Risk Factors Comparison 2024-03-14 to 2023-02-23 Form: 10-K

Legend: New Text ~~Removed Text~~ Unchanged Text Moved Text Section

An investment in our securities involves a high degree of risk. The risks described below are not the only ones facing the Company or otherwise associated with an investment in our securities. Additional risks not presently known to us or which we currently consider not material may also adversely affect our business. If any of the following risks actually occur, our business, financial condition and operating results could be materially adversely affected. Operating Risks We cannot be assured that the Mt Todd FS has, or future studies will, accurately forecast economic results. Mt Todd is our principal asset. Our ability to arrange financing to develop Mt Todd and our future profitability depend on the economic and technical feasibility of the Project as established through formal feasibility studies, such as the Mt Todd FS. There can be no assurance that the mining, comminution, ~~and~~ gold recovery processes ~~(including ore sorting)~~, gold production rates, revenue, and capital and operating costs including taxes and royalties will not vary unfavorably from the estimates and assumptions included in the Mt Todd FS, or any future studies. Mt Todd requires substantial capital investment, and we may be unable to raise sufficient capital on favorable terms or at all. Ongoing site costs, construction, operation and reclamation of Mt Todd will require significant capital. Our ability to raise sufficient capital and / or secure a development partner or other form of transaction on satisfactory terms, if at all, will depend on several factors, including the Mt Todd FS or any future studies, applicable laws and regulations, acquisition of the requisite permits, macroeconomic conditions, and future gold prices. Uncontrollable factors or other factors such as lower gold prices, unanticipated operating or permitting challenges, inability to secure a development partner or other form of transaction, actual and perceived environmental impacts, or illiquidity in the debt or equity markets, including the cost of capital and other conditions of financing arrangements that impose restrictive covenants and security interests that may affect the Company' s ability to operate as intended and ultimately its ability to continue as a going concern, could impede our ability to finance ongoing and future activities at Mt Todd on acceptable terms, or at all. If we decide to construct the mine at Mt Todd, we will assume substantial reclamation obligations resulting in a material financial obligation. The Mt Todd site was not reclaimed when the original mine closed. Although we are not currently responsible for the reclamation of these historical disturbances, we will accept full responsibility for them if and when we make a decision to finance and construct the mine and provide notice to the NT Government of our intention to take over and assume the management, operation and rehabilitation of Mt Todd. At such time, we will be required to provide a bond or other surety in a form and amount satisfactory to the NT Government that would cover the prospective expense to reclaim the Mt Todd property. In addition, the regulatory authorities may increase reclamation and bonding requirements from time to time. The satisfaction of these bonding requirements and continuing or future reclamation obligations will require a significant amount of capital. There is no assurance that we will be able to provide an acceptable form of bond or other surety, or provide sufficient working capital to complete any required rehabilitation if and when such obligations are assumed by the Company. There may be delays in the construction of Mt Todd. Delays in commencing and completing construction could result from factors such as availability and performance of engineering and construction contractors, suppliers, consultants, and employees; availability of required equipment; delays in receiving any required approvals and authorizations; and availability of capital. Any delay in performance by any one or more of the contractors, suppliers, consultants, employees or other persons on which we depend, or lack of availability of required equipment, or delay or failure to receive required governmental approvals or financing could delay, prevent commencement of, or interrupt construction at Mt Todd. There can be no assurance of whether or when construction at Mt Todd will start, the duration of the construction period, or that the necessary personnel, equipment, supplies, or other resources will be available to the Company if and when construction is started. Increased costs could impede our ability to become profitable. Capital and operating costs at mining operations are subject to variation due to a number of factors, such as changing ore grade, changing metallurgy, and revisions to mine plans in response to changing commodity prices, additional drilling results and updated geologic interpretations. In addition, costs are affected by the cost of capital, tax and royalty regimes, trade tariffs, the global cost of mining and processing equipment, commodity prices, and foreign exchange rates, as well as the costs of fuel, electricity, operating supplies, and appropriately skilled labor. These costs are at times subject to volatile price movements, including increases that could make future development and production at Mt Todd less profitable or uneconomic. This could have a material adverse effect on our business prospects, results of operations, cash flows and financial condition. We cannot be assured that we will have an adequate water supply for mining operations at Mt Todd. Water at Mt Todd is expected to be provided from a freshwater reservoir that is fed by seasonal rains. Insufficient rainfall, or drought- like conditions in the area feeding the reservoir could limit or extinguish this water supply. Sufficient water resources may not be available, resulting in curtailment or stoppage of operations until the water supply is replenished. This could have a material adverse effect on our business prospects, results of operations, cash flows and financial condition. We rely on third parties to fulfill their obligations under agreements. Our business strategy includes entering into agreements with third parties (" Third Parties "). Such Third Parties may: (i) have economic or business interests or goals that are inconsistent with or opposed to ours; (ii) have rights in conflict with what we believe to be in our best interests; (iii) take action contrary to our policies or objectives; or (iv) as a result of financial or other reasons, be unable or unwilling to fulfill their obligations under the agreement (s). Any one or a combination of these could result in liabilities for us and / or could adversely affect the value of the related project (s) and, by association, damage our reputation and consequently our ability to acquire or advance other projects and / or attract future Third Parties. Our exploration and development interests are subject to evolving environmental regulations. Our property and royalty ~~interests~~ **interest** are subject to environmental regulations. Environmental legislation is becoming more restrictive, with stricter standards and enforcement, increased fines and penalties for non- compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental laws and regulations will not adversely affect our interests. Currently, our property and royalty interests are subject to environmental laws and regulations in Australia and the U. S. We could be subject to environmental lawsuits. Neighboring landowners and other third parties could file claims based on environmental statutes and common law for personal injury and property damage allegedly caused by environmental nuisance, the release of hazardous substances or other waste material into the environment on or around our properties. There can be no assurance that our defense of such claims would be successful. This could have a material adverse effect on our business prospects, results of operation, cash flows, financial condition, and corporate reputation. We may have material undisclosed environmental liabilities of which we are not aware. Vista has been engaged in gold exploration since 1983. Since inception, the Company has been involved in numerous exploration projects in many jurisdictions. There may be environmental liabilities associated with disturbances at these projects for which the Company may be identified as a responsible or potentially responsible party, regardless of its level of involvement in creating the related disturbance. We may not be aware of such claims against the Company until regulators provide notice thereof. Consequently, we may have material undisclosed environmental responsibilities which could negatively affect our business prospects, results of operations, cash flows, financial condition, and corporate reputation. There may be challenges to our title to mineral properties. There may be challenges to our title to our mineral properties. If there are title defects with respect to any of our properties, we may be required to compensate other persons or reduce or lose our interest in the affected property. In any such case, the investigation and resolution of title issues could divert Company resources from our core strategies. Opposition to Mt Todd could have a material adverse effect. There is generally an increasing level of public concern relating to extractive industries. Opposition to extractive industries, or our development and operating plans at Mt Todd specifically, could have adverse effects on our reputation and support from other stakeholders. As a result, we may be unable to secure adequate financing or complete other activities necessary to continue our planned activities. Any resulting delays or an inability to develop and operate Mt Todd as planned could have a material adverse effect on our business prospects, results of operations, cash flows, financial condition and corporate reputation. Our exploration and development activities, strategic transactions, or any acquisition activities may not be commercially successful and could fail to lead to gold production or fail to add value. Substantial expenditures are required to acquire gold properties, establish mineral reserves through drilling and analysis, develop metallurgical processes to extract metal from the ore and develop the mining and processing facilities and infrastructure at any site chosen for mining. We cannot be assured that any such activities will be commercially successful, lead to gold production, or add value. Financial and Business Risks We have a history of losses, and we do not expect to generate earnings from operations or pay dividends in the near term, if at all. We are a development stage issuer, and we devote our efforts to our development stage property, Mt Todd. We do not currently produce gold and do not currently generate operating earnings from gold production. We finance our business activities principally by issuing equity. We have incurred losses in all annual periods since 1998, except for the years ended December 31, 2011, during which we recorded non- cash net gains, December 31, 2015 during which we recorded gains related to research and development refunds, and December 31, 2020 during which we monetized certain mineral property interests. We expect to continue to incur losses. We have no history of paying cash dividends and we do not expect to be able to pay cash dividends or to make any similar distribution of cash or other assets in the foreseeable future, if at all. A substantial or extended decline in gold prices would have a material adverse effect on the value of our assets and on our ability to raise capital and could result in lower than estimated economic returns. The value of our assets, our ability to raise capital and our future economic returns are substantially dependent on the price of gold. The gold price is volatile and is affected by numerous factors beyond our control. Factors tending to influence gold prices include: ● gold sales or leasing by governments and central banks or changes in their monetary policy, including gold inventory management and reallocation of reserves; ● speculative short or long positions on futures markets; ● the relative strength of the U. S. dollar; ● current, or expectations of future, rates of inflation or interest rates; ● changes to economic conditions in the United States, China, India and other industrialized or developing countries; ● geopolitical conflicts; ● changes in jewelry, investment or industrial demand; ● changes in supply from production, disinvestment, and scrap; and ● forward sales by producers in hedging or similar transactions. A substantial or extended decline in the gold price could: ● negatively impact our ability to raise capital on favorable terms, or at all; ● negatively affect our ability to find a partner, investor or lender for the development of Mt Todd; ● jeopardize the development of Mt Todd; ● reduce our existing estimated mineral resources and reserves by removing material from these estimates that could not be economically processed at lower gold prices; ● reduce the potential for future revenues from gold projects in which we have an interest; ● reduce funds available to operate our business; and ● reduce the market value of the ~~common shares in the capital of the Company (the “~~Common Shares ~~”)~~ and our assets. Industry consolidation could result in the acquisition of a control position in the Company for less than fair value. Consolidation within the industry is a growing trend. As a result of the broad range of market and industry factors including the price of gold, we believe the current market value of the Common Shares does not reflect the fair value of the Company’ s assets. These conditions could result in the acquisition of a control position, or attempted acquisition of a control position in the Company at what we believe to be less than fair value. This could result in substantial costs to us and divert our management’ s attention and resources. A completed acquisition could result in realized losses for shareholders of the Company. We may be unable to raise additional capital on favorable terms, or at all. Our exploration and, if warranted, development activities and the construction and start- up of any mining operation require substantial amounts of capital. To develop Mt Todd, acquire attractive gold or other projects, and / or continue our business, we will have to secure a development partner or otherwise source sufficient equity, debt or other forms of capital, raise additional funds from the sale of non- core assets and / or seek additional sources of capital from other external sources. There can be no assurance that we will be successful in securing a development partner or otherwise raising additional capital on acceptable terms, including the cost of such capital and other conditions of financing arrangements that impose restrictive covenants and security interests that may affect the Company' s ability to operate as intended and ultimately its ability to continue as a going concern. If we cannot raise sufficient additional capital, we may be required to substantially reduce or cease operations, any of which may affect our ability to continue as a going concern. We face intense competition in the mining industry. The mining industry is intensely competitive in all its phases. Some of our competitors are much larger, established companies with greater financial and technical resources than ours. We compete with other companies for attractive mining properties, for capital, for equipment and supplies, for outside services and for qualified managerial and technical employees. Access to financing, equipment, supplies, skilled labor, and other resources may also be affected by competition from non- mining related commercial sectors. If we are unable to raise sufficient capital, we will be unable to execute exploration and development programs, or such programs may be reduced in scope. Competition for equipment and supplies could result in shortages of necessary supplies and / or increased costs. Competition for outside services could result in increased costs, reduced quality of service and / or delays in completing services. If we cannot successfully retain or attract qualified employees, our ability to advance the development of Mt Todd, to attract necessary financing, to meet all our environmental and regulatory responsibilities, or to take opportunities to improve our business, could be negatively affected. This could have a material adverse effect on our business prospects, results of operations, cash flows and financial condition. The occurrence of events for which we are not insured may affect our cash flow and overall profitability. We maintain insurance policies that mitigate certain risks related to our assets and business activities. This insurance is maintained in amounts that we believe to be reasonable based on the circumstances surrounding each identified risk. However, we may elect to limit or not ~~have~~ **maintain** insurance for certain risks because of the high premiums associated with insuring those risks **in relation to potential perils** or for various other reasons. In other cases, insurance may not be available for certain risks. We do not insure against political risk. The occurrence of events for which we are not insured adequately, or at all, could result in significant losses that could materially adversely affect our financial condition and our ability to fund our business. Currency fluctuations may adversely affect our costs. We have material property interests in Australia. Most costs in Australia are incurred in the local currency. Appreciation of the Australian dollar, if any, against the U. S. dollar effectively increases our cost of doing business. This could have the effect of increasing the amount of capital required to continue to maintain, explore and develop Mt Todd, reducing the pace at which it is explored and developed, and / or cause activities to be suspended either temporarily or permanently. The Company is ~~likely~~ **possibly** a " passive foreign investment company, " which ~~will~~ **would** likely have adverse U. S. federal income tax consequences for U. S. shareholders. U. S. shareholders of our Common Shares should be aware that the Company believes it ~~was~~ **is possible the Company may be** classified as a passive foreign investment company (" PFIC ") up to and including the taxable year ended December 31, ~~2022~~ **2023** , and based on current business plans and financial projections, management believes there is a **possibility** ~~significant likelihood~~ that the Company ~~will~~ **could** be classified as a PFIC during the current taxable year. If the Company is classified as a PFIC for any year during a U. S. shareholder' s holding period, then such U. S. shareholder generally will be required to treat any gain realized upon a disposition of Common Shares, or any so- called " excess distribution " received on their Common Shares, as ordinary income, and to pay an interest charge on a portion of such gain or distributions, unless the shareholder makes a timely and effective " qualified electing fund " (" QEF Election ") or a " mark- to- market " election with respect to the Common Shares. A U. S. shareholder who makes a QEF Election generally must report on a current basis its share of the net capital gain and ordinary earnings for any year in which the Company is PFIC, whether or not the Company distributes any amounts to its shareholders. U. S. shareholders should be aware that there can be no assurance that the Company will satisfy record keeping requirements that apply to a QEF Election, or that the Company will supply U. S. shareholders with information that such U. S. shareholders require to report under the QEF Election rules, in event that the Company is a PFIC and a U. S. shareholder wishes to make a QEF Election. Thus, U. S. shareholders may not be able to make a QEF Election with respect to their Common Shares. A U. S. shareholder who makes the mark- to- market election generally must include as ordinary income each year the excess of the fair market value of the Common Shares over the taxpayer' s basis therein. This paragraph is qualified in its entirety by the discussion below in " Item 5. Market for Registrant' s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities- ~~"~~ Certain U. S. Federal Income Tax Considerations for U. S. Residents. " Each U. S. shareholder should consult his or her own tax advisor regarding the U. S. federal, U. S. state and local, and foreign tax consequences of the PFIC rules and the acquisition, ownership, and disposition of Common Shares. Certain directors and officers may serve as directors and officers of other companies in the natural resources sector. While there are no known existing or potential conflicts of interest between Vista and any of its directors or officers, certain of the directors and officers do or may serve as directors and officers of other natural resource companies and therefore it is possible that a conflict may arise between their duties as a director or officer of Vista and their duties as a director or officer of such other companies. The directors and officers of Vista are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and disclosure of conflicts of interest. Should any director or officer breach the duties imposed upon them by applicable laws, such actions or inactions could have a material adverse effect on our business prospects, results of operations, cash flows, financial position, and corporate reputation. Industry Risks Calculations of mineral resources and mineral reserves are estimates only and subject to uncertainty. Estimation of mineral resources and mineral reserves is an imprecise process and the accuracy of such estimates is a function of the quantity and quality of available data, assumptions used, and judgments made in interpreting geological information and estimating future capital and operating costs. There is significant uncertainty in mineral resources and mineral reserves estimates, and the economic results of mining a mineral deposit may differ materially from the estimates as additional data develops, interpretations change, or actual economic conditions vary from the estimates used. Estimated mineral resources and mineral reserves may be materially affected by other factors. In addition to uncertainties inherent in estimating mineral resources and mineral reserves, other factors may adversely affect estimated mineral resources and mineral reserves. Such factors may include but are not limited to metallurgical, environmental, permitting, legal, title, taxation, socio- economic, marketing, political, gold prices, and capital and operating costs. Any of these or other adverse factors may reduce or eliminate estimated mineral reserves and mineral resources and could have a material adverse effect on our business prospects, results of operations, cash flows, financial position, and corporate reputation. Feasibility studies and other technical studies are estimates only and subject to uncertainty. Feasibility studies, such as our Mt Todd FS, and other technical studies are used to estimate the economic viability of an ore deposit, as are preliminary feasibility studies, preliminary economic assessments, and scoping studies. Feasibility studies are the most detailed studies and reflect higher levels of confidence in estimated production rates, and capital and operating costs. Accepted levels of confidence required to meet the standards set out in S- K 1300 are plus or minus 15 % for feasibility studies, plus or minus 25- 30 % for preliminary feasibility studies and plus or minus 35- 40 % for preliminary economic assessments. Confidence levels for scoping studies may vary, but generally provide less confidence than preliminary economic assessments. These thresholds reflect the levels of confidence that exist at the time the study is completed. Subsequent changes to metal prices, foreign exchange rates (if applicable), reclamation requirements, operating and capital costs, and other variables may cause actual results of economic viability to differ materially from these estimates. Results of any subsequent Mt Todd feasibility study may be less favorable than the current Mt Todd FS. Mining companies are increasingly required to consider and provide benefits to the communities, regions, and countries in which they operate, and are subject to extensive environmental, health and safety laws and regulations. As a result of public concern about the real or perceived detrimental effects of economic globalization, global climate impacts, and other adverse environmental effects resulting from the operation of extractive industries, businesses in general and the mining industry in particular face increasing public scrutiny of their activities. These businesses are under pressure to demonstrate that as they seek to generate satisfactory returns on investment to shareholders, other stakeholders ~~,~~ including employees, governments, Aboriginal peoples, communities surrounding operations, adjacent regions, and the countries in which they operate, such constituencies benefit and will continue to benefit from their commercial activities. The potential consequences of these pressures include reputational damage, delays, suspension of activities, legal claims, increased costs, increased social investment obligations, difficulty in acquiring permits, and increased taxes and royalties payable to governments and communities. Mining exploration, development and operating activities are inherently hazardous. Mineral exploration and development involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. **Projects and** ~~Operations~~ **operations** in which we have direct or indirect interests will be subject to all the hazards and risks normally incidental to exploration, development, and production of gold and other metals, any of which could result in work stoppages, damage to property, physical harm and possible environmental damage. The nature of these risks is such that liabilities might exceed any liability insurance policy limits. It is also possible that the liabilities and hazards might not be insurable, or, we could elect not to be insured against such liabilities due to high premium costs or other reasons, or our insurance for a particular event or circumstance might be insufficient, in which event we could incur significant costs that could have a material adverse effect on our business prospects, results of operations, cash flows, financial position, and corporate reputation. Pending or future legislation and regulations or other standards intended to address climate change could result in increased operating costs. Gold production is energy intensive, resulting in a significant carbon footprint. A number of governments, governmental bodies, the World Bank and / or other entities maintain, have introduced, or are contemplating laws, regulations and standards in response to ~~the~~ potential ~~impact~~ **impacts** of climate change. This type of legislation and possible future legislation and increased regulation regarding climate change could impose significant costs related to increased energy requirements, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations. Pending or future initiatives involving taxation could result in increased taxes and operating costs. There is growing attention from the media and the public ~~on~~ **to** perceived international tax avoidance techniques which could result in escalating rates of poverty, inequality and unemployment in host countries. Initiatives like the Base Erosion and Profit Shifting project led by the Organization for Economic Cooperation and Development and specific country legislative measures, including Australia, aim to reform the system of international taxation to minimize international tax avoidance techniques. This initiative and possible future initiatives could result in increased tax expenses and related compliance costs for Mt Todd or other future mining operations. Securities Risks Our share price may be volatile and your investment in our Common Shares could suffer a decline in value. Broad market and industry factors may adversely affect the price of our Common Shares, regardless of our actual ~~operating~~ performance. Factors that could cause fluctuation in the price of our Common Shares may include, among other things: ● changes in financial estimates by us or by any securities analysts who might cover our stock market performance; ● stock market price and volume fluctuations of other publicly traded companies and, in particular, those that are in the mining industry; ● speculation about our business in the press or the investment community; ● conditions or trends in our industry or the economy generally; ● decreases in the prices of gold; ● announcements by us or our competitors of significant acquisitions, strategic partnerships or divestitures; ● inability to find a development partner, investor or lender on acceptable terms for the development of Mt Todd; ● additions or departures of key personnel **; ● loss of Common Share listing on the Toronto Stock Exchange (the " TSX ") or the NYSE American due to noncompliance with exchange listing standards** ; ● issuance of Common Shares by the Company; and ● sales of our Common Shares, including sales by our directors, officers, or significant stockholders. In the past, securities class action litigation has often been instituted against companies following periods of volatility in their stock price. This type of litigation or other securities claims could result in substantial costs to us and divert our management' s attention and resources. There may be limited liquidity for our Common Share warrants. There is no market through which our outstanding Common Share warrants may be sold. It is not possible to predict the price at which the warrants will trade in any secondary market or whether such market will be liquid or illiquid. To the extent warrants are exercised, the number of warrants outstanding will decrease, resulting in diminished liquidity for such remaining outstanding warrants. A decrease in the liquidity of the warrants may cause, in turn, an increase in the volatility associated with the price of the warrants. To the extent that the warrants become illiquid, an investor may have to exercise such warrants to realize value. Potential dilution. Our constating documents allow us to issue an unlimited number of Common Shares for such consideration and on such terms and conditions as shall be established by the Board of Directors, in many cases, without the approval of shareholders. We may issue Common Shares in offerings from treasury (including through the sale of securities convertible into or exchangeable for Common Shares) and on the exercise of stock options or other securities exercisable for Common Shares. We cannot predict the size of future issuances of Common Shares or the effect that future issuances and sales of Common Shares will have on the market price of the Common Shares. Issuances of a substantial number of additional Common Shares, or the perception that such issuances could occur, may adversely affect prevailing market prices for the Common Shares. With any additional issuance of Common Shares, investors will suffer dilution to their shareholder interest and voting power. Holders of our Common Shares may not receive dividends. We have not historically declared cash dividends on our Common Shares. Holders of our Common Shares are entitled to receive only such dividends as our Board of Directors may declare out of funds legally available for such payments. Our ability to pay dividends will be subject to our future earnings, capital requirements and financial condition, as well as our compliance with covenants related to any future indebtedness and would only be declared in the discretion of our Board of Directors. General Risks **We** ~~The Company~~ may experience cybersecurity breaches **which may result in information theft, data corruption, operational disruption, disclosure of confidential business information, misdirected wire transfers, reputational harm, or financial loss** . Regular access to and security of information technology systems are critical to Vista' s operations. To Vista' s knowledge, it has not experienced any material losses relating to disruptions to its information technology systems. Vista has implemented policies, controls, and practices to manage and safeguard Vista and its stakeholders from internal and external cybersecurity threats and to comply with changing legal requirements and industry practice. Cyber risks cannot be fully mitigated, and these threats are continuing to evolve. Therefore, Vista cannot assure that its information technology systems are fully protected from cybercrime or that the systems will not be inadvertently compromised, or without failures or defects. Potential disruptions to Vista' s information technology systems, including, without limitation, security breaches, power loss, theft, computer viruses, cyber- attacks, natural disasters, and noncompliance by third party service providers and inadequate levels of cybersecurity expertise and safeguards of third party information technology service providers, may adversely affect the operations of Vista as well as present significant costs and risks including, without limitation, loss or disclosure of confidential, proprietary, personal or sensitive information and third party data, material adverse effect on its financial performance, compliance with its contractual obligations, compliance with applicable laws, ~~damaged reputation, remediation costs, potential litigation, regulatory enforcement proceedings and heightened regulatory scrutiny. The Company is subject to anti- bribery and anti- corruption laws. Vista' s operations are governed by, and involve interactions with, many levels of government in several countries. Vista is required to comply with anti- corruption and anti- bribery laws in the countries in which we conduct our business. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti- corruption and anti- bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also by its contractors and third- party agents. Although we have adopted internal control policies to mitigate such risks, there can be no assurance that our internal control policies and procedures will always protect us from recklessness, fraudulent behavior, dishonesty or other inappropriate acts committed by our affiliates, employees or agents and such measures may not always be effective in ensuring that we, our employees, contractors or agents will comply strictly with such laws. If we find ourselves subject to an enforcement action or are found to be in violation of such laws, this could lead to civil and criminal fines and penalties, investigation and litigation, and loss of operating licenses or permits, resulting in a material adverse effect on our reputation and results of operations.~~