



108132015000186



## SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines  
Tel: (632) 726-0931 to 39 Fax: (632) 725-5293 Email: mis@sec.gov.ph

### Barcode Page

The following document has been received:

**Receiving Officer/Encoder** : Buen Jose Mose - COS  
**Receiving Branch** : SEC Head Office  
**Receipt Date and Time** : August 13, 2015 09:37:11 AM  
**Received From** : Head Office

Company Representative

---

Doc Source

Company Information

---

**SEC Registration No.** 0000025844  
**Company Name** ABRA MINING & INDL. CORP.  
**Industry Classification**  
**Company Type** Stock Corporation

Document Information

---

**Document ID** 108132015000186  
**Document Type** 17-Q (FORM 11-Q: QUARTERLY REPORT/FS)  
**Document Code** 17-Q  
**Period Covered** June 30, 2015  
**No. of Days Late** 0  
**Department** CFD  
**Remarks**

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES  
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended June 30, 2015  
2. Commission Identification number 25844 3. BIR Tax Identification No 000-375-930

ABRA MINING & INDUSTRIAL CORPORATION

4. Exact name of issuer as specified in its charter

Quezon City, Philippines

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code:  (SEC Use Only)

LIPCANN, BANGUED

2800

7. Address of issuer's principal office Postal Code

(632) 925-16-05 up to 10

8. Issuer's telephone number, including area code

not applicable

9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

<i>Title of Each Class</i>	<i>Number of shares of common stock outstanding and amount of debt outstanding</i>
<b>Capital Stock – common</b>	<b>182,946,882,574</b>

11. Are any or all of the securities listed on a Stock Exchange?

Yes  No

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

**Philippine Stock Exchange**

**common shares**

12. Indicate by check mark whether the registrant:

- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes  No

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [ ] No [x]

13. Aggregate market value of the voting stock held by non-affiliates: not applicable

## PART I--FINANCIAL INFORMATION

### Item 1. Financial Statements.

A copy of the comparative financial statements as of and for the quarters ended June 30, 2015 and 2014 is submitted as part of this report. The financial statements were prepared in accordance with the accounting standards generally accepted in the Philippines. The accounting policies and methods of computations followed in the interim financial statements are the same methods used in the audited financial statements for the year ended December 31, 2014.

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

#### RESULTS/STATUS OF OPERATIONS

AMIC has not started normal and commercial extraction of mine products. Registrant has no income from operations as there were no commercial operations yet as of the end of the year. The company records administrative costs as expenses and all other disbursements are capitalized as unamortized exploration and development costs.

The Company has not yet been successful in establishing profitable operations. For the six-months under review, the Company incurred total net loss of Php1,124,215

#### FINANCIAL CONDITION

Comparative financial condition as of June 30, 2014 & 2013 and December 31, 2013 are presented below:

	<b>June 30, 2015</b>	June 30, 2014	December 31, 2014
Total Current Assets	<b>7,866,584</b>	8,279,425	7,822,826
Total Non-Current Assets	<b>1,917,605,508</b>	1,617,717,247	1,684,810,738
<b>Total Assets</b>	<b>1,925,472,092</b>	<b>1,625,996,672</b>	<b>1,692,633,564</b>
Current Liabilities	<b>8,878,772</b>	6,107,000	8,341,029
Non-Current Liabilities	<b>132,167,228</b>	34,998,490	48,742,228
<b>Total Liabilities</b>	<b>141,046,000</b>	41,105,490	<b>57,083,257</b>

#### June 30, 2015 vs. June 30, 2014

Cash decrease by 40.04% from Php573,237 as of June 30, 2014 to Php343,704 as of the end of June 30, 2015.

Property, plant and equipment increases by 22.97% from Php831,120,950 to Php1,022,061,055 as of the end of June 30, 2015.

Current liabilities also increases by 645.39% or Php2,771,772.

Total costs and operating expenses amounts to Php1.1M, 30% higher or Php259,857 compared with Php864,358 posted in 20134 of the same period.

**June 30, 2015 vs. December 31, 2014**

Comparative data shows that cash balances increases by 7.98% or Php25,398 from Php318,306 to Php743,704 as of the end of the quarter under review.

Total costs and operating expenses as of December 31, 2014 is Php4.2 Million and Php1.1 Million as of June 30, 2015.

Registrant has no income from operations as there were no commercial operations yet as of the end of the year. The company records administrative costs as expenses and all other disbursements are capitalized as unamortized exploration and development costs.

**Causes for any material change/s (5%) from period to period which shall include vertical and horizontal analyses of any material item.**

**June 30, 2015 vs. March 31, 2015-Quarter Ended**

Travel and Representation decreased by 18% due to lesser activities involving due diligence in the mine site.

18% decrease in taxes and licenses due to the payment of the arrears in taxes during the prior quarter.

5% decrease in Communication due to cost cutting implemented by the Company.

**June 30, 20145 vs. June 30, 2014-6 months ended**

74 % increase in Travel and Representation amounting to Php110,695 due to visits and due diligence in the mine site.

42% decrease in taxes and licenses due to the payment of the arrears in taxes during the prior quarter.

14% decrease in Communication due to the cost cutting being implemented by the Company.

22% increase in Employees benefits due to the payment of arrears in salaries and wages

10% decrease in Office supplies due to cost cutting being implemented by the management

Comparative Financial Ratios as of June 31, 2014 pursuant to SRC Rule 68, as amended with comparative annual figures for 20134

Ratios	June 2015 Unaudited	June 30, 2014 Unaudited	December 31, 2014 Audited
Profitability ratio			
Solvency and Liquidity Ratio			
Current ratio	<b>0.89:1</b>	1.43:1	0.04:1
Debt to Equity Ratio	<b>0.08:1</b>	0.03:1	0.03:1
Quick Ratio	<b>0.04:1</b>	0.09:1	1:1
Financial Leverage Ratio			
Asset to Equity Ratio	<b>1.08:1</b>	1.02:1	1.03:1
Debt to Asset Ratio	<b>0.07:1</b>	0.03:1	0.034:1
Interest Rate Coverage Ratio	<b>N/A</b>	N/A	N/A

The key performance indicators are as follows:

a) Working Capital (Current Assets less Current Liabilities)

	<b>June 30, 2015</b>	June 30, 2014	December 31, 2014
Current Assets	<b>7,866,584</b>	8,729,425	7,822,826
Current Liabilities	<b>8,878,772</b>	6,107,000	8,341,029
<b>Working Capital</b>	<b>(1,012,188)</b>	2,622,425	(518,203)

b) Current Ratio (Current assets over current liabilities)

	<b>June 30, 2015</b>	June 30, 2014	December 31, 2014
Current Assets	<b>7,866,584</b>	<b>8,729,425</b>	7,822,826
Current Liabilities	<b>8,878,772</b>	<b>6,107,000</b>	8,341,029
<b>Current Ratio</b>	<b>0.89:1</b>	<b>1.43:1</b>	0.04:1

This ratio measures the ability of the company to meet its current obligation and is reflected by the proportion of current assets to current liabilities. As shown above, the company can still meet its obligation.

c) Quick Ratio (Quick asset over current liabilities)

	<b>June 30, 2015</b>	June 30, 2013	December 31, 2014
Quick Assets	<b>343,704</b>	573,237	318,306
Current Liabilities	<b>8,878,772</b>	6,107,000	8,341,029
<b>Quick Ratio</b>	<b>0.04</b>	0.09	1.0

d) Debt to assets ratio (Total liabilities over total assets)

	<b>June 30, 2015</b>	June 30, 2014	December 31, 2014
Total Liabilities	<b>141,046,000</b>	<b>41,105,490</b>	57,083,257
Total Assets	<b>1,926,472,092</b>	<b>1,625,996,672</b>	1,692,633,564
<b>Debt to Asset Ratio</b>	<b>0.07:1</b>	<b>0.03:1</b>	0.03:1

The ratio shows the contributions of borrowings to total resources of the corporation.

e) Debt to Equity Ratio (Total liabilities over Total Equity)

	<b>June 30, 2015</b>	June 30, 2014	December 31, 2014
Total Liabilities	<b>141,046,000</b>	41,105,490	57,083,257
Total Equity	<b>1,784,472,092</b>	1,584,891,182	1,635,550,307
Debt to Equity Ratio	<b>0.08</b>	0.026	0.03

### **INCOME STATEMENT**

For the past several years, the company has not derived any income from operations as there were no commercial operations yet. The company records administrative costs as expenses and all other disbursements are capitalized as unamortized exploration and development costs.

### **Known Trends, Events or Uncertainties**

There is no known event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation that have not been booked although, the company could be contingently liable for lawsuits and claims arising from the ordinary course of business which are not presently determinable.

There are no known significant trends, demands, commitments or uncertainties that will result in or that are reasonably likely to result in the company's liquidity increasing or decreasing in a material way. There are not material commitments for capital expenditures not reflected in the company's financial statements. There is likewise no significant seasonality or cyclicity in its business operation that would have a material effect on the company's financial condition or results of operations. There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationship of the company with unconsolidated entities or other persons.

### **Financial Risk Disclosure**

1. A description of the financial instruments of the company and the classification and measurements applied for each. If material in amount, provide detailed explanation on complex securities particularly on derivatives and their impact on the financial condition of the company; NOT APPLICABLE
2. The amount and description of the company's investments in foreign securities; NOT APPLICABLE
3. The significant judgments made in classifying a particular financial instrument in the fair value hierarchy; NOT APPLICABLE
4. An explanation of how risk is incorporated and considered in the valuation of assets or liabilities; NOT APPLICABLE
5. A comparison of the fair values as of date of the recent interim financial report and as of date of the preceding interim period and the amount of gain/loss recognized for each of the said periods: NOT APPLICABLE; and
6. The criteria used to determine whether the market for a financial instrument is active or inactive, as defined under PAS 39 Financial instruments – NOT APPLICABLE

### **Financial Risk Management Objectives and Policies**

Company's principal financial instruments comprise mainly of cash and advances from affiliates. The main purpose of these financial assets is to finance company's operations. The company has other financial liability such as accrued expenses and other payables, which arise directly from its operations.

Company's risk management policy is addressed as follows:

**Liquidity risk**

Liquidity risks or funding risks is the risks that company will encounter in raising funds to meet commitments associated with financial liabilities and to finance capital expenditures. Liquidity risks may result from difficulty 1or inability to generate cash inflows as anticipated. The company manages liquidity by regularly monitoring and evaluating its projected and actual cash flows.

**Credit risk**

Company's credit risk relates to "cash in bank" account of company. The exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of this financial asset as stated in the following table. Given that AMIC has no outstanding receivables, it is not exposed to large concentrations of credit risk.

	<b>June 30, 2015</b>	June 30, 2014	December 31, 2014
Cash in bank	342,204	571,737	316,806

Cash in bank is considered as high grade as this pertains to demand deposits in a reputable bank.

The company continuously reviews credit policies and processes and implement various credit actions depending on assessed risks to minimize credit exposure.

**Interest Rate Risk**

Not applicable as the Company has no interest-bearing payables.

**Foreign Currency Rate Risk**

Not applicable.

**PART II – OTHER INFORMATION**


None.

## SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**Issuer: Abra Mining & Industrial Corporation**

**Signature and Title:**

  
**JEREMIAS B. BELOY**  
President/CEO

  
**AMELIA G. BELOY**  
Treasurer

**August 14, 2015**



**ABRA MINING AND INDUSTRIAL CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**

	<b>Unaudited June 30, 2015</b>	<b>% to Assets</b>	<b>Unaudited March 31, 2015</b>	<b>Change Peso</b>	<b>%</b>
<b><u>ASSETS</u></b>					
<b>Current Assets</b>					
Cash	343,704	0.02%	354,860	(11,156)	(3.14%)
Supplies Inventory	7,522,880	0.39%	7,373,376	149,504	2.03%
<b>Total Current Assets</b>	<b>7,866,584</b>	<b>0.41%</b>	<b>7,728,236</b>	<b>136,348</b>	<b>1.79%</b>
<b>Non-current Assets</b>					
Property, plant and equipment, net	1,022,061,055	53.08%	887,602,000	134,459,055	15.15%
Deferred Exploration Costs	895,544,453	46.51%	830,443,988	65,100,465	7.84%
<b>Total Non-Current Assets</b>	<b>1,917,605,508</b>	<b>99.59%</b>	<b>1,718,045,988</b>	<b>199,697,868</b>	<b>11.62%</b>
<b>Total Assets</b>	<b>1,925,472,092</b>	<b>100%</b>	<b>1,725,774,224</b>	<b>199,697,868</b>	<b>11.57%</b>
<b><u>LIABILITIES AND EQUITY</u></b>					
<b>Current Liabilities</b>					
Accrued expenses and other payables	8,878,772	0.46%	8,889,959	(11,187)	(0.13%)
<b>Non-Current Liabilities</b>					
Advances from an affiliated company	128,158,278	6.66%	78,158,278	50,000,000	63.97%
Accrued retirement benefits	4,008,950	0.21%	3,758,950	250,000	6.65%
<b>Total Non-Current Liabilities</b>	<b>132,167,228</b>	<b>6.86%</b>	<b>81,917,228</b>	<b>50,250,000</b>	<b>61.34%</b>
<b>Total Liabilities</b>	<b>141,046,000</b>	<b>7.33%</b>	<b>90,807,187</b>	<b>50,238,813</b>	<b>55.32%</b>
<b>Equity</b>					
Capital Stock					
Issued and Outstanding	979,468,825	50.87%	829,468,825	150,000,000	18.08%
Subscribed and paid-up	858,357,000	44.58%	805,357,000	-	0.00%
Deficit	(53,399,733)	(2.77%)	(52,858,788)	(540,945)	02
<b>Total Equity</b>	<b>1,784,426,092</b>	<b>92.67%</b>	<b>1,634,967,037</b>	<b>149,459,055</b>	<b>9.14%</b>
<b>Total Liabilities and Equity</b>	<b>1,925,472,092</b>	<b>100%</b>	<b>1,725,774,224</b>	<b>199,697,868</b>	<b>11.57%</b>

**ABRA MINING AND INDUSTRIAL CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**

	<b>Unaudited June 30, 2015</b>	<b>% to Assets</b>	<b>Unaudited June 30, 2014</b>	<b>Change Peso</b>	<b>%</b>
<b><u>ASSETS</u></b>					
<b>Current Assets</b>					
Cash	343,704	0.02%	573,237	(229,533)	(40.04%)
Supplies Inventory	7,522,880	0.39%	7,706,188	(183,308)	(2.38%)
<b>Total Current Assets</b>	<b>7,866,584</b>	<b>0.41%</b>	<b>8,279,425</b>	<b>(412,841)</b>	<b>(4.99%)</b>
<b>Non-current Assets</b>					
Property, plant and equipment, net	1,022,061,055	53.08%	831,120,950	190,940,105	22.97%
Deferred Exploration Costs	895,544,453	46.51%	786,596,297	108,948,156	13.85%
<b>Total Non-Current Assets</b>	<b>1,917,605,508</b>	<b>99.59%</b>	<b>1,617,717,247</b>	<b>299,888,261</b>	<b>18.54%</b>
<b>Total Assets</b>	<b>1,925,472,092</b>	<b>100%</b>	<b>1,625,996,672</b>	<b>299,475,420</b>	<b>18.42%</b>
<b><u>LIABILITIES AND EQUITY</u></b>					
<b>Current Liabilities</b>					
Accrued expenses and other payables	8,878,772	0.46%	6,107,000	2,771,772	45.39%
<b>Non-Current Liabilities</b>					
Advances from an affiliated company	128,158,278	6.66%	31,689,540	96,468,738	304.42%
Accrued retirement benefits	4,008,950	0.21%	3,308,950	700,000	21.15%
<b>Total Non-Current Liabilities</b>	<b>132,167,228</b>	<b>6.86%</b>	<b>34,998,490</b>	<b>97,168,738</b>	<b>277.64%</b>
<b>Total Liabilities</b>	<b>141,046,000</b>	<b>7.33%</b>	<b>41,105,490</b>	<b>99,940,510</b>	<b>243.13%</b>
<b>Equity</b>					
Capital Stock					
Issued and Outstanding	979,468,825	50.87%	829,468,825	150,000,000	18.08%
Subscribed and paid-up	858,357,000	44.58%	805,357,000	53,000,000	6.58%
Deficit	(53,399,733)	(2.77%)	(49,934,643)	(3,465,090)	6.94%
<b>Total Equity</b>	<b>1,784,426,092</b>	<b>92.67%</b>	<b>1,584,891,182</b>	<b>199,534,910</b>	<b>12.59%</b>
<b>Total Liabilities and Equity</b>	<b>1,925,472,092</b>		<b>1,625,996,672</b>	<b>299,475,420</b>	<b>18.42%</b>

**ABRA MINING AND INDUSTRIAL CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**

	<b>Unaudited June 30, 2015</b>	% to Assets	Audited December 31 2014	Change Peso	%
<b><u>ASSETS</u></b>					
<b>Current Assets</b>					
Cash	343,704	0.02%	318,306	25,398	7.98%
Supplies Inventory	7,522,880	0.39%	7,504,520	18,360	0.24%
<b>Total Current Assets</b>	<b>7,866,584</b>	<b>0.41%</b>	<b>7,822,826</b>	<b>43,758</b>	<b>0.56%</b>
<b>Non-current Assets</b>					
Property, plant and equipment, net	1,022,061,055	53.08%	842,256,346	179,804,709	21.35%
Deferred Exploration Costs	895,544,453	46.51%	842,554,392	52,990,061	6.29%
<b>Total Non-Current Assets</b>	<b>1,917,605,508</b>	<b>99.59%</b>	<b>1,684,810,738</b>	<b>232,794,770</b>	<b>13.82%</b>
<b>Total Assets</b>	<b>1,925,472,092</b>	<b>100%</b>	<b>1,692,633,564</b>	<b>232,838,528</b>	<b>13.76%</b>
<b><u>LIABILITIES AND EQUITY</u></b>					
<b>Current Liabilities</b>					
Accrued expenses and other payables	8,878,772	0.46%	8,341,029	537,743	6.45%
<b>Non-Current Liabilities</b>					
Advances from an affiliated company	128,158,278	6.66%	45,158,278	83,000,000	183.80%
Accrued retirement benefits	4,008,950	0.21%	3,583,950	425,000	11.86%
<b>Total Non-Current Liabilities</b>	<b>132,167,228</b>	<b>6.86%</b>	<b>48,742,228</b>	<b>83,425,000</b>	<b>171.16%</b>
<b>Total Liabilities</b>	<b>141,046,000</b>	<b>7.33%</b>	<b>57,083,257</b>	<b>83,962,743</b>	<b>147.09%</b>
<b>Equity</b>					
Capital Stock					
Issued and Outstanding	979,468,825	50.87%	992,945,842	(13,477,017)	(1.36%)
Subscribed and paid-up	858,357,000	44.58%	694,879,983	163,477,017	23.53%
Deficit	(53,399,733)	(2.77%)	(52,275,518)	(1,124,215)	2.15%
<b>Total Equity</b>	<b>1,784,426,092</b>	<b>92.67%</b>	<b>1,635,550,307</b>	<b>148,875,785</b>	<b>9.10%</b>
<b>Total Liabilities and Equity</b>	<b>1,925,472,092</b>	<b>100%</b>	<b>1,692,633,564</b>	<b>232,838,528</b>	<b>13.75%</b>

<b>ABRA MINING AND INDUSTRIAL CORPORATION</b>				
<b>COMPREHENSIVE INCOME</b>				
<b>Quarter Ended</b>				
	<b>Unaudited June 30, 2015</b>	<b>Unaudited June 30, 2014</b>	<b>Change Peso</b>	<b>%</b>
<b>Revenue</b>	-	-	-	0%
Employee Benefits	225,880	238,520	(12,640)	(5%)
Depreciation and amortization	59,000	59,000	-	0%
Travel and representation	24,590	29,885	(5,295)	(18%)
Office expense	23,650	25,100	(1,450)	(6%)
Communication	24,500	25,684	(1,184)	(5%)
Repairs and maintenance	18,995	24,885	(5,890)	(24%)
Rent	97,000	97,00	-	0%
Taxes and licenses	65,810	80,636	(14,826)	(18%)
Miscellaneous	1,520	2,560	(1,040)	(41%)
<b>Total Expenses</b>	<b>540,945</b>	<b>583,270</b>	<b>(42,325)</b>	<b>(7%)</b>
<b>Net Loss</b>	<b>(540,945)</b>	<b>(583,270)</b>	<b>42,325</b>	<b>(7%)</b>

**ABRA MINING AND INDUSTRIAL CORPORATION**  
**COMPREHENSIVE INCOME**  
**SIX MONTHS ENDED**

	<b>Unaudited June 30, 2015</b>	Unaudited June 30, 2014	Change Peso	%
<b>Revenue</b>	-	-	-	0%
Employee Benefits	464,400	380,220	84,180	22%
Depreciation and amortization	118,000	59,000	59,000	100%
Travel and representation	54,475	31,250	23,225	74%
Office expense	48,750	54,085	(5,335)	(10%)
Communication	50,184	58,650	(8,466)	(14%)
Repairs and maintenance	43,880	152,253	(108,373)	(71%)
Rent	194,000	97,335	96,665	99%
Taxes and licenses	146,446	22,450	123,996	552%
Miscellaneous	4,080	9,115	(5,035)	(55%)
<b>Total Expenses</b>	<b>1,124,215</b>	<b>864,358</b>	<b>259,857</b>	<b>30%</b>
<b>Net Loss</b>	<b>(1,124,215)</b>	<b>(864,358)</b>	<b>(259,857)</b>	<b>-7%</b>

**ABRA MINING AND INDUSTRIAL CORPORATION**  
**COMPREHENSIVE INCOME**  
**SIX MONTHS ENDED**

	<b>Unaudited June 30, 2015</b>	Audited December 31, 2014	Change Peso	%
<b>Revenue</b>	-	-	-	0%
Employee Benefits	464,400	1,791,960	(1,327,560)	(74%)
Depreciation and amortization	118,000	236,000	(118,000)	(50%)
Travel and representation	54,475	280,665	(226,190)	(81%)
Office expense	48,750	44,254	4,496	10%
Communication	50,184	290,360	(240,176)	(83%)
Repairs and maintenance	43,880	585,670	(541,790)	(93%)
Rent	194,000	424,640	(230,640)	(54%)
Taxes and licenses	146,446	161,700	(15,254)	(9%)
Miscellaneous	4,080	416,729	(412,649)	(99%)
Professional Fee	1,124,215	57,000	1,067,215	1,872%
<b>Total General &amp; Administrative Expenses</b>	<b>1,124,215</b>	<b>4,288,978</b>	<b>(5,413,193)</b>	<b>(126%)</b>
<b>Profit Before Tax</b>	-	<b>(4,288,978)</b>	<b>4,288,978</b>	<b>(100%)</b>
<b>Income Tax (expenses) Benefit</b>	-	-		
<b>Other Comprehensive Income-Net</b>	-	<b>(4,288,978)</b>	<b>4,288,978</b>	<b>(100%)</b>
<b>Total Comprehensive Income</b>	-	<b>(4,288,978)</b>	<b>4,288,978</b>	<b>(100%)</b>
<b>Earnings (Loss) per shares</b>		<b>(0.000052)</b>		

---

---

**ABRA MINING AND INDUSTRIAL CORPORATION**

---

**STATEMENTS OF CASH FLOWS**  
**Quarter Ended**

---

QUARTER ENDED	Unaudited June 30, 2015	Unaudited June 2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Total Losses	(1,124,215)	(864,358)
Adjustment for:		
Depreciation and amortization	59,000	5,594,528
Net Cash before working capital changes		4,730,170
(Increase)/Decrease in:		
Supplies Inventory	(18,360)	189,432
Increase/(Decrease) in:		
Accrued expenses and other payables	537,743	(1,785,000)
Accrued retirement benefits	425,000	(584,850)
Net Cash provided (used in)		
By operating activities	(120,832)	3,189,452
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in Property, Plant and Equipment	(179,863,709)	(866,450)
Increased in Deferred exploration costs	(52,990,061)	(8,531,316)
Net Cash used in Investing Activities	(232,853,770)	(9,397,766)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from advances from an affiliate	83,000,000	6,200,000
Collections of Subscription	150,000,000	-
Proceeds from collections of subscription receivables	-	-
Net Cash provided in Financing Activities	233,000,000	6,200,000
Net increase/(decrease) in Cash	25,398	(8,314)
Cash, Beginning	318,306	581,551
Cash, Ending	<b>343,704</b>	<b>573,237</b>

**ABRA MINING AND INDUSTRIAL CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**Six Months Ended**

Six Months Ended	Unaudited June 30, 2015	Unaudited June 30, 2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Total Losses	(1,124,215)	(3,470,278)
Adjustment for:		
Depreciation and amortization	59,000	14,310,353
Net Cash before working capital changes		10,840,075
(Increase)/Decrease in:		
Supplies Inventory	(18,360)	(179,378)
Increase/(Decrease) in:		
Accrued expenses and other payables	537,743	724,198
Accrued retirement benefits	425,000	(426,356)
Net Cash provided (used in)		
By operating activities	(120,832)	10,958,539
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in Property, Plant and Equipment	(179,863,709)	(42,595,389)
Increased in Deferred exploration costs	(52,990,061)	(23,491,737)
Net Cash used in Investing Activities	(232,853,770)	(66,087,126)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from advances from an affiliate	83,000,000	(70,442,481)
Payment of advances from affiliate		
Proceeds from collections of subscription receivables	150,000,000	125,632,000
Net Cash provided in Financing Activities	233,000,000	55,189,519
Net increase/(decrease) in Cash	25,398	60,932
Cash, Beginning	318,306	512,305
Cash, Ending	<b>343,704</b>	<b>573,237</b>



**ABRA MINING AND INDUSTRIAL CORPORATION**  
**STATEMENTS OF CHANGES IN EQUITY**

	<b>Unaudited June 30, 2015</b>	Unaudited June 30, 2014	Audited December 31, 2014
<b>Capital Stock</b>	1,635,550,307	1,585,755,540	1,634,825,825
Collection of Subscription Receivable	150,000,00		53,000,000
Balance, December 31	1,785,550,307	1,585,755,540	1,687,825,825
<b>DEFICIT</b>			
Less: Accumulated deficit during dev't. stage, beginning	1,124,215	-	48,009,939
Net Operating loss for the period	-	864,358	4,265,579
Balance, end of the period	1,124,215	864,358	52,275,518
<b>Total Equity</b>	<b>1,784,426,092</b>	<b>1,584,891,182</b>	<b>1,635,550,307</b>

## ABRA MINING & INDUSTRIAL CORPORATION

---

### NOTES TO FINANCIAL STATEMENTS

As of June 30, 2015

#### 1. Corporate information

Abra Mining and Industrial Corporation (AMIC or the Company) is licensed to engage in the exploration, development, exploitation, process, manufacture, extract, mill and sale of cement and metal concentrate, marble, building materials and other minerals such as copper, gold, silver, iron, lead, etc. processing and manufacture of non-metals for industrial and commercial purposes at wholesale only.

AMIC was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on September 28, 1964. AMIC listed its shares of stock in the Philippine Stock Exchange (PSE) on December 24, 1969.

AMIC's registered office is located at Lipcann, Bangued, Province of Abra , while, business office is located at Suite 3, 3<sup>rd</sup> Floor, Jafer Center Building, 118 West Avenue, Quezon City.

#### 2. Status of operations and Management plans

##### **Status of operations**

AMIC has not started normal commercial extraction of mine products. As shown in the accompanying financial statements, AMIC has incurred cumulative losses of P53,399,733 in June 2015 and P52,275,518 as of December 31, 2014. This condition indicates the existence of an uncertainty which may cast significant doubt about AMIC's ability to continue as a going concern. The accompanying financial statements were prepared on a going concern basis as the Company addressed the capital deficiency in its Management Plan.

The realization of AMIC's mine projects is dependent upon future events including its successful mining operations. The eventual outcome of these matters cannot be determined at this time.

#### 3. Summary of significant accounting policies

##### **Statement of compliance with financial reporting standards**

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS), Interpretation of the Philippine Interpretations Committee (PIC), Standing Interpretation Committee (SIC), and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial Standards Council (FRSC) from the pronouncement issued by the International Accounting Standards Board and adopted by the SEC.

##### **Basis of preparation of financial statements**

The accompanying financial statements have been prepared on the historical costs basis. The preparation of the financial statements in accordance with PFRS requires the use of critical accounting estimates. It also requires management to exercise judgment in applying AMIC's accounting policies.

## Functional and presentation currency

These financial statements are presented in Philippine Peso, AMIC's functional currency, and all values represent absolute amounts except when otherwise indicated.

## Capital stock

*Capital stock* classified as common shares of the entity is determined using the par value of shares that have been issued.

## Deficit

This represents accumulate losses incurred by the Company. This may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

## Loss per share

Basic loss per share is computed by dividing net loss for the year attributable to ordinary equity holders (Common shares) of the Company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

## **Financial risk management**

### **Financial risk factors**

AMIC's principal financial instruments comprise mainly of Cash and Advances from affiliates. The main purpose of these financial assets is to finance AMIC's operations. AMIC has other financial liability such as Accrued expenses and other payables, which arise directly from its operations.

The main risk arising from AMIC's financial assets are liquidity risk and credit risk. AMIC has no significant financial instruments that are exposed to interest rate risk and foreign currency rate risk as of December 31, 2012 and 2011.

Since AMIC is exposed to a variety of risks such as liquidity risk and credit risk, the Board of Directors makes it point to have an adequate risk management guiding the principles which will institutionalize a focused approach in addressing its exposure to different business risk.

AMIC's risk management policy is addressed as follows:

### **Liquidity risk**

Liquidity risks or funding risks is the risks that AMIC will encounter in raising funds to meet commitments associated with financial liabilities and to finance capital expenditures. Liquidity risks may result from difficulty in collections or inability to generate cash inflows as anticipated. AMIC manages liquidity by regularly monitoring and evaluating its projected and actual cash flows.

### **Credit risk**

AMIC's credit risk relates to "cash in bank" account of AMIC. The exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of this financial asset as stated in the following table. Given that AMIC has no outstanding receivables, it is not exposed to large concentrations of credit risk.

**Cash**

Cash consists of:

	<b>2015</b>	2014
On hand	<b>1,300</b>	1,300
In bank	<b>571,937</b>	5731,937
Total	<b>573,237</b>	573,237

Cash in bank represents a current account which does not earn interest and used for AMIC's regular disbursements.