

# ZIVO BIOSCIENCE, INC.

## **FORM 10-Q** (Quarterly Report)

Filed 05/15/25 for the Period Ending 03/31/25

Address	21 E. LONG LAKE ROAD SUITE 100 BLOOMFIELD HILLS, MI, 48304
Telephone	(248) 452 9866
CIK	0001101026
Symbol	ZIVO
SIC Code	2836 - Biological Products, (No Diagnostic Substances)
Industry	Food Processing
Sector	Consumer Non-Cyclicals
Fiscal Year	12/31

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2025

OR

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

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

Commission File Number: 001-40449

**Zivo Bioscience, Inc.**

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of  
incorporation or organization)

87-0699977

(I.R.S. Employer  
Identification No.)

2125 Butterfield Road, Suite 100  
Troy, Michigan

(Address of principal executive offices)

48084

(Zip Code)

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

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	ZIVO	OTCQB
Warrants to purchase shares of Common Stock, par value \$0.001 per share	ZIVOW	OTC Pink

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

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

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

Large accelerated filer

☐

Accelerated filer

☐

Non-accelerated Filer

☒

Smaller reporting company

☒

Emerging growth company

☐

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

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

At May 10, 2025, there were 3,813,517 issued and outstanding shares of Common Stock of the registrant.



**FORM 10-Q**  
**ZIVO BIOSCIENCE, INC.**  
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**PART I - FINANCIAL INFORMATION**
**Item 1. Financial Statements**

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
ASSETS:		
CURRENT ASSETS:		
Cash	\$ 517,189	\$ 1,542,442
Accounts receivable	-	2,211
Prepaid expenses	505,734	90,789
Total current assets	1,022,923	1,635,442
OTHER ASSETS:		
Operating lease - right of use assets	300,731	-
Security deposit	7,680	7,680
Total other assets	308,411	7,680
<b>TOTAL ASSETS</b>	<b>\$ 1,331,334</b>	<b>\$ 1,643,122</b>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT):		
CURRENT LIABILITIES:		
Accounts payable	\$ 655,279	\$ 547,090
Accounts payable – related party	-	194,762
Customer deposits	28,793	-
Current portion of long-term operating lease liabilities	60,793	-
Current portion of notes payable	138,510	138,164
Short-term notes payable	439,378	-
Accrued interest	65,628	65,628
Accrued liabilities – employee bonus	1,224,320	1,096,178
Total current liabilities	2,612,701	2,041,822
LONG TERM LIABILITIES:		
Lease liabilities, net of current portion	254,454	-
Long-term note, net of current portion	81,458	116,197
Total long-term liabilities	335,912	116,197
<b>TOTAL LIABILITIES</b>	<b>2,948,613</b>	<b>2,158,019</b>
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY (DEFICIT):		
Common stock, \$0.001 par value, 25,000,000 and 25,000,000 shares authorized as of March 31, 2025 and December 31, 2024; 3,791,093 and 3,621,335 issued and outstanding at March 31, 2025, and December 31, 2024, respectively	3,791	3,621
Additional paid-in capital	139,556,668	136,448,032
Accumulated deficit	(141,177,738)	(136,966,550)
Total stockholders' equity (deficit)	(1,617,279)	(514,897)
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>	<b>\$ 1,331,334</b>	<b>\$ 1,643,122</b>

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

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

	<b>Three Months ended March 31, 2025</b>	<b>Three Months ended March 31, 2024</b>
REVENUES:		
Product revenue	\$ -	\$ 35,720
Total revenues	<u>-</u>	<u>35,720</u>
COSTS OF GOODS SOLD		
Product costs	-	23,218
Total costs of goods sold	<u>-</u>	<u>23,218</u>
GROSS MARGIN	-	12,502
COSTS AND EXPENSES:		
General and administrative	1,439,552	975,574
Research and development	2,769,236	312,767
Total costs and expenses	<u>4,208,788</u>	<u>1,288,341</u>
LOSS FROM OPERATIONS	(4,208,788)	(1,275,839)
OTHER (EXPENSE):		
Interest expense	(2,400)	(2,647)
Total other expense	<u>(2,400)</u>	<u>(2,647)</u>
NET LOSS	<u>\$ (4,211,188)</u>	<u>\$ (1,278,486)</u>
BASIC AND DILUTED LOSS PER SHARE	<u>\$ (1.12)</u>	<u>\$ (0.47)</u>
WEIGHTED AVERAGE BASIC AND DILUTED SHARES OUTSTANDING	<u>3,750,079</u>	<u>2,748,294</u>

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

**ZIVO BIOSCIENCE, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS'**  
**EQUITY (DEFICIT)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024**  
**(UNAUDITED)**

	<b>Shares</b>	<b>Amount</b>	<b>Additional Paid in Capital</b>	<b>Accumulated Deficit</b>	<b>Total</b>
Balance, December 31, 2023	2,382,356	\$ 2,383	\$ 121,373,488	\$ (123,581,714)	\$ (2,205,843)
Employee and director equity-based compensation	-	-	112,104	-	112,104
Private sales of common stock - other	350,633	351	972,193	-	972,544
Private sales of common stock – related party	56,666	57	130,725	-	130,782
Net loss for the three months ended March 31, 2024	-	-	-	(1,278,486)	(1,278,486)
Balance, March 31, 2024	2,789,655	\$ 2,791	\$ 122,588,510	\$ (124,860,200)	\$ (2,268,899)

	<b>Shares</b>	<b>Amount</b>	<b>Additional Paid in Capital</b>	<b>Accumulated Deficit</b>	<b>Total</b>
Balance, December 31, 2024	3,621,335	\$ 3,621	\$ 136,448,032	\$ (136,966,550)	\$ (514,897)
Employee and director equity-based compensation	38,378	38	600,507	-	600,545
Exchange agreements – other	84,060	84	1,645,704	-	1,645,788
Exchange agreements – related party	47,320	48	862,425	-	862,473
Net loss for the three months ended March 31, 2025	-	-	-	(4,211,188)	(4,211,188)
Balance, March 31, 2025	3,791,093	\$ 3,791	\$ 139,556,668	\$ (141,177,738)	\$ (1,617,279)

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

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

	<b>For the Three Months Ended March 31, 2025</b>	<b>For the Three Months Ended March 31, 2024</b>
<b>Cash Flows for Operating Activities:</b>		
Net loss	\$ (4,211,188)	\$ (1,278,486)
Adjustments to reconcile net loss to net cash used by operating activities:		
Non-cash research and development expense	2,508,261	-
Non-cash lease expense	14,840	24,559
Employee and director equity-based compensation	600,545	112,104
Changes in assets and liabilities:		
Prepaid expenses	(414,945)	(420,979)
Accounts payable	108,189	(287,249)
Accounts payable – related party	(194,762)	38,500
Customer deposits	28,793	-
Accounts receivable	2,211	-
Lease liabilities	(324)	(27,309)
Accrued liabilities	128,142	139,742
Net cash (used in) operating activities	(1,430,238)	(1,699,118)
<b>Cash Flows from Investing Activities:</b>		
Net cash from by investing activities	-	-
<b>Cash Flow from Financing Activities:</b>		
Proceeds of loans payable, other	488,198	517,560
Payments of loans payable, other	(48,820)	(57,507)
Payment of term debt	(34,393)	-
Proceeds from private sales of common stock - other	-	972,544
Proceeds from private sales of common stock – related party	-	130,782
Net cash provided by financing activities	404,985	1,563,379
<b>Increase (decrease) in cash</b>	<b>(1,025,253)</b>	<b>(135,739)</b>
<b>Cash at beginning of period</b>	<b>1,542,442</b>	<b>274,380</b>
<b>Cash at end of period</b>	<b>\$ 517,189</b>	<b>\$ 138,641</b>
<b>Supplemental disclosures of cash flow information:</b>		
Cash paid during the period for:		
Interest	\$ 2,400	\$ 2,056
Income Taxes	\$ -	\$ -

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



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

Supplemental Disclosure of Non-Cash Investing and Financing Activities:

**Three Months Ended March 31, 2025:**

During the three months ended March 31, 2025, the Company entered into fifteen Exchange Agreements which resulted in the issuance of 131,380 shares of common stock to various investors, including 47,320 shares of common stock to related parties. See *NOTE 4 - DEFERRED R&D OBLIGATIONS - PARTICIPATION AGREEMENTS*.

The Company also exchanged \$194,762 of accounts payable to related parties into 32,996 shares of common stock, see *NOTE 5 – STOCKHOLDERS' EQUITY – Equity Compensation – Directors' Stock Awards*.

Additionally, the Company entered into a lease for a laboratory and office facility located in Fort Myers, Florida. The lease is for 36 months in length and has an option to renew. The Company also entered into a separate lease for office space in Troy, Michigan. The office lease is for 63 months in length and has an option to renew. We have accounted for these two leases pursuant to ASC 842 and have recorded total operating lease assets in the amount of \$315,571, and lease liabilities of \$315,571, at each lease commencement, see *NOTE 3 – LEASES*.

**Three Months Ended March 31, 2024:**

During the quarter ended March 31, 2024, the Company had no non-cash investing or financing transactions.

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

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying unaudited condensed consolidated financial statements include the accounts of Zivo Bioscience, Inc. and its wholly- owned subsidiaries (collectively, “we,” “our,” “us,” “ZIVO,” or the “Company”). All significant intercompany accounts and transactions have been eliminated in consolidation. In the opinion of the Company’s management, the financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the information set forth therein. The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). The condensed consolidated financial statements have also been prepared on a basis substantially consistent with, and should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2024 and the notes thereto, included in its Annual Report on Form 10-K that was filed with the Securities and Exchange Commission on March 18, 2025.

**Going Concern**

The Company has incurred net losses since inception, experienced negative cash flows from operations for the quarter ended March 31, 2025, and has an accumulated deficit of \$141,177,738. The Company has historically financed its operations primarily through the issuance of common stock, warrants, and debt.

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

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

**NOTE 2 - DEBT**

On March 5, 2025, the Company entered into a short-term unsecured loan agreement to finance a portion of the Company’s directors’ and officers’, and employment practices liability insurance premiums. The note in the amount of \$488,198 carries an 7.85% annual percentage rate and will be paid down in ten equal monthly payments of \$50,593 beginning on March 10, 2025. As of March 31, 2025, a principal balance of \$439,378 remained outstanding.

On March 5, 2024, the Company entered into a short-term unsecured loan agreement to finance a portion of the Company’s directors’ and officers’, and employment practices liability insurance premiums. The note in the amount of \$517,560 carries an 8.5% annual percentage rate and will be paid down in nine equal monthly payments of \$59,562 beginning on March 10, 2024. As of November 9, 2024, the loan was fully paid.

### NOTE 3 - LEASES

On September 13, 2024, the Company entered into a 63-month lease agreement for office space in Troy, Michigan. On January 6, 2025, the Company moved its headquarters to this location. The lease agreement commenced on January 1, 2025, and ends on March 31, 2030. The lease agreement provided for a total rent of \$298,135 over the period. Occupancy of the property commenced on January 1, 2025. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The parties negotiated a three-month rent holiday from January 1, 2025, through March 31, 2025. Rent is \$4,681 per month from April 1, 2025, to March 31, 2026, \$4,820 from April 1, 2026, to March 31, 2027, \$4,964 from April 1, 2027, to March 31, 2028, \$5,113 from April 1, 2028, to March 31, 2029, and \$5,267 from April 1, 2029, to March 31, 2030.

On January 21, 2025, the Company entered into a 36-month lease agreement for a facility that contains office, warehouse, lab and R&D space in Ft. Myers, Florida. The lease agreement commenced on January 1, 2025, and ends on December 31, 2027. The lease agreement provided for a total rent of \$111,817 over the period. Occupancy of the property commenced on January 1, 2025. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. Rent is \$3,000 per month from January 1, 2025, to December 31, 2025, \$3,105 from January 1, 2026, to December 31, 2026, and \$3,213 from January 1, 2027, to December 31, 2027. The Company has the option to extend the lease for one three-year period during which the monthly lease rate will increase at a rate of 3.5% per year.

The balances for our operating lease where we are the lessee are presented as follows within our condensed consolidated balance sheets:

Operating leases:

	For the Three Months Ended March 31, 2025	For the Year Ended December 31, 2024
<b>Assets:</b>		
Operating lease right-of-use assets	\$ 300,731	\$ -
<b>Liabilities:</b>		
Current portion of long-term operating leases	\$ 60,793	\$ -
Long-term operating leases, net of current portion	254,454	-
Total operating lease liabilities	\$ 315,247	\$ -

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

	For the Three Months Ended March 31, 2025	March 31, 2024
Operating lease expense	\$ 23,515	\$ 27,236

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

	For the Three Months Ended March 31, 2025	For the Year Ended December 31, 2024
Weighted-average remaining lease term:		
Operating leases	4.31 Years	0.0 Years
Discount rate:		
Operating leases	11.00%	11.00%

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

	For the Three Months Ended March 31, 2025	For the Three Months Ended March 31, 2024
Cash paid for amounts included in the measurement of lease liabilities:	\$ 8,999	\$ 29,984
Non-cash investment in ROU asset	\$ 315,571	\$ -

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As of March 31, 2025, the maturities of our operating lease liabilities are as follows:

<b>Year Ended:</b>	<b>Operating Lease</b>
December 31, 2025	\$ 69,123
December 31, 2026	94,676
December 31, 2027	97,695
December 31, 2028	60,910
December 31, 2029	62,747
December 31, 2030	15,802
Total minimum lease payments	400,953
Less: Interest	(85,706)
Present value of lease obligations	315,247
Less: Current portion	(60,793)
Long-term portion of lease obligations	<u>\$ 254,454</u>

#### NOTE 4 - DEFERRED R&D OBLIGATIONS - PARTICIPATION AGREEMENTS

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

According to the terms of the Agreements, and pursuant to ASC 730-20-25 the Company had bifurcated the proceeds of \$2,985,000 as follows: 1) the 17,712 warrants sold were attributed a value of \$953,897 based on the Black Scholes pricing model using the following assumptions: volatilities ranging from 129.13% to 154.26%; annual rate of dividends 0%; discount rates ranging from 0.26% to 0.87%, and recorded as Additional Paid In Capital; 2) the remaining \$2,031,103 was recorded as Deferred R&D Obligation - Participation Agreements. Since the Company believes there was an obligation to perform pursuant to ASC 730-20-25, the Deferred R&D Obligation was amortized ratably based on expenses incurred as the Company developed the technology for bioactive ingredients or molecules (including its TLR4 Inhibitor molecule) derived from the Company’s algae cultures. As of December 31, 2023, the R&D obligation had been fully amortized, and no balance remains.

The Participation Agreements allow the Company the option to buy back the right, title and interest in the Revenue Share for an amount equal to the amount funded plus a Buy-back premium and a minimum payment threshold, as applicable. Once this minimum threshold is met, the Company may exercise its option by delivering written notice to a Participant of its intent to exercise the option, along with repayment terms of the amount funded, which may be paid, in the Company’s sole discretion, in one lump sum or in four (4) equal quarterly payments. If the Company does not make such quarterly payments timely for any quarter, then the Company shall pay the prorated Revenue Share amount, retroactive on the entire remaining balance owed, that would have been earned during such quarter until the default payments have been made and the payment schedule is no longer in default.

### Exchange Agreements

From January 9, 2025, through March 19, 2025, the Company has entered into a series of fifteen Exchange Agreements (“Exchange Agreements”) with Participants to the Participation Agreements. Under the Participation Agreements, the Company had a buy-out option pursuant to which it could purchase the Investors’ right, title and interest in the revenue share for an aggregate minimum purchase price of \$5,306,500. The Company’s board of directors approved Exchange Agreements that would provide for the cancellation of the Purchase Agreements and accompanying forfeiture of each Investor’s right to earn certain cash from the revenue share and buy-out option in exchange for the Company’s common stock. The Investors would retain the warrants that were originally issued with the Participation Agreements. Through March 31, 2025, the Company has completed exchanges with Participants for fifteen Exchange Agreements for a total issuance of 131,380 new shares of Common Stock of the Company in exchange for the future rights to \$3,284,500 of the aggregate minimum purchase price as calculated from the original Participation Agreements. Four of the Exchange Agreements were consummated with Related Parties resulting in the issuance of 47,320 new shares of Common Stock.

The Company valued the rights acquired under the Exchange Agreements on the date of the transaction as the number of shares times the closing stock price on the transaction day. The total value recognized by the Company for the 15 Exchange Agreements in the three months ending March 31, 2025, was \$2,508,261. The four Exchange Agreements signed with Related Parties were recognized by the Company for a value of \$862,473. The Company expensed the value of the stock exchanged immediately as the exchange agreements were executed. The expense was recorded within Research and development in the condensed consolidated statements of operations.

See below a summary of the remaining Participation Agreements as of March 31, 2025:

Agreement #	Date of Funding	Amount Funded	Warrants	Term	Exercise Price	Revenue Share	Minimum Payment Threshold	Buy-back Premium % pre-18 mos.	Buy-back Premium % post 18 mos.
2	April 13, 2020	150,000	937	5 Years	57.60	2.250%	-	40%	40%
3	April 13, 2020	150,000	937	5 Years	57.60	2.250%	-	40%	40%
4	May 7, 2020	250,000	1,562	5 Years	57.60	3.750%	-	40%	40%
12	Sept.25, 2020	300,000	937	5 Years	57.60	4.500%	420,000	40%	50%
15	Oct. 4, 2020	250,000	1,562	5 Years	57.60	3.750%	-	40%	40%
17	Dec. 16, 2020	10,000	62	5 Years	57.60	0.150%	17,000	40%	50%
		<u>\$ 1,110,000</u>	<u>5,997</u>			<u>16.65%</u>	<u>\$ 437,000</u>		

None of the remaining Participation Agreements are held by related parties.

**NOTE 5 – STOCKHOLDERS' EQUITY****Equity Sales**

The Company had no sales of common stock in the quarter ended March 31, 2025. During the quarter ended March 31, 2024, the Company sold common stock in 20 private unregistered transactions resulting in total proceeds of \$1,103,376 and the issuance of 407,299 shares of common stock. Included in the totals are 56,666 shares of common stock sold to related parties for proceeds of \$130,782.

**Equity Compensation**

For the quarter ended March 31, 2025, the Company expensed \$600,545 for equity compensation to members of the Board of Directors and certain employees. The total expense included amounts related to awards made to certain employees and the non-employee directors in the prior periods, and amounts related to new awards made to the non-employee directors in the present period. \$40,568 of the total expense for the quarter was related to R&D and the remaining \$559,977 was for G&A.

For the quarter ended March 31, 2024, the Company recognized expense of \$112,104 for equity compensation to members of the Board of Directors and certain employees. The total expense amount was related to equity awards from prior periods as no new equity awards were granted in the quarter. \$34,648 of the total expense for the quarter was related to R&D and the remaining \$77,456 was for G&A.

*Directors' Stock Awards*

On January 1, 2025 the Compensation Committee of the Board of Directors awarded 38,378 RSA shares to the four non-employee members of the Boards in three separate actions.

From January 1, 2024 through June 10, 2024 the Company accrued payments to the non-employee board members pursuant to the Non-Employee Directors Compensation Policy in place at the time. The total amount accrued for that time period was \$69,827. The Compensation Committee agreed the non-employee members of the board would forgo the accrued cash payment in lieu of RSA shares. The Compensation Committee determined the fair exchange price would be \$16.74 per share resulting in the Company issuing an aggregate of 4,170 shares in exchange for the \$69,827 of accrued cash. The restricted shares have been issued to the non-employee board members and will vest in full on March 31, 2025.

Additionally, from June 11, 2024 through December 31, 2024 the Company accrued payments to the non-employee board members in total of \$124,934 for board service. The Compensation Committee agreed the non-employee members of the board would forgo the accrued cash payment in lieu of RSA shares. The Compensation Committee also considered the Company's cash position going forward and awarded the non-employee board members RSA shares for the remainder of the members' service through the Company's next annual meeting of shareholders in lieu of cash payments. This future amount would have been \$104,819. The Compensation Committee determined the fair exchange price would be \$7.97 per share resulting in the Company issuing an aggregate of 28,826 shares in exchange for the \$229,753 of accrued and future cash payments. The restricted shares have been issued to the non-employee board members and will vest in full on June 10, 2025.

The Compensation Committee awarded Laith Yaldoo 5,382 RSA shares for his pro-rata share of the annual RSA award based on his appointment to the Board of Directors on July 12, 2024. The restricted shares have been issued to Mr. Yaldoo, 2,691 shares vested immediately on the date of the award, 1,345 shares vested on March 11, 2025, and 1,346 shares will vest on the day prior to the 2025 annual stockholder meeting.

**Common Stock Restricted Stock Awards (RSA)**

The total RSA expense recorded in the first quarter of 2025 and 2024 are as follows:

	Restricted Stock Units	Quarter Ended March 31,	
		2025	2024
Expense		\$ 536,023	\$ -

The 2025 and 2024 RSA activity is as follows:

	March 31, 2025		March 31, 2024	
	Shares	Weighted Average Grant Date Fair Value Per Share	Shares	Weighted Average Grant Date Fair Value Per Share
Non-vested, beginning of period	140,221	\$ 7.96	-	\$ 0
Granted	38,378	21.50	-	0
Vested	(143,720)	8.73	-	0
Non-vested as of end of the period	34,879	\$ 19.67	-	\$ 0

As of March 31, 2025, there was \$294,980 of remaining unrecognized compensation expense related to RSAs, which is expected to be recognized over a weighted average period of 0.1 years. As of March 31, 2024, there was \$0 of unrecognized compensation expense related to RSAs.

The total fair value of RSAs vested during the quarter ended March 31, 2025 was \$3,041,387, and during the quarter ended March 31, 2024 was \$0. The fair value was determined based on the number of shares vesting and the closing price of shares of our common stock on the dates the awards vested.

## NOTE 6 - COMMITMENTS AND CONTINGENCIES

### Employment Agreements

At March 31, 2025, the Company had compensation agreements with its President / Chief Executive Officer, and Chief Financial Officer.

### Legal Contingencies

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

## NOTE 7 - SEGMENT REPORTING

The Company manages the business activities on a consolidated basis and operates in one reportable segment. The Company's reportable segment is microalgae technology. The segment is research and development operating in both the therapeutic and nutritional sectors, with an intellectual property portfolio comprised of proprietary algal and bacterial strains, biologically active molecules and complexes, production techniques, cultivation techniques and patented or patent-pending inventions for applications in human and animal health. As the Company has one reportable segment, sales, cost of sales, research and development, and general and administrative expenses are equal to consolidated results.

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Financial results for the Company's reportable segment have been prepared using a management approach, which is consistent with the basis and manner in which financial information is evaluated by the Company's Chief Operating Decision Maker ("CODM") in allocating resources and in assessing performance. The Company's CODM is the Chief Executive Officer. The measurement of segment profit or loss that the CODM uses to evaluate the performance of the Company's segment is net income attributable to Zivo Bioscience, Inc. Financial budgets and actual results used by the CODM to assess performance and allocate resources, as well as strategic decisions related to headcount and other expenditures are reviewed on a consolidated basis. The CODM considers the impact of the significant segment expenses in the table below on net income when deciding where and when to make expenditures. The measure of segment assets is reported on the consolidated balance sheets as total assets. The Company did not recognize any depreciation or amortization expense for the quarters ended March 31, 2025 and 2024.

	Quarter ended March 31,	
	2025	2024
Total revenue	\$ -	\$ 35,720
Total cost of goods sold	-	(23,218)
General and administrative	(1,439,552)	(975,574)
Research and development	(2,769,236)	(312,767)
Total interest and other (expense), net	(2,400)	(2,647)
Net loss	\$ (4,211,188)	\$ (1,278,486)

#### NOTE 8 - INCOME TAX

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

Income tax expense for the three months ended March 31, 2025 and 2024 is based on the estimated annual effective tax rate. Based on the Company's effective tax rate and full valuation allocation, tax expense is expected to be \$0 for 2025.

#### NOTE 9 - SUBSEQUENT EVENTS

##### *Exchange Agreements*

In April 2025 the Company entered into two additional Exchange Agreements with participants in the Participation Agreements. The Company issued 15,280 shares of stock valued at \$230,020 in exchange for the extinguishment of two additional Participation Agreements. See *NOTE 4 - DEFERRED R&D OBLIGATIONS - PARTICIPATION AGREEMENTS*.

##### *Private Sales of Equity*

The Company sold and issued 7,144 shares of common stock in one private transaction to an investor for total proceeds of \$100,000.



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

### SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

- our ability to continue as a going concern and our history of losses;
- our ability to obtain additional financing;
- our relatively new business model and lack of revenues;
- our ability to prosecute, maintain or enforce our intellectual property rights;
- disputes or other developments relating to proprietary rights and claims of infringement;
- the accuracy of our estimates regarding expenses, future revenues and capital requirements;
- the implementation of our business model and strategic plans for our business and technology;
- the successful development of our production capabilities;
- the successful development of our sales and marketing capabilities;
- the potential markets for our products and our ability to serve those markets;
- the rate and degree of market acceptance of our products and any future products;
- our ability to retain key management personnel;
- regulatory developments and our compliance with applicable laws;
- our liquidity; and
- other factors described in the "Risk Factors" section of our Quarterly Reports on Form 10-Q and Annual Report on Form 10-K.

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

You should refer to the section entitled "Risk Factors" of the Company's Annual Report on Form 10-K for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements will prove to be accurate. No forward-looking statement is a guarantee of future performance.

#### Overview:

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

#### ***Biotech - ZIVO Product Candidates***

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

Review of isolated active materials derived from our proprietary algal culture and their potential treatment applications led us to identify a product candidate for treating coccidiosis in broiler chickens as the best option for most rapidly generating significant revenue because coccidiosis is a global poultry industry issue, and because the clinical testing cycle for chickens is shorter than for other species. Most of the global animal health companies have products for the coccidiosis market; however, they are mostly antibiotic- or ionophore-based with essentially no new technology having been introduced in the last 60 years.

## Agtech - ZIVO's Algal Biomass

ZIVO's algal biomass is currently produced in Peru. ZIVO's algal biomass contains Vitamin A, protein, iron, important fatty acids, non-starch polysaccharides and other micronutrients that position the product as a viable functional food ingredient and nutritional enhancement for human and animal use and as a viable functional ingredient for skin care products.

Through our direction and technology, a site in Peru has been successful in consistently producing our proprietary algae. Our team has been working toward building commercial-scale algae ponds using a ZIVO proprietary design, and we are in the middle of a project to grow our algae in a penultimate scale pond. Once we are successful at this scale, we plan to invest in full commercial-scale ponds and product processing equipment.

The Company currently has contracts for the sale and production of its algal biomass. ZIVO has engaged an independent distributor, ZWorldwide, Inc., who has begun to sell the product, branded Zivolife™, with an initial focus on the North American green powder food market with the product being grown in Peru.

## Additional Indications

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

### Biotech:

- o **Avian Influenza:** A recent proof of concept study indicated that active materials derived from ZIVO's algal culture showed positive effects in chickens challenged with a low pathogenicity strain of the avian influenza virus.
- o **Bovine Mastitis:** ZIVO is developing a treatment for bovine mastitis derived from its proprietary algal culture and the bioactive agents contained within.
- o **Canine Joint Health:** Studies have indicated the potential of a chondroprotective property when a compound fraction was introduced into ex vivo canine joint tissues.
- o **Human Immune Modulation:** Early human immune cell in vitro and in vivo studies have indicated that one of the isolated and characterized biologically active molecules in the Company's portfolio may serve as an immune modulator with potential application in multiple disease situations.

### Agtech:

- o **Companion Animal Food Ingredient:** The self-affirmed GRAS process was completed for ZIVO algal biomass in late 2018 and updated in early 2023 to validate its suitability for human consumption as an ingredient in foods and beverages. We plan to leverage this work into viable food and nutritional supplements for companion animals.
- o **Skin Health:** ZIVO is developing its algal biomass as a skin health ingredient, the Company has engaged in some limited topical skin product testing started in the third quarter of 2020, and we plan to perform clinical efficacy claim studies planned for ingestible and topical products.

## Results of Operations for the three months ended March 31, 2025 and 2024

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

	Quarter ended March 31,	
	2025	2024
Total revenues	\$ -	\$ 35,720
Total costs of goods sold	-	23,218
Gross margin	-	12,502
Costs and expenses:		
Research and development	2,769,236	312,767
General and administrative	1,439,552	975,574
Total costs and expenses	4,208,788	1,288,341
Loss from operations	(4,208,788)	(1,275,839)
Other (expense)		
Interest expense	(2,400)	(2,647)
Total other expense	(2,400)	(2,647)
Net loss	\$ (4,211,188)	\$ (1,278,486)

**Revenue**

During the three months ended March 31, 2025, the Company recorded no commercial revenue relating to sales of the Company's dried algal biomass product as a human food or food ingredient. This result was \$35,720 lower than the quarter ending March 31, 2024 in which the Company recorded sales of \$35,720. The lack of revenue was due to no product orders from our exclusive distributor in the quarter.

**Costs of Goods Sold**

Cost of goods sold for the quarter ended March 31, 2025 was \$0. This is \$23,218 lower than the same period last year, attributable to the absence of product shipped in the quarter ended March 31, 2025.

**General and Administrative Expenses**

General and administrative expenses were approximately \$1.4 million for the three months ended March 31, 2025, as compared to approximately \$975,000 for the comparable prior period. The \$460,000 increase versus the same quarter last year was primarily driven by a \$50,000 decrease in labor expenses, a \$25,000 reduction in other overhead, more than offset by a \$535,000 increase in professional fees. Labor related decreases of \$50,000 included lower non-cash equity-based compensation of \$35,000 versus the prior year period, and by a \$15,000 decrease in benefits expense. Other overhead decreased by \$25,000 driven by \$25,000 lower D&O insurance premiums, \$10,000 lower listing fees as the Company changed to the OTC markets, partially offset by \$10,000 increase in other overhead categories. Professional services were \$535,000 higher in the period ending March 31, 2025, versus the prior year primarily driven by \$110,000 higher legal fees, increased accounting expenses of \$180,000, higher board of directors' fees of \$285,000, these were partially offset by lower consultant expenses of \$40,000 versus the same period last year.

**Research and Development Expenses**

For the three months ended March 31, 2025, the Company incurred roughly \$2.8 million in R&D expenses, as compared to roughly \$310,000 for the comparable period in 2024; a \$2.5 million increase in spending from the first quarter of 2024. Of these costs in 2025, approximately \$2.5 million is for the costs associated with the extinguishment of a number of the Company's outstanding Participation Agreements, we did not have this expense in the prior year period. (See NOTE 4 - DEFERRED R&D OBLIGATIONS - PARTICIPATION AGREEMENTS.) Additionally, \$210,000 is for salary related cost, a decrease of approximately \$70,000 from the prior year. The decrease is fully explained by a reduction in headcount in our R&D group resulting in lower salary and bonus compensation costs. Third party research and development spending and other expenses of \$10,000 was about the same as the prior year.

	Quarter ended March 31, 2025	Quarter ended March 31, 2024
Labor and other internal expenses	\$ 249,235	\$ 297,914
Costs to extinguish Participation Agreements	2,508,261	-
External research expenses	11,740	14,853
Research and development	<u>\$ 2,769,236</u>	<u>\$ 312,767</u>

Subject to the availability of funding, the Company expects its R&D costs to grow as we work to complete the research in the development of natural bioactive compounds for use as dietary supplements and food ingredients, as well as biologics for medicinal and pharmaceutical applications in humans and animals. The Company's scientific efforts are focused on the metabolic aspects of oxidation and inflammation, with a parallel program to validate and license products for healthy immune response.

### ***Liquidity and Capital***

As of March 31, 2025, our principal source of liquidity consisted of cash of \$517,189. The Company expects to continue to incur significant expenses and increasing operating and net losses for the foreseeable future until and unless we generate an adequate level of revenue from potential commercial sales to cover expenses. The sources of cash to date have been limited proceeds from the issuances of notes with warrants, common stock with and without warrants and unsecured loans.

### ***Participation Agreements***

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

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

### ***Exchange Agreements***

From January 9, 2025, through March 19, 2025, the Company has entered into a series of fifteen Exchange Agreements ("Exchange Agreements") with Participants to the Participation Agreements. Under the Participation Agreements, the Company had a buy-out option pursuant to which it could purchase the Investors' right, title and interest in the revenue share for an aggregate minimum purchase price of \$5,306,500. The Company's board of directors approved Exchange Agreements that would provide for the cancellation of the Purchase Agreements and accompanying forfeiture of each Investor's right to earn certain cash from the revenue share and buy-out option in exchange for the Company's common stock. As of March 31, 2025, six of the original Participation Agreements remained outstanding. See NOTE 4 - DEFERRED R&D OBLIGATIONS - PARTICIPATION AGREEMENTS

### ***Funding Requirements***

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

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

### Statement of Cash Flows

*Cash Flows from Operating Activities.* During the three months ended March 31, 2025, our operating activities used \$1.4 million in cash, a decrease of cash used of roughly \$300,000 from the comparable prior period when the Company's used approximately \$1.7 million for operating activities. For the quarter ended March 31, 2025, the Company net loss, adjusted for non-cash expenses was essentially unchanged from the prior year period. The improved cash used to fund operations in the present year period was fully due to more favorable changes in working capital accounts, notably accounts payable and accrued expenses.

*Cash Flows from Investing Activities.* During the three months ended March 31, 2025, and 2024, there were no investing activities.

*Cash Flows from Financing Activities.* During the three months ended March 31, 2025, our financing activities generated approximately \$400,000, a decrease of approximately \$1.2 million from the comparable prior period when the Company generated approximately \$1.6 million from financing activities. This is explained by the \$1.1 million raised in the quarter ended March 31, 2024, from private sales of common stock, there were no funds raised through sales of common stock in the quarter ended March 31, 2025.

	<b>Three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Net cash provided by (used in):		
Operating activities	\$ (1,430,238)	\$ (1,699,118)
Investing activities	-	-
Financing activities	404,985	1,563,379
Net increase (decrease) in cash and cash equivalents	<u>\$ (1,025,253)</u>	<u>\$ (135,739)</u>

We estimate that we would require approximately \$5 million in cash over the next 12 months in order to fund our basic operations, excluding our R&D initiatives. Based on this cash requirement, we have a near term need for additional funding to continue to develop our products and intellectual property. Historically, we have had substantial difficulty raising funds from external sources. If we are unable to raise the required capital, we will be forced to curtail our business operations, including our R&D activities.

### Critical Accounting Policies and Significant Judgments and Estimates

#### Critical Accounting Policies

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

For a discussion of our critical accounting estimates, please read Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 18, 2025. There have been no material changes to the critical accounting estimates previously disclosed in our Annual Report on Form 10-K.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Not applicable for smaller reporting companies.

### **Item 4. Controls and Procedures**

#### ***Evaluation of Disclosure Controls and Procedures***

Our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Exchange Act) are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission and to ensure that information required to be disclosed is accumulated and communicated to management, including our principal executive and financial officers, to allow timely decisions regarding disclosure. The Chief Executive Officer, as our principal executive officer, and the Chief Financial Officer, as our principal financial and accounting officer, have reviewed the effectiveness of our disclosure controls and procedures and, based on their evaluation, have concluded that the disclosure controls and procedures were not effective as the material weaknesses identified as of December 31, 2024 in our Annual Report on Form 10-K and described below, continue to exist as of March 31, 2025. These include:

#### ***Control Environment, Risk Assessment, and Monitoring***

As previously discussed in our Annual Report for the year ended December 31, 2024, management had concluded that our internal control over financial reporting was not effective as of December 31, 2024, due to: (i) lack of structure and responsibility, insufficient number of qualified resources, and inadequate oversight and accountability over the performance of controls, (ii) ineffective identification and assessment of risks impacting internal control over financial reporting, and (iii) ineffective evaluation and determination as to whether the components of internal control were present and functioning.

### ***Control Activities and Information and Communication***

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

- Management did not design and maintain appropriate information technology general controls in the areas of user access, vendor management controls, and segregation of duties, including controls over the recording and review of journal entries, related to certain information technology systems that support the Company's financial reporting process.
- Management did not design, implement, and retain appropriate documentation of formal accounting policies, procedures, and controls across substantially all of the company's business processes over; (i) the financial reporting process, including management review controls over key disclosures and financial statement support schedules, (ii) the monthly financial close process, including journal entries and account reconciliations and (iii) the completeness and accuracy of information used by control owners in the operation of certain controls, to achieve timely, complete, accurate financial accounting, reporting.
- Management did not design and implement controls over the accounting, classification, and application of United States Generally Accounting Principles ("US GAAP") relating to income taxes, stock-based compensation, and deferred research and development obligations - participation agreements accounting. Specifically:
  - Management did not identify controls over the review of the tax provision, including the valuation analysis related to deferred tax assets, considerations for uncertain tax positions, the preparation of the income tax footnote and required disclosures and selecting and applying accounting policies;
  - Management did not identify controls over the accounting and classification of deferred research and development obligations - participation agreements; and
  - Management did not identify controls over the valuation of stock-based compensation for option awards to employees and members of the board of directors.

Based on the assessment and identification of the material weaknesses described above, management has concluded that, as of December 31, 2024, our internal control over financial reporting was not effective and could lead to a material misstatement of account balances or disclosures. Accordingly, management has concluded that these control deficiencies constitute material weaknesses and continue to exist as of March 31, 2025.

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

### ***Remediation Plans***

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

- Developing a training program and educating control owners concerning the principles of the Internal Control - Integrated Framework (2013) issued by COSO;
- Implementing a risk assessment process by which management identifies risks of misstatement related to all account balances;
- Developing internal controls documentation, including comprehensive accounting policies and procedures over financial processes and related disclosures;

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- Enhancing policies and procedures to retain adequate documentary evidence for certain management review controls over certain business processes including precision of review and evidence of review procedures performed to demonstrate effective operation of such controls;
- Engaging outside resources for complex accounting matters and drafting and retaining position papers for all complex, non-recurring transactions;
- Developing monitoring activities and protocols that will allow us to timely assess the design and the operating effectiveness of controls over financial reporting and make necessary changes to the design of controls, if any
- Segregating key functions within our financial and information technology processes supporting our internal controls over financial reporting;
- Reassessing and formalizing the design of certain accounting and information technology policies relating to security and change management controls, including user access reviews, including assessing the need for implementing a more robust information technology system;
- Continuing to enhance and formalize our accounting, business operations, and information technology policies, procedures, and controls to achieve complete, accurate, and timely financial accounting, reporting and disclosures.

*Changes in Internal Control Over Financial Reporting*

Except for the remediation actions discussed above, there was no other change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the quarter ending March 31, 2025, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.



## **PART II - OTHER INFORMATION**

### **Item 1. Legal Proceedings**

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

In our opinion, we are not currently a party to any material legal proceedings, and we are not aware of any pending or threatened legal proceedings that are material to our financial condition, either individually or in the aggregate.

### **Item 1A**

#### **Risk Factors**

There have been no material changes in our risk factors previously disclosed in Part I, Item 1A “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024. You should carefully consider the risks and uncertainties described therein.

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

Not applicable.

### **Item 3. Defaults upon Senior Securities**

Not applicable.

### **Item 4. Mine Safety Disclosures**

Not applicable.

### **Item 5. Other Information**

None.

**Item 6. Exhibits**

<b>Exhibit Number</b>	<b>Description</b>
<a href="#">3.1</a>	<a href="#">Articles of Incorporation of the Registrant as amended (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q filed on August 22, 2011)</a>
<a href="#">3.2</a>	<a href="#">Certificate of Amendment to Articles of Incorporation dated October 16, 2014 (incorporated by reference to Exhibit 3.12 to the Registrant's Current Report on Form 10-Q filed on November 14, 2014)</a>
3.3	Certificate to Amendment dated May 28, 2021 (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 8-K filed on June 2, 2022)
<a href="#">3.4</a>	<a href="#">Certificate of Amendment dated October 25, 2023 (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q filed on October 26, 2023)</a>
3.5	Second Amended and Restated By-laws of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on March 14, 2022)
<a href="#">4.1</a>	<a href="#">Form of Warrant (incorporated by reference to Exhibit 4.2 to the Registrant's Annual Report on Form 10-K filed on April 22, 2022)</a>
<a href="#">4.2</a>	<a href="#">Form of Representative's Warrant (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 2, 2021)</a>
<a href="#">4.3</a>	<a href="#">Form of Common Stock Purchase Warrant by and between the Registrant and Direct Transfer LLC (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed on June 2, 2021)</a>
<a href="#">4.4</a>	<a href="#">Warrant Agency Agreement (incorporated by reference to Exhibit 4.3 to the Registrant's Registration Statement on Form S-1/A filed on May 26, 2021)</a>
<a href="#">4.5</a>	<a href="#">Stock Purchase Warrant by and between the Registrant and John Bernard Payne (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed on April 5, 2023)</a>
<a href="#">4.6</a>	<a href="#">Form of Series A Common Warrant (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed on July 6, 2023)</a>
<a href="#">4.7</a>	<a href="#">Form of Series B Common Warrant (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed on July 6, 2023)</a>
<a href="#">10.1</a>	<a href="#">Form of Exchange Agreement (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on January 15, 2025)</a>
<a href="#">31.1</a>	<a href="#">Certification of the Principal Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended</a>
<a href="#">31.2</a>	<a href="#">Certification of the Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended</a>
<a href="#">32.1</a>	<a href="#">Certification of the Principal Executive Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 *</a>
<a href="#">32.2</a>	<a href="#">Certification of the Principal Financial Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 *</a>
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

**SIGNATURES**

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

Date: May 15, 2025

**ZIVO BIOSCIENCE, INC.**

By: /s/ John B. Payne

John B. Payne  
Chief Executive Officer

By: /s/ Keith R. Marchiando

Keith R. Marchiando  
Chief Financial Officer

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

I, John B. Payne, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2025 of Zivo Bioscience, Inc. (the "Company");
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
  - (d) Disclosed in this Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2025

/s/ John Payne

Name: John B. Payne

Title: Chief Executive Officer  
(Principal Executive Officer)

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

I, Keith Marchiando, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2025 of Zivo Bioscience, Inc. (the "Company");
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
  - (d) Disclosed in this Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2025

/s/ Keith Marchiando  
Name: Keith Marchiando  
Title: Chief Financial Officer  
(Principal Financial Officer)

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

In connection with the Quarterly Report of Zivo Bioscience, Inc., a Nevada corporation (the “Company”), on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission (the “Report”), I, John B. Payne, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350), that to the best of my knowledge and belief:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

*/s/ John Payne*

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John B. Payne  
Chief Executive Officer

Dated: May 15, 2025

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

In connection with the Quarterly Report of Zivo Bioscience, Inc., a Nevada corporation (the “Company”), on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission (the “Report”), I, Keith Marchiando, Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350), that to the best of my knowledge and belief:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

*/s/ Keith Marchiando*

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Keith Marchiando  
Chief Financial Officer

Dated: May 15, 2025