		13,591
Thereafter		2,157,857
Total	\$	2,196,233

7) Company Insiders (Officers, Directors, and Control Persons)

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

PRINCIPAL SHAREHOLDERS

The following table sets forth certain information regarding our voting shares beneficially owned as of May 13, 2021 by (i) each stockholder known to be the beneficial owner of 5% or more of the outstanding shares of the particular class of voting stock, (ii) each executive officer, (iii) each director, and (iv) all executive officers and directors as a group. A person is considered to beneficially own any shares: (i) over which such person, directly or indirectly, exercises sole or shared voting or investment power, or (ii) of which such person has the right to acquire beneficial ownership at any time within 60 days through an exercise of stock options, warrants and/or other convertible securities. Unless otherwise indicated, voting and investment power relating to the shares shown in the tables for each beneficial owner is exercised solely by the beneficial owner.

For purposes of computing the percentage of outstanding shares of our common stock held by each person or group of persons, any shares that such person or persons has the right to acquire within 60 days of May 13, 2021 is deemed to be outstanding, but is not deemed to be outstanding for the purpose of computing the percentage ownership of any other person.

The percentage of beneficial ownership of our common stock before this offering is based on an aggregate of 393,712,388 shares outstanding, consisting of (i) 368,712,388 shares of common stock outstanding as of the date of this report and (ii) 2,000,000 shares of common stock (which convert into 25,000,000 shares of common stock prior to the close of a public offering of the Company's common stock).

Except as indicated in footnotes to this table, we believe that the stockholders named in this table have sole voting and investment power with respect to all shares of common stock shown to be beneficially owned by them, based on information provided to us by such stockholders. Unless otherwise indicated, the address for each director and executive officer listed is: c/o Vivakor, Inc., 433 Lawndale Drive, South Salt Lake City, UT 84115.

<u>Name and Address of Beneficial Owner</u>	<u>Shares of Common</u>	<u>Percentage of</u>	<u>Shares of Series A</u>	<u>Percentage of Series A</u>
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	Stock Beneficially Owned	Common Stock Beneficially Owned	Preferred Stock Owned	Preferred Stock Beneficially Owned
Matt Nicosia, Chief Executive Officer and Director ⁽¹⁾⁽²⁾⁽³⁾	108,682,850	27.60%	2,000,000	100.00%
Tyler Nelson, Chief Financial Officer	0	*		
Daniel Hashim, Chief Scientific Officer ⁽³⁾	5,000,000	1.27%		
Al Ferrara, Director	100,000	*		
Trent Staggs, Director ⁽⁴⁾	10,100,000	2.57%		
Matthew Balk, Director	100,000	*		
Joseph Spence, Director	100,000	*		
All Officers and Directors as a group (seven persons)	124,082,850	31.52%	2,000,000	100%
5% Beneficial Stockholders				
AKMN Irrevocable Trust ⁽²⁾	108,682,850	27.60%	66,667	100%
Sustainable Fuels, Inc. ⁽⁵⁾	20,000,000	5.08%		
Regal Growth Inc. ⁽⁶⁾	20,000,000	5.08%		
Everett Monroe ⁽⁷⁾				
Daniel O. Ritt Trust ⁽⁸⁾				
Peter D'Arruda ⁽⁹⁾				
Evelyn Pastor ⁽¹⁰⁾				
Celedonia Mehr ⁽¹¹⁾				
Maria Teresa Rivera ⁽¹²⁾				

(continued)

Name and Address of Beneficial Owner	Value of Class B Units of VV RII Beneficially Owned	Percentage of VV RII Class B Units Beneficially Owned	Value of Units of VWFI Beneficially Owned	Percentage of VWFI Units Beneficially Owned
	Owned	Owned	Owned	Owned
Matt Nicosia, Chief Executive Officer and Director ⁽¹⁾⁽²⁾⁽³⁾	—	—	—	—
Tyler Nelson, Chief Financial Officer				
Daniel Hashim, Chief Scientific Officer ⁽³⁾				
Al Ferrara, Director				
Trent Staggs, Director ⁽⁴⁾				
Matthew Balk, Director				
Joseph Spence, Director				
All Officers and Directors as a group (seven persons)				
5% Beneficial Stockholders				
AKMN Irrevocable Trust ⁽²⁾				
Sustainable Fuels, Inc. ⁽⁵⁾				
Regal Growth Inc. ⁽⁶⁾				
Everett Monroe ⁽⁷⁾	\$90,000	7.88%		
Daniel O. Ritt Trust ⁽⁸⁾	\$65,000	5.69%		
Peter D'Arruda ⁽⁹⁾	\$60,000	5.25%		
STRATA Trust Company, Custodian FBO: Donna Hansen IRA ⁽¹⁰⁾			\$525,000	10.37%
STRATA Trust Company, Custodian FBO: Bella Manansala IRA ⁽¹¹⁾			\$525,000	10.37%
Provident Trust Group, Custodian FBO: Wilfredo E. Rivera IRA ⁽¹²⁾			\$515,000	10.17%
STRATA Trust Company, Custodian FBO: Susan J. Lim ⁽¹³⁾			\$500,000	9.87%

* Less than 1%

- (1) The address for these stockholders is: c/o Vivakor, Inc., 433 Lawndale Drive, South Salt Lake City, Utah 84115.
- (2) The shares of common stock beneficially owned by Matthew Nicosia includes 3,622,762 shares of common stock held by AKMN Irrevocable Trust. Matthew Nicosia is the trustee of the AKMN Irrevocable Trust, of which Jonathan Nicosia, Matthew Nicosia's son, a minor, is the beneficiary. AKMN Irrevocable Trust also holds 2,000,000 shares of Series A preferred stock and has agreed to convert these shares into 25,000,000 shares of our common stock immediately prior to the closing of a public offering of the Company's common stock. Does not include options to purchase 5,000,000 shares of common stock.
- (3) The 5,000,000 shares of common stock beneficially owned by Dr. Hashim are directly held by CSS Nanotech Ltd. Dr. Hashim is the Chief Executive Officer of CSS Nanotech Ltd.

- (4) The 10,100,000 shares of common stock beneficially owned by Trent Staggs are held by TABBS Irrevocable Trust. Trent Staggs is the trustee of TABBS Irrevocable Trust, of which Brennan Trent Staggs and Brecklyn Staggs, Trent Staggs's children, are the beneficiaries.
- (5) Sustainable Fuels, Inc. is owned by Debbie Carpenter, who may be deemed the beneficial owner of these shares. The address for Sustainable Fuels, Inc. is 10124 Marchant Avenue Tustin, CA 92872.
- (6) Regal Growth, Inc. is owned by William Reininger, who may be deemed the beneficial owner of these shares. The address for Regal Growth is 2309 Balleyfield Avenue Thousand Oaks, CA 91360.
- (7) Everett Monroe's address is 5813 114th Street, Lubbock TX 79424.
- (8) Daniel O. Ritt Trust's address is 168 Dover Pkwy, Stewart Manor, NY 11530.
- (9) Peter D'Arruda's address is 124 Poppleford Place, Cary, NC 27518.
- (10) Strata Trust Company's address is 7901 Woodway Dr., Ste 200, Waco, TX, 76712.
- (11) Strata Trust Company's address is 7901 Woodway Dr., Ste 200, Waco, TX, 76712.
- (12) Provident Trust Group's address is 8880 W. Sunset Rd., Las Vegas, NV, 89148.
- (13) Strata Trust Company's address is 7901 Woodway Dr., Ste 200, Waco, TX, 76712.

8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

On June 23, 2014, the Superior Court of the State of California County of Orange granted judgment against Matthew Nicosia in the, Dwight D. Baron, Regeneca, Inc., Regeneca International, Inc., and Vivaceuticals, Inc., in the aggregate amount of \$240,515 in favor of plaintiffs Dr. Tracy Gapin, David Chessler, J.A.C. Investment Holdings, LLC and Julie Berkey, for claims related to the fraudulent transfer of assets from Regeneca, Inc., an insolvent company, to Mr. Nicosia, an officer of such company. Mr. Nicosia was just recently notified of this report in his own investigation of his background and denies the claims or that he was served, whereas the Court granted a default judgment. Mr. Nicosia is engaging counsel and intends to reopen the case to reverse the judgment as he denies the claims.

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to

underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Craig V. Butler
Firm: Law Offices Craig V. Butler
Address 1: 300 Spectrum Center Drive, Suite 300
Address 2: Irvine, CA 92618
Phone: 949-484-5667
Email: cbutler@craigbutlerlaw.com

Accountant or Auditor

Independent registered public accounting firms:

Name: Michael Christian
Firms: Macias Gini & O'Connell, LLP and Hall & Company CPAs and Consultants, Inc.
Address 1: 111 Pacifica, Suite 300
Address 2: Irvine, CA 92618
Phone: 949-910-4255
Email: MChristian@mgocpa.com

Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

Scalar LLC- Valuation Services
The Center for Valuation Studies- Valuation Services
Squar Milner- Tax provision services
Hall & Company CPAs & Consultants LLC- Audit and tax services
Macias Gini & O'Connell, LLP- Audit and tax services

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Matthew Nicosia certify that:

1. I have reviewed this Quarterly Disclosure statement of Vivakor, Inc.;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 24, 2021

/s/ Matthew Nicosia

Principal Financial Officer:

I, Tyler Nelson certify that:

1. I have reviewed this Quarterly Disclosure statement of Vivakor, Inc.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 24, 2021

/s/ Tyler Nelson