



ABRA MINING
& INDUSTRIAL
CORPORATION

NOTICE OF THE ANNUAL MEETING STOCKHOLDERS DECEMBER 29, 2020

Notice is hereby given that the 2020 Annual Meeting of Stockholders of ABRA MINING & INDUSTRIAL CORPORATION will be held on December 29, 2020 at 8:00 o'clock in the morning.

The meeting will be conducted via remote communication and livestreamed at the company's website.

The agenda for the Annual Meeting are as follows:

I.	Call to Order
II.	Proof of Service of Notice of Meeting
III.	Proof of the Presence of a Quorum
IV.	Reading of the Minutes of the Previous Meeting and Action Thereon
V.	Report of the President
VI.	Approval of the Audited Financial Statements for the year ended December 31, 2019
VII.	Approval and Ratification of all Management's Acts, Transactions, Decisions and Resolutions of the Board.
VIII.	Election of Directors including Independent Directors
IX.	Re-Appointment External Auditors
X	Re-Appointment of Transfer Agent
XI.	Other Matters
XII.	Adjournment

Due to COVID 19 pandemic and for the safety and health of the stockholders and all persons concerned, the Company will not hold physical meeting but instead thru livestreaming. Stockholders can attend the meeting by remote communication.

Stockholders who would like to attend the online meeting should access AMIC website at www.abramining.com. to obtain the following:

- a) Minutes of the 2019 Annual Stockholders Meeting;
- b) Proxy Form;
- c) Definitive; and
- d) The link to view the livestream of the meeting.

MANILA OFFICE:
JAFER Bldg. - 3/F, #118 West
Ave.,
Quezon City, 1104 Metro
Manila,
Philippines
Tel. Nos. (632) 925-1604 to 07
(632) 925-1609 to 10
Fax No.(632) 925 - 1611


AMELIA G. BELOY
Corporate Secretary

MINE OFFICE:
Lipcann, Bangued, Abra
Tel. Nos. (63 74) 752 - 8419
(63 74) 752 - 8120

**ANNEX TO NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
OF ABRA MINING & INDUSTRIAL CORPORATION**

AGENDA

December 29, 2020 ANNUAL STOCKHOLDERS' MEETING

CALL TO ORDER

The President will formally open the 2020 Annual Stockholders' Meeting. The Directors and officers of the company will be introduced.

PROOF OF NOTICE

The Corporate Secretary will certify that Notice , Information Statement including the annual report have been sent to all stockholders of record as of December 4, 2020 as well as the publication of the Notice of Stockholders in a newspaper of general circulation.

CERTIFICATION OF QUORUM

The Secretary will attest to the attendance whether a quorum is present.

READING OF THE MINUTES OF THE PREVIOUS MEETING AND ACTION THEREON

Shareholders may examine the Minutes of the previous stockholders' meeting. The resolution to be adopted will be for the approval of the Minutes of the December 29, 2020 Annual Stockholders' Meeting.

REPORT OF THE PRESIDENT

The President will render his report to the shareholders.

**APPROVAL OF THE AUDITED FINANCIAL
STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019
CONTAINED IN THE ANNUAL REPORT**

The annual report and the financial statements audited by independent auditors, VALDES ABAD & COMPANY, CPA will be presented. The resolution to be adopted will be the approval of the Audited Financial Statements of the Company for the year ended December 31, 2019.

**APPROVAL AND RATIFICATION OF ALL
MANAGEMENT'S ACTS, TRANSACTIONS,
DECISIONS AND RESOLUTIONS OF THE BOARD**

The Company's Management Report/Acts, Transactions, Decisions and Resolutions, will be submitted for approval by the Stockholders.

The resolution to be adopted will be the approval and ratification of the Management Reports, Acts, Transactions, Decisions and Resolutions.

**ELECTION OF DIRECTORS INCLUDING
INDEPENDENT DIRECTORS**

The Final list of candidates for election as directors as prepared by the Nomination Committee in accordance with the Company's By-Laws and Manual on Corporate Governance will presented to the shareholders and the election of directors will be held.

RE-APPOINTMENT OF EXTERNAL AUDITORS

The Audit Committee screens the nominee for the independent external auditor and makes recommendation on the re-appointment of the external auditor, Valdes Abad & Company, Certified Public Accountants.

The resolution to be adopted will be the approval of the re-appointment of the external auditors Valdes Abad & Company, Certified Public Accountants.

RE-APPOINTMENT OF TRANSFER AGENT

The resolution to be adopted will be the approval of the re-appointment of the transfer agent, Asian Transfer & Registry Corp.

OTHER MATTERS

Matters that are relevant to and appropriate for the annual stockholders meeting may be taken up.

ADJOURNMENT

ABRA MINING & INDUSTRIAL CORPORATION

Lipcann, Bangued Abra

SEC FORM 20-IS

**INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE**

1. () Preliminary Information Statement
(✦) Definitive Information Statement

2. Name of Registrant : **ABRA MINING & INDUSTRIAL CORPORATION**

3. Country of Incorporation : **PHILIPPINES**

4. SEC Identification Number : **25844**

5. BIR Tax Identification Code : **375-930-000**

6. Address of Principal Office : **Lipcann, Bangued, Abra
Postal Code 2800**

7. Registrant's telephone number
including area code : **(632) 925-16-05**

8. Date, time and place of Annual
Stockholders' Meeting : **December 29, 2020
8:00 A.M.
AMIC Compound, Lipcann, Bangued, Abra**

9. Approximate date on which the
Information Statement is first to be sent
or given to security holders : **November 25, 2020**

10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common	199,294,584,200

11. The registrant's issued common shares are listed on the **Philippine Stock Exchange, Inc. (PSE)**

ABRA MINING & INDUSTRIAL CORPORATION
Lipcann, Bangued, Abra

SEC Identification No. 25844
BIR Tax Identification Number 375-930-000
Telephone Numbers (632) 8-925-1605
Email Add: amic_101@yahoo.com.ph

INFORMATION STATEMENT

(PURSUANT TO SRC RULE 20)

<p>WE ARE NOT ASKING FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY</p>
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A. GENERAL INFORMATION

Item 1. Date, Time and Place of Meeting

Date : December 29, 2020
Time : 8:00 A.M
Place : via remote communication

Record Date

Record Date : December 4, 2020

Approximate Date of First Release of Information Statement

Approximate Date on which the Information Statement is first to be sent
or given to security holders : November 25, 2020

Item 2. Dissenters' Right of Appraisal

There is no action to be presented for approval with respect to which stockholders may exercise their appraisal rights under Title X of the Corporation Code of the Philippines.

Any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

- i) *In case of any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or authorizing preferences in respect to those of outstanding shares of any class, or of extending or shortening the term of corporate existence (Section 81);*
- ii) *In case of any amendment to the articles of incorporation*
- iii) *In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets (Section 81);*
- iv) *In case of merger or consolidation (Section 81); and*
- v) *In case of investments in another corporation, business or purpose (Section 42);*

Since the matters to be taken up do not include any of the foregoing, the appraisal right will not be applicable.

However, if at any time after the Information Statement has been sent out, an action which may give rise to the right of appraisal is proposed at the meeting, any stockholder who voted against the proposed action and who wishes to exercise such right must make a written demand, within thirty (30) days after the date of the meeting or when the vote was taken, for the payment of the fair market value of his shares. Upon payment, he must surrender his certificates of stock. No payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings in its books to cover such payment.

Item 3. Interest of Certain Persons in or Opposition to Matters to be acted Upon

There are no matters to be acted upon which a director or officer of the registrant, each nominee for election as a director or each associate of any of the foregoing persons, have any substantial interest, direct or indirect by security holdings or otherwise.

No director/ independent director has informed the Company that he/she intends to oppose any action to be taken by the Company at the Annual Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

As of October 31, 2020, the Company had 199,294,584,200 outstanding common shares and each share is entitled to one vote. . The Company does not have any class of shares other than common shares.

Only stockholders of record as of the close of business on the Record Date entitled to receive notice of and to vote at the meeting. A holder of common shares who is entitled to vote at the Meeting

The election of the board of directors for the current fiscal year will be taken up and all stockholders have the right to cumulate their votes in favor of their chosen nominees for director in accordance with Section 24 of the Corporation Code. Section 24 provides that a stockholder may vote such number of shares registered in his name as of the record date for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit. The total number of votes cast by such stockholders should not exceed the number of shares owned by him as shown in the books of the corporation multiplied by the whole number of directors to be elected.

Security Ownership of Certain Record and Beneficial Owners

As of October 31, 2020 , the following stockholders own more than five percent (5%) of the Company’s stock:

Title of Class	Name, Address of Record Owner and relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	CITIZENSHIP	No. of shares Held	Percent
Common	PCD NOMINEES¹ 37 th Flr. Twr 1 The Enterprise Center, 6766 Ayala Avenue Makati City	PCD participants	Domestic	196,354,867,755	99%%
Common	JABEL CORPORATION² 19 East Lawin Drive Philamlife, Quezon City	Jabel Corporation Beneficial/ Record owner	Domestic	52,150,000,000	26.16

¹Registered owner of shares held by participants in the PCD, a private company organized to implement an automated book entry system of handling securities in the Philippines. Shares lodged with PCD are voted through its appointed proxy. PCD is not related to AMIC.. Registrant has no knowledge of stockholders owning more than 5% in the name of PCD

²The Board of Directors of Jabel Corporation has the power to decide how the shares are to be voted. Mr. James G. Beloy, president exercises voting right for Jabel.

Security Ownership of Directors and Officers

The beneficial ownership of directors and executive officers of the Company as October 31, 2020 are as follows:

Title of CLASS	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	%AGE OF CLASS
Common	James G. Beloy (Director)	100,000,000 (R & B)	Filipino	
Common	Conde Claro C. Venus (ID)	1,500,000 (R & B)	Filipino	
Common	Carmelo Tansengco (Director)	4,000,000 (R & B)	Filipino	
Common	Premy Ann G. Beloy (Director)	450,000 (R & B)	Filipino	
Common	Joel Albert G. Beloy (VP- Management)	450,000 (R & B)	Filipino	
Common	Amelia G. Beloy (Treasurer/Asst. Corp. Secretary)	88,300,000 (R & B)	Filipino	
Directors and Executive Officers as a group unnamed		193,700,000		0.097

Except for the shareholdings reported above, the Corporation has not received from any incumbent directors/independent directors and officers of the Corporation and nominees for election, any statement of ownership, whether of record or beneficially of more than 5% of the Corporation's issued and outstanding common share.

Security Ownership of Non Filipinos

As of October 31, 2020 the security ownership of non-Filipinos are as follows:

Total Outstanding Voting shares	Shares Allowed to Foreigners	Shares Owned by Foreigners	% Owned by Foreigners	Shares Owned by Filipino	% Owned by Filipino
199,294,584,200	79,717,833,680	4,220,101,000	2.11%	195,074,483,200	97.8

Voting Trust Holders/Changes in Control

The Board of Directors and Management of the Company is not aware of any voting trust holders of 5% or more of the company's stock. There are no arrangements which may result in a change in control of AMIC.

Recent Sale of Securities

Not applicable

Item 5. Directors and Executive Officers

Directors

The names of the incumbent and nominee for directors of the Company are as follows:

JAMES G. BELOY – 60 years old, Filipino citizen and holds a Mining Engineering degree from the University of the Philippines. Currently, he is the Executive Vice President of the corporation and President of Jabel Corporation. He is a registered mining engineer, an associate realtor and consultant of Melie G. Beloy Realty.

PREMY ANN G. BELOY – 58 years old, Filipino. She received her Bachelor of Laws (Ll.B) degree from the University of the Philippines. She started practicing law as Solicitor II before the Office of the Solicitor General. She shifted to corporate practice as a member of the Legal Services Department of the Alcantara Group in 1995 as Corporate Legal counsel. Thereafter, she served as Corporate and Assistant Secretary of the Alcantara Group since May 2000 until August 2009. She also serves as Corporate Secretary of Discovery Mines, Allegro Resources, Music Museum Group, Inc., Jabel Corporation and Horizon Mineral and Oil Corporation.

CONDE CLARO C. VENUS – 61 years old, Filipino, assumed the position as independent director on September 1, 2006. He is the Dean of the Abra Valley Colleges College of Law from 2012 up to present. A Managing partner of Venus & Associates Law Office since 1986. He is also the incumbent Vice President of the Integrated Bar of the Philippines-Abra Chapter and past President.

CARMELO D. TANSENGCO -52 years old, Filipino, nominee as independent director for 2019. He is a BS Economics graduate from Colegio San Juan de Letran. He is a trading assistant and clerk of Tansengco & Co., Inc., an Entrepreneur, English Instructor and Associate.

JOEL ALBERT G. BELOY – 47 years old and Filipino, obtained his AB Interdisciplinary Studies from Ateneo de Manila University. He is the Vice-President Management handling all systems requirements and administrative function of the corporation. He is also the President of Discovery Mines, Inc. and director of Horizon Mineral & Oil Corporation.

Process and Criteria for Selection of Nominees for Directors

The Nomination Committee composed of:

Conde Claro C. Venus	Chairman
Carmelo D. Tansengco	Member
James G. Beloy	Member
Joel G. Beloy	Member

have screened the nominees for election to the Board of Directors in accordance with the Company’s Manual on Corporate Governance. The Committee assessed the candidates’ background, educational qualifications, and work experience as would enable them to effectively participate in the deliberation of the Board.

In the case of independent directors, the Committee has reviewed their business relationship and activities to ensure that they have the qualifications and none of the disqualifications for independent directors as set forth in the Company’s Manual of Corporate Governance, the SRC and its Implementing Rules and Regulations. The Committee further considered SEC Memo Circular No. 9, Series of 2011 regarding the term limits for independent directors.

Nominees for Election at Annual Stockholders’ Meeting on December 29, 2020

In accordance with the Company’s By-Laws, the Nomination Committee screened the nominees to determine whether they have all the qualifications and none of the disqualifications for election to the Company’s Board of Directors.

The final list of nominees for the election as regular and independent directors of the Company at the Annual Meeting are as follows:

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Names

James G. Beloy
Director

Premy Ann G. Beloy
Director

Conde Claro C. Venus
Independent Director

Carmelo D. Tansengco
Independent Director

Joel G. Beloy
Director

The Company has complied with the guidelines on the nomination and election of independent directors prescribed in Rule 38 of the SRC.

Mr. Carmelo D. Tansengco and Atty. Conde Claro C. Venus was nominated by Ms. Desiree Palaroan and Ms. Dulce Oliva, respectively. Both nominees have accepted their nominations. There are no relationships between the two nominees for independent director and the persons who nominated them.

Atty. Venus was elected Independent director on December 18, 2015 and Carmelo D. Tansengco was elected on December 21, 2019. None of the independent director is employed by any government agency or instrumentality.

Executive Officers

The following are present executive officers of the Company:

JAMES G. BELOY – 60 years old, Filipino citizen and holds a Mining Engineering degree from the University of the Philippines. Currently, he is the Executive Vice President of the corporation and President of Jabel Corporation. He is a registered mining engineer, an associate realtor and consultant of Melie G. Beloy Realty.

AMELIA G. BELOY – 83 years old, Filipino citizen is the Vice-President for Administration, Treasurer and Assistant Secretary of the company. She is a licensed realtor.

JOEL ALBERT G. BELOY – 47 years old and Filipino, obtained his AB Interdisciplinary Studies from Ateneo de Manila University. He is the Vice-President Management handling all systems requirements and administrative function of the corporation.

ARMANDO L. JAVILINAR - 83 years old, Filipino citizen and currently the Vice-President Operations of the company. He is a mining engineer by profession.

Significant Employees

There are no employees who are expected by the company to make a significant contribution to the business.

Family Relationship

James, Premy Ann and Joel are siblings of Amelia G. Beloy.

Involvement in Certain Legal Proceedings

The company is not aware of any (a) bankruptcy petition filed by or against any business of which any of the directors or executive officers was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time (b) any conviction by final judgment in a criminal proceeding, domestic or foreign, pending against any of the directors or executive officers, (c) any judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any of the directors or executive officers in any type of business, securities, commodities or banking activities, and (d) any finding by a domestic or foreign court of competent jurisdiction (in a civil action), the Securities and Exchange Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self regulatory organization that any of the directors or executive officers has violated a securities or commodities law, and the judgment has not been reversed, suspended or vacated, which occurred during the past five years.

Certain Relationships and Related Transactions

AMIC's related party transactions involved the shareholders and AMIC's key management personnel.

The following are AMIC's related party transactions:

	<i>Transaction Values</i>		<i>Due from (to) Related Parties</i>	
	2019	2018	2019	2018
<i>Advances from Stockholder Jabel Corp.</i>		13,700,000		36,055,698
<i>Discovery Mines, Inc.</i>	57,364,200	-	57,364,200	3,161,500
	P57,364,200.00	P13,700,000.00	P 57,364,200	P39,217,198

The above advances are classified as non-current in as much as the Company was given the unconditional right to defer settlement of the liability for at least three (3) years from 2016.

Item 6. Compensation of Directors and Officers

The directors of the Company are given a per diem of P1, 000.00 per Board Meeting attended. There are no other arrangements by which the directors are being compensated directly or indirectly. The compensation received by the officers represents, salaries and benefits.

Table 5– Executive Compensation

<i>A. Executive Officers</i>		<i>Position</i>			
<i>James G. Belay</i>		<i>President & CEO</i>			
<i>Amelia G. Belay</i>		<i>VP-Administration/ Corp. Secretary</i>			
<i>Joel G. Belay</i>		<i>Executive Vice President</i>			
<i>Armando Javilinar</i>		<i>VP Operations</i>			
	<i>Year</i>	<i>Salary</i>	<i>Bonus</i>	<i>Others</i>	<i>Total</i>
<i>All Executive Officers as a Group</i>	<i>Estimates 2020</i>	908,400.00	-	772,400.00	1,680,800.00
	2019	908,400.00	-	772,400.00	1,680,800.00
	2018	908,400.00	-	772,400.00	1,680,800.00
<i>B. Directors</i>					
<i>Director's per diem</i>	2020-Estimates				75,000.00
	2019				75,000.00
	2018				75,000.00
<i>ALL OTHER OFFICERS AND DIRECTORS AS A GROUP UNNAMED</i>					
		<i>Total Amount</i>			
<i>2020 (Estimates)</i>		1,755,800.00			
<i>2019</i>		1,755,800.00			
<i>2018</i>		1,755,800.00			

Item 7. Independent Public Auditor

Valdes Abad & Company, Certified Public Accountants have been re-appointed as the auditing firm of the company.

Representatives from the auditing firm are expected to be present at the Annual Meeting. They will have the opportunity to make a statement if they desire to do so and to respond to appropriate questions.

External Audit Fees and Services

Audit and Audit Related Fees

The Company's external auditors were engaged primarily to express an opinion on the financial statements of the Company.

The procedures conducted for the engagement included those that are necessary under auditing standards generally accepted in the Philippines.

For the last three (3) fiscal years, Abra Mining & Industrial Corporation pay its external auditor the following fees (exclusively of out of pocket expenses and value added taxes):

	2019	2018
Audit fees	Php151,200.00	Php151,200.00
Tax fees	Php18,144.00	Php18,144.00
Other fees	Not applicable	Not applicable

Other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the registrant's financial statements – NOT APPLICABLE

The Company's Audit Committee recommends to the Board the re-appointment of the external auditor.

Audit Committee's Approval Policies and Procedures

The Audit Committee is composed of:

Conde Claro C. Venus	Chairman (ID)
Carmelo D. Tansengco	Member (ID)
Premy Ann G. Beloy	Member
Joel G. Beloy	Member

The Audit Committee adopted a Revised Audit Committee Charter in compliance with SEC Memorandum Circular No. 4, Series of 2012. The Charter sets forth the Audit Committees' purposes, authority, duties and responsibilities, structure and procedures which shall guide the function of the Committee as prescribed by the Revised Code Corporate Governance, the Company's Manual on Corporate Governance and the Guidelines for the Assessment of Performance of Audit Committees of Companies listed on the Exchange promulgated by the Securities and Exchange Commission (SEC).

The external auditor prepares an accountability statement that sufficiently identifies the officers responsible for the financial report.

The final form of the audited financial statements is then presented to the company's audit committee members who review and further examine and perform their oversight financial management functions. The approval of the external auditor's fees is made by the audit committee.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

There has been no disagreement with the independent accountants as to any matter of accounting principles or practices, financial statement disclosures, or auditing scope or procedure.

Item. 8 Compensation Plans

No action is to be taken by the shareholders at the Meeting with respect to any plan pursuant to which cash or non cash compensation may be paid or distributed.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

There is no action to be taken with respect to any report of the Corporation or of its directors, officers, committees, except for the approval and/or ratification of the following reports/minutes/matters:

- a. Minutes of the Annual Stockholders Meeting held on December 21, 2019;*
- b. Audited Financial Statements for the year ended 31 December 2019;*
- c. Acts and resolutions of the BOD & Management beginning 1 January 2020 and ending on the date of the ASM;*
- d. Re-Appointment of Valdes Abad & Company, CPA as independent accountant/ external auditor for fiscal year 2020;*
- e. Election of Directors including two (2) Independent directors; and*
- f. Re-appointment of transfer agent*

For item (a) above, any action on the part of the Shareholders will not constitute approval or disapproval of the matters referred to in the minutes as the same are deemed to have already been approved.

Copies of the Minutes of the December 21, 2019 are available for inspection by any Shareholder at the Office of the Corporation during business hours. The same are likewise uploaded to the Company website and will be made available at the venue for review by the Shareholders attending the Meeting.

For item (b), AMIC's Audited Financial Statements as of 31 December 2019 are attached to the Information Statement for the review of and approval of the Shareholders.

In compliance with the PSE Disclosure Rules, SRC and its Implementing Rules and Regulations (SRC IRR), AMIC promptly discloses material actions and resolutions taken by the BOD. The affirmative vote of a majority of the votes cast by the Shareholders shall be necessary for the approval of items (a), (b), (c), (d), (e) and (f) above.

All matters to be brought for approval of the Shareholders of AMIC for this year's ASM require for approval only a majority of the shares present or represented by Proxy provided a quorum is present:

- a) Except as to the election of directors, the manner of voting shall be non-cumulative.
- b) All votes cast shall be counted under the supervision and control of the Corporate Secretary and/or her authorized representative.

Item 16. Matters not required to be submitted

No action is to be taken with respect to any matter which is not required to be submitted to a vote of the Shareholders.

Item 17. Amendment of Charter, By-Laws and Other Documents

No action is to be taken with respect to any amendment of Charter, by-laws or other documents.

Item 18. Other Proposed Action

None

Item 19. Voting Procedures

Stockholders as of December 4, 2020 may vote at the Annual Stockholders' Meeting on December 29, 2020. Registration of stockholders and proxies attending the meeting will open at 8:00 a.m. of December 29, 2020.

1. Votes required

Proposed Corporate Action	Vote Required
Approval of the 2019 Minutes of Stockholders' Meeting and all Acts of the Board of Directors and Management	Majority of the outstanding shares of common stock entitled to vote
Election of five (5) directors including two (2) independent directors	Five (5) nominees receiving the highest number of votes of shares of common stock entitled to vote will be declared elected as directors and two (2) of them who have been pre-qualified as independent directors will be elected as such.
Re-appointment of the auditors, Valdes Abad & Company	Majority of the outstanding shares of common stock entitled to vote
Re-appointment of Transfer agent, Asian Transfer & Registry Corporation	Majority of the outstanding shares of common stock entitled to vote
Ratification and Confirmation of all acts, proceedings, transactions and resolutions of the board of directors since the previous annual and stockholders' meeting up to the present;	Majority of the outstanding shares of common stock entitled to vote

2. Manner of Voting

Voting shall be done *viva voce* or by raising of hands and the votes for or against the matter submitted shall be tallied by the Corporate Secretary in case of a division of the house.

3. Method of Counting Votes

Counting of votes will be done by the Corporate Secretary or her authorized representative with the assistance of the representative of the stock transfer agent of the company, Asian Transfer & Registry Corporation.

All votes attaching to the shares of common stock entitled to vote owned by stockholders whose proxies were received by the Company will be cast in accordance with the instructions given or authority granted under the proxies.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. The report is signed in the City of Quezon on November 19, 2020.

ABRA MINING & INDUSTRIAL CORPORATION

November 19, 2020

BY:


JAMES G. BELOY
Chairman & President

UPON WRITTEN REQUEST OF THE STOCKHOLDER, THE COMPANY UNDERTAKES TO FURNISH SAID STOCKHOLDER A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (SEC) **FREE OF CHARGE UPON WRITTEN REQUEST ADDRESSED TO:**

MRS. AMELIA G. BELOY
Corporate Secretary
Abra Mining & Industrial Corporation
Jabel Business Centre,
103 West Avenue, Bgy Bungad Quezon City

ANNEX “A

PART I - BUSINESS AND GENERAL INFORMATION

Business

Abra Mining and Industrial Corporation (AMIC) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on September 28, 1964 and was granted extension of corporate life on September 26, 2015. Its shares of stock was listed at the Philippine Stock Exchange (PSE).

The Company is licensed to engage in the exploration, development, exploitation, processing, manufacture, extraction, milling 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.

The Company's registered principal office is located at Lipcann, Bangued, Province of Abra, and the business office is located at 113 West Avenue, Quezon City.

Business of the Issuer

- (i) Principal products, markets and revenue contribution
Registrant has a number of lines of business, the commercial utilization of limestone, lime, shale, silica, sand, gold, silver, copper, zinc, Magnetite Iron Sand and other mineral deposits existing within the contract area.
- (ii) Percentage of revenues and net income contributed by foreign markets
Registrant has not started its commercial operations hence, it has not generated income and revenues
- (iii) Distribution Methods
Registrant has not adopted any distribution methods.
- (iv) Status of publicly announced products
No new products were announced this year.
- (v) Competition
The company has not competed in the market distribution of its products
- (vi) Sources and availability of raw materials
There are no raw materials needed.
- (vii) Dependence on major customers
Upon full commercial operations, Abra will sell directly its products to customer and it will not be dependent on a few major customers.
- (viii) Transaction with and/or dependence on related parties.
The company does not depend or transact entirely with any corporation or entity.
- (ix) Patents, trademarks & licenses
The company does not have any patent or trademarks.
- (x) Effect of existing or probable governmental regulations on the business
There is no government agency that approves the principal products of the company.
- (xi) Government Regulation
The Department of Environment and Natural Resources (DENR) thru its Bureau of Mines & Geo-science Bureau (MGB) issues and regulates all mining companies in the

Philippines. The ECC granted by the Department of Environment and Natural Resources (DENR) is still valid as of this date

- (xii) Research and Development
The Company has not allocated funds for its research and development
- (xiii) Cost and effect of compliance with the environmental laws
There is no cost specifically assigned to compliance with environmental laws as the Company is not yet in production hence no environment hazard is caused by the company's activities.
- (xiv) Total Number of employees

As of October 31, 2020, Registrant has 6 employees broken down as follows:

Administrative	2
Operations	2
Finance	<u>2</u>
Total	<u>6</u>

For the ensuing twelve months period, the Company has no intention of hiring new personnel.

The Company has no Collective Bargaining Agreement with employees and no strike or labor dispute of any kind has occurred for the past three (3) years

- (xv) Major risk/s involved in each of the businesses of the company and subsidiaries.
No major risks involved in the businesses of the company.

(b) Additional Requirements for Mining

Registrant has four (4) approved mining claims covered by a duly approved Mineral Production Sharing Agreement (MPSA) with the Department of Environment and Natural Resources (DENR)

The four (4) mining claims are:

- 1) **Bucay Baticang Limestone and Alluvial Gold Magnetite Project**- covered by and approved Mineral Production Sharing Agreement, MPSA No. 143-99 CAR. The MPSA comprised the parcel areas with an aggregate area of 128 hectares (two parcel areas of 64 hectares each) for Limestone Claim Deposit.

MPSA 143-99 under mine development ready for commercial operations.

- 2) **Capcapo Gold Copper Project**. The mineral property is located at Sitios of Capcapo, Singit, Masisiat, Patagui and Tala-ay, Municipal District of Licuan-Baay, Province of Abra. It is situated within the northeast oriented foothills of Central Cordillera Mountain range. It is covered by approved Mineral Production Sharing Agreement, MPSA No. 144-99 CAR. The MPSA comprised mineral claim areas with aggregate area of 756 hectares..

MPSA 144-99 CAR is under exploration by the foreign Partner Olympus Pacific Minerals, Inc. (OYM)

- 3) **Patok Gold Silver Copper Project (MPSA 141-99 CAR)**. The property is located at Licuan-Baay, Province of Abra. It has stopped operations and under study for re-opening. It is open for additional funding/investment.

- 4) **The Sanvig Alluvial Gold and Magnetite Iron Sand Deposits** - The property is the extension of the Abra river with an area of 2,673 hectares and covered by MPSA No. 175-2002-1. Detailed exploration was undertaken and the status of the project is open for additional funding and investment.

Properties

Majority of the Properties of the company, such as Plant, Properties, and Mining Equipment are all located in Abra. Said properties are all in good, working and serviceable condition and wholly owned by the company free from any encumbrance or liens. The company does not lease any property and has no property on mortgage.

Property	Location
Land and Improvements	Abra
Buildings	Abra
Office Equipment	Abra and Quezon City
Transportation Equipment	Abra and Quezon City
Laboratory Equipment	Abra
Assay Equipment	Abra
Heavy Equipment	Abra
Mining Equipment	Abra
Survey Equipment	Abra
Agricultural Equipment	Abra
Fabrication Equipment	Abra
Maintenance Equipment	Abra
Miscellaneous Equipment	Abra

Registrant has no intention of acquiring additional properties, plant and equipment for the next twelve month

Legal Proceedings

The directors and executive officers of the company have not been involved in any legal proceedings and no property of the Company is subject to any pending material legal proceedings.

Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

Market for Issuer’s Common Equity and Related Stockholder Matters

Market Information

The shares of the company are listed at the Philippine Stock Exchange. Summary of the high and low sales prices of the common equity from 2018, 2019 and 1st Quarter to 3rd Quarter of 2020. The latest market price of the shares of AMIC as of closing of October 30, 2019 is P.0018.

<i>Calendar Period</i>	<i>Prices per share (in pesos)</i>	
	<i>High</i>	<i>Low</i>
	2020	
First Quarter	0.0015	0.0011
2 nd Quarter	0.0010	0.0009
3 rd Quarter	0.0011	0.0009
	2019	

First Quarter	0.0020	0.0020
2 nd Quarter	0.0029	0.0027
3 rd Quarter	0.0025	0.0024
4 th quarter	0.0025	0.0024
2018		
First Quarter	0.0032	0.0030
2 nd Quarter	0.0029	0.0027
3 rd Quarter	0.0025	0.0024
4 th quarter	0.0025	0.0024

Holders

Registrant has 865 holders of the company's outstanding shares of common stock and the following are the top twenty (20) holders of said shares as of October 31, 2020:

<i>Name of Stockholders</i>	<i>Outstanding shares held</i>	<i>% of Total Shares Held</i>
1. <i>PCD Nominee Corporation</i>	<i>190,860,666.755</i>	<i>95.76</i>
2. <i>Jabel Corporation</i>	<i>51,150,000,000</i>	<i>26.16</i>
3. <i>PCD Nominee Corporation-Non-Fil</i>	<i>3,494,201,000</i>	<i>1.75</i>
4. <i>Discovery Mines, Inc.</i>	<i>1,250,000,000</i>	<i>0.627</i>
5. <i>Lu Ben Hua</i>	<i>380,000,000</i>	<i>0.1906</i>
6. <i>Li Chih Hui</i>	<i>200,000,000</i>	<i>0.1003</i>
7. <i>Bartholome W. Dybuncio Young</i>	<i>180,000,000</i>	<i>0.0903</i>
8. <i>Antonia So Ngu</i>	<i>156,000,000</i>	<i>0.0782</i>
9. <i>Anselmo C. Roque</i>	<i>143,000,000</i>	<i>0.0717</i>
10. <i>Tansengco & Co., Inc.</i>	<i>134,320,000</i>	<i>0.0673</i>
11. <i>Jeremias B. Beloy</i>	<i>100,600,000</i>	<i>0.0504</i>
12. <i>James G. Beloy</i>	<i>100,000,000</i>	<i>0.0501</i>
13. <i>Amelia G. Beloy</i>	<i>88,300,000</i>	<i>0.0443</i>
14. <i>Sammy Ngu</i>	<i>70,000,000</i>	<i>0.0501</i>
15. <i>Delany Realty, Inc.</i>	<i>30,000,000</i>	<i>0.015</i>
16. <i>Tiu Ka Siong</i>	<i>30,000,000</i>	<i>0.015</i>
17. <i>Delani Realty, Inc.</i>	<i>30,000,000</i>	<i>0.015</i>
18. <i>Edward M. Tipton</i>	<i>21,000,000</i>	<i>0.000</i>
19. <i>Philipp S. Lim</i>	<i>20,000,000</i>	<i>0.000</i>
20. <i>William Ong Lim</i>	<i>20,000,000</i>	<i>0.000</i>

Dividends

No dividends have been declared by the company.

Recent Sales of Unregistered Securities

The Company has filed its registration statement for the registration of 100 Billion common shares through private placements.

Description of Registrant's Securities

Registrant's 72,946,882,574 common shares are listed and traded at the Philippine Stock Exchange.

PRESIDENT'S MESSAGE

TO THE STOCKHOLDERS:

Once again the year has come to a conclusion and as we reflect back through the past year under consideration we can only hope that the coming years will bring forth an even better tiding not only for our company but in the mining industry as a whole. The year under deliberation can be classified as a promising one despite the poor rating coming from Fitch when it comes to mining industry in the Philippines. Mining.com however, affirms that mining sector in Asia continues to hold the greatest rewards globally.

For the mining industry that has been experiencing an unlimited number of challenges since the late nineties, a window of opportunity is indeed like a light at the end of the tunnel. As far back as about three or four years ago the company has been considering joining mining exhibits to get the feel of what investors' sentiments are about mining globally and more specifically, in the Philippines. This was once a vibrant mining industry way back in the early seventies. Back then, the Philippines was a haven for mining investments. A window of change in the current investor's sentiment, after the removal of previous Environment Secretary Gina Lopez, globally speaking, is what this country's ailing mining industry needs to be more in control and in order to jump start the industry back to life again.

At that time, the atmosphere for mining investment was not ripe as our country was not prepared to open our gates to foreign investment so to speak. We did not have the right people and the right countryside set-up to help the mining industry pull out of that dark cloud of investment uncertainty. Given the operational risks that mining companies already face, additional geopolitical risks pose an even more unquantifiable insecurity that foreign investors are just not willing to deal with. Multi-national operating mining companies could not care less about the extra risks here, instead they just simply move their business ventures elsewhere where they are more welcome and where the business atmosphere is more favourable to them. That is the current standard in any business setup especially in the mining industry.

In the report by Fitch (www.fitchsolutions.com) "notes that the Philippines continues to underperform in Asia as a result of weakening reserves, a poor regulatory framework, corruption, and increasing resource nationalism. It is arguable that resource nationalism is increasing, if anything after the removal of previous Environment Secretary, Gina Lopez, it could be argued the industry is more in control again".

However, in the article by www.mining.com on April 2019, it affirms that "Asia's mining sector continues to hold the greatest rewards globally, with positive business environments, rich mineral deposits, supportive infrastructure and political stability in countries holding the top positions in Fitch Solutions' Asia Mining Risk/Reward Index. While that may be true for top reigning countries like Australia as the analyst's latest report revealed, Myanmar and the Philippines, in an emerging market, remain the regional laggards".

Asked to comment, Mines and Geosciences Bureau (MGB) Director Wilfredo G. Moncano told BusinessWorld that he contests Fitch's findings. Weakening reserves "may be true for one or at the most two mines but, overall mineral reserves ready to be developed are in fact increasing. Three of the priority mines for development once the new fiscal regime is put in place via the approval of TRABAHO Bill will increase the reserves of gold and copper. The DENR and MGB are undertaking the review of the regulatory framework with the end of streamlining and reducing the steps, period of approval, documentary requirements and signatories in line with the Ease of Doing Business Act. The streamlining should be in place by 2nd half of the year."

Regulatory overhaul and streamlining of documentary requirements is indeed what it would need to get investors' eyes back on the country's mining sector. It would take a couple more years of overhauling and streamlining until we get the right combination including a change in the people handling and manning the bureaus and departments. That is all that we get meantime as it is better than the status quo. Despite the stringent rulings, cease and desist orders and caustic directives still in effect, for a lot of mineral claim holders there is still hope for a better time to proceed with mining per se.

Hence, on the first quarter of the year under consideration, company executives conjure up the idea once more to seek mining investment interests in the country. It took several months of planning and preparations for the promotion backed up by the newly opened investment for the Capcapo property which was previously tied-up under the Canadian Mining Venture with Besra. The promotional materials including presentations were concise and well prepared for all the several mining properties that our company has to offer. And so finally, on March 26-28 of 2019 the project came through with the acceptance of our application to join the Mining Investment Asia in Singapore. This is an exhibition “where miners, investors, and service providers converge in Asia” as the theme states.

Sure enough there were several important personalities in the Asian mining industry notably miners from our neighboring countries Malaysia, Indonesia, Vietnam, Australia to name a few and investors from different parts of the globe and also, widely covered by business media from different countries including Reuters and CNN Asia. Interestingly enough, our company gathered several hits in many of our hard rock mineral properties notably the Capcapo Copper Gold Property and Patok Gold Copper Silver Property. There were also interests in the Limestone Property for cement manufacture and also the company’s River Magnetite Operations. Their signified interests ranged from potential mine visit in the Philippines to possible future tie ups. Many were unmistakably attracted more to the Patok Property because of company’s previous Gold Mining Operations back in the early to late seventies where High Gold Copper Ore shipment to Hachinohe Japan was done. There was even a mine owner who wanted to tackle Gold operations mainly to back up its digital coins. While another miner wanted several mineral properties to tie up with in order to give value to its currently listed shell company. Some miners were very much familiar with the Philippines’ setting due to their previous companies operations here. They are likewise well informed on the government’s excessive environmental controls and closures of operating mines during the time of the former anti-mining Environment Secretary. We kept reminding everyone who asks, that Lopez’s appointment as Environment Secretary was rejected by the Commission on Appointments (CA) in a vote of 8–16 on May 3, 2017 amid issues over her controversial policies and alleged incompetence. She has since been replaced in May 2017 after barely ten months in office as she was never confirmed for that DENR’s Secretary Post.

Investors revolved around the topics of political climate and the lawmakers’ stance on mining in the country. Certainly indicative of investors’ awareness and concerns about the anti-mining experiences of their fellow miners and foreign investor counterparts who in one way or another were involved in the Philippines’ Mining Sector. These are the people that we need to touch based with and to convince them to take a second look at the country’s mineral industry for possible ventures. These are the personalities whose sentiments and experiences make an influential lasting statement that sticks firmly on their fellow investors and venture capitalists friends. You need to convince them that reforms are indeed being taken seriously by those in government positions. Their one bad experience here will reverberate in the foreign circle of mining investors abroad. On the other side of the coin, their good business experiences here will attract others ten folds just like the gold rush did in the 1930’s.

In these ever volatile metal and fuel prices, the effects on relatively smaller scale operations are far more cash flow sensitive than on a much larger scale operations. Foreign capital funding is a big factor in large operational design and creates better opportunities for auxiliary projects for the communities. The bottom line is that large scale operations make a huge difference on the balance sheets of operating mines whether they take a profit or a loss. Even more significant if its ground resources are of marginal grade where the only recourse for such an operation is to go on large scale production. Timing is also of the essence because ground exploration coupled with the mine and mill structural set-up takes an awfully long gestation period before production. Bottom line is that a black balance sheet dictates whether companies can provide more for the communities or not. An operational set-up that people running these government departments have no experience in since the last time there was a mining boom in this country. We never had the right officials manning these government offices such as the DENR since then. Large scale operations entail large scale investments which foreign investments can mostly provide. This is the biggest and most important component that inexperienced bureaucratic officials must take into account in mining operations. Attracting foreign and domestic investment is in itself a business. One must understand that there are other business opportunities, globally speaking, that other countries can provide or offer. In short, we need to be more attractive and globally competitive in terms of providing the right investment atmosphere that foreign investors seek. There has to be better stakes for them to get attracted here than the other countries can provide. In order for our country to do just that, then it must have the right people in these government offices that can cultivate the right business atmosphere with the right policies and laws for these venture capitalists because mining is labour and capital intensive with higher geo-political risks than any other businesses in the countryside.

We can only look forward to the day with renewed hope when government has enough willpower to painstakingly and honestly eradicate errant small scale illegal mining that is quite rampant even in the claimant’s mining tenement areas. These illegal miners are the ones that give the mining industry a very negative reputation. Likewise, there

are also large scale operators who cut corners and refuse to pursue the more stringent standard code of conduct under the implementing rules and regulations of the mining law governing tenement mining operations. In the past decades or so we have seen various regulatory agencies of the Philippine mining industry tightening its implementing rules and regulations to curb these erring mining companies.

But the more pressing issues are caused mainly by the conflicting issuance of permits by the Local and National Government concerning small and large scale operations. The small scale permits issued by the Local Government units is sometimes abused to evade the stringent regulatory requirements of the MPSA issued by the National Government by applying numerous small scale permits to operate a large scale operation without the proper Environmental Compliance Certificate and other rigid reportorial requirements under the current Mining Act.

The sad part is that our country is truly endowed with abundant natural resources and we are in the league of highly mineralized countries of the world yet we are categorized at the bottom of mineral industry development. Deplorable as it is, this appalling situation of our mineral rich laden country is such a huge setback for the free flow of venture capital in the mineral exploration arena. In reality, this is essentially needed in the impoverished countryside to stimulate growth and development to alleviate the standard of living of communities in the area. This matter should be addressed with appropriate political willpower to motivate development and enhance robust growth of the rural areas.

In the present world economic setting, the economies of governments, notwithstanding the world's biggest and powerful economies, are currently being run now by fiat currencies. Economic failures are all over the globe from Asia to America to the European Union. We have seen the biggest bankruptcies of world powers like USA, Latin America and EU Countries who have adopted "Quantitative Easing" as way out to pump more fiat currency into their ailing economies. In September 2019, the US Federal Reserve began conducting its fourth quantitative easing operation since the 2008 financial crisis; on 15 March 2020, it announced approximately \$700 billion in new Quantitative Easing via asset purchases to support US liquidity in response to the COVID-19 pandemic.

We live in the age of debt and where digital economies globally abound making QE, to the tune of several hundred billion dollars, quite easy to lever and distribute to save ailing economies. These are unnerving times indeed and like the recent Covid19 pandemic that started last December 2019 in Wuhan China, it found its way to infect other countries. Rapidly spreading throughout the world and infecting people like wildfire it set world economies practically at a standstill. Economists have forewarned world leaders that these outrageous debts and carefree spending schemes of world governments are recipes for an impending financial collapse of societies taking down with it their currencies and investment markets.

These are indubitably uncertain times where gold shines brightest. Since time immemorial, gold has proven its worth as a hedge against grand uncertainties like the great depression in the nineteen thirties. These series of Nostradamus-like forecasted events in its entirety, are possibly the distinct conception, in its infancy stage, of a huge Bull Run in the intrinsic value of all precious metals but more specifically gold. And that is conceivably the key reason why mainstream mining investors in the Mining Asia Exhibition in Singapore are significantly so much keener in the precious metal properties of our company. A slight shift in investment perspective is all that this industry needs to open doors to opportunities for early birds in the industry.

Though the mining industry in our country is currently experiencing extraordinary domestic challenges upping the ante on uncertainty with the unprecedented dogmatic scrutiny both from government agencies and the public, we can only anticipate cautious improvements from this status quo with the impending bullish sentiment for precious metals specifically gold.

This Covid19 pandemic might just be the initial catalyst for the paradigm shift towards the forecasted upturn in gold prices. Thus, we foresee a more optimistic outlook for our country's mining industry as we setup the necessary framework refitting to prep our gold mining projects in tune with the impending upsurge in precious metal prices.

The main goal of the company is to expedite the commercial operations of its proven and other highly prospective mining Tenements. To fast-track the development of the different projects, our company organized a subordinate company called "NordQuad" Group to handle the desired separate and individual commercial operations. The Bucay Limestone offers the least gestation period as we envision manufacturing the different by-products of burnt limestone, such as lime. The construction shall commence upon completion of funding arrangement with a non-operating equity participating foreign funder including other strategic funders to set up the plant equipment to utilize the company's Limestone Deposit for the production of Lime (CaCO_3), Ground Calcium Carbonate (GCC) and Precipitated Calcium Carbonate (PCC).

The main objective of the project is to commission the plant operation to make productive use of its proven limestone resources of which feasibility study has been completed including the necessary market researches for the

commercial utilization of these limestone by-products. This project was largely isolated from the company's other mining projects conceived to provide high return and robust cash flow with the least capital cost, and notably much faster plant commissioning than the hard rock projects. This lime project also becomes an integral part of the Patok Gold Project reopening to supply the lime requirements of the plant. In the meantime, the Baticang plant can also supply the lime requirements of its surrounding areas. Being the only lime producer in Northern Luzon, all the other gold mines in the Baguio Mining District can procure their Lime requirements from this operation, including the agricultural and aquaculture requirements of the northern region of the country. These studies have already been prepared and done in the past.

Simultaneously with the materialization of the Baticang Lime Plant, another project in the same locality is the previously constructed and installed Baticang Magnetite and River Gold Plant that can be set in operation with minimal retooling. This project has been envisioned to last a long time primarily due to the high demand for steel and iron derivatives. Though the viability of the company's mineral tenement has been ascertained years before, the company launched a more detailed exploration program of this indispensable quantity to ascertain the feasibility of the reserve compliant with international standards as regards to the iron content of the black material called Magnetite Iron Sand and to include the study on the presence of Precious Metals.

In the late seventies to early eighties, the magnetite sand industry was such a booming and very profitable market. And that paved the way for the company's visualization that the market will eventually regain its once mining heydays. The Company's integrated plans of large scale Magnetite Operation will run on multiple dredging operations to produce 200mtpd of magnetite iron sand in its initial stages gradually expanding to bigger capacities. This production shift would be considered conservative enough to prelaunch the alluvial operation while focusing more detailed research activities to recover the finer gold values by centrifugal gravity separation method and eradicating use of toxic chemicals. During its pilot operation the company did just that while also focusing efforts on maximizing the recovery of other available alluvial minerals present in the river sand.

Although the recovery of the very fine gold can be very tricky, management plans to do more meticulous studies to implement a more efficient recovery of the magnetite iron sand and finer gold particles. Hence, the company embarked in an endless research study and analysis of improving plant design for these type or character of deposit. Likewise, constant monitoring of results helps in the perpetual refinement of the plant recovery and design. This is just one way the company can stay on top of the situation. The implementation of changes is essential in the recovery plant expansion program to spread-out over the years while aided by engineering research, analysis and innovation. Furthermore, the company ventured into advance R&D for the conversion of magnetite iron sand into pellets for use in making pig iron and other downstream steel products. This process would transform the magnetite iron sand into marketable products with higher values. Presently, the company is in serious negotiation with a group of experienced multinational investors engaged in steel manufacturing in their country for a strategic alliance to develop our magnetite project as feed stock for the proposed integrated steel mill and the recovery of precious and even the rare metals.

Among the company's priority projects is to relaunch the Patok Gold Operation that can be commissioned immediately upon completion of funding requirements. The Patok Gold Operation was the company's main operation back in the late seventies and early eighties when it was sidetracked due primarily to the unsettling oil embargo of the eighties when at one point in our economic history fuel was being rationed. The Patok Gold Project benefits from a relatively easier and faster development in that high grade ore have already been blocked and readily accessible by reopening the previous operating tunnel. Another windfall factor is that it qualifies for the government program for "Certificate of Non-Coverage". This program entitles old mines to immediately restart operation by allowing them to run while their ECC papers are being processed. Time is of the essence in that it takes quite a long time to secure the ECC approval, seven years to be exact, as in case of the Company's Alluvial Project. The Patok Gold Property is just a few aerial kilometers southwest of the Capcapo Copper-Gold Mine.

The five-year management plan has been modified to conform with the new development of the Capcapo Copper-Gold Project where AMIC signed a Joint Venture Agreement with a Canadian Strategic Partner, formerly Olympus Pacific Minerals, Inc. now Besra Gold Incorporated (BESRA). The aforementioned JVA was finally terminated by both Parties due to the inability of BESRA to properly pursue and actively launch the detailed exploration program and advance the project into operational stage because of their corporate operational problem in their Bong Mieu Vietnam operations.

At this juncture AMIC can now entertain a more competent multinational strategic partner who can take over and pursue this "world class mine discoveries" as declared by BESRA during their drilling programs. It took three years for AMIC to convince BESRA to disengage in the Capcapo Copper-Gold Project as BESRA was hesitant to relinquish the project because of their initial exploration results where they claimed to have "discovered a world class mine". In their last ditch efforts in the Deed of Termination, BESRA even asked AMIC for a certain

percentage stake in a new partnership but AMIC declined all these provisions to start a clean slate for incoming strategic partner.

A brief review of the former JVA status of the project started on November 23, 2006, after the signing of the MOA, drilling started in early 2007. This was abruptly interrupted by the nearby community's clamour for a Free & Prior Informed Consent (FPIC) even though all of the project tenement documentations including MPSA have been issued by DENR with the concurrence of the NCIP. However, by law, an FPIC is only needed if the mineral tenement is part of an Indigenous People's territorial domain. The project tenement was never the IP's territorial domain and as the area is widely covered by tax declarations that have already been mostly acquired by other groups of companies. This fact is the main premise why the company was able to obtain an MPSA as there are no known IPs in the tenement. Furthermore, there were no host communities within the Capcapo mineral tenement and that the neighboring communities only started seeking IP recognition as recently as 2010 only after learning of the very positive results of the drilling.

Fifteen drill holes have been drilled to date, including eight drill holes by OYM/BEZ, yielding very encouraging results to validate the Company's Capcapo tenement claim. The project documents are all in order from the MPSA to the NCIP approval, with no less than the Chairman of the National Commission of Indigenous People (NCIP) affixing his signature. Notwithstanding the Company's signed papers categorically stating that there are no Indigenous People in the tenement area, in our partner's efforts to appease and maintain diplomatic relations with this small community it decided to temporarily halt further drillings in the area and conducted the requisite Community Relations Program in lieu of the Free Prior and Informed Consent before the resumption of the detailed drilling program. This act of riposte will hopefully educate the community about the benefits of mining development in their underprivileged region while at the same time cleaning up misconceptions and smear campaigns that opposing minority group is feeding them while maintaining vital presence in the area.

The former Joint Venture Group consequently commissioned an experienced Consultant Team knowledgeable in the steps and platforms of community relations in the mining industry to continue the community relations where it was abruptly suspended a couple years before the JVA signing. This step increase chances for faster and smoother working relations with all the communities surrounding the tenement area. A consultative body in community relations was also formed by the commissioned consultant team to educate the community about the benefits of mining for the development of their community. And at the same time clearing up misconceptions and smear campaigns about the appropriate benefits of mining as a tool aiding in the development and progress of communities in the stages of the program.

Since the exploration program of the JV has been suspended, AMIC is now mulling over to entertain new strategic partner/s with another foreign multinational mining company who is interested and posses the requisite funding to carry on the project. Since the former JVA has been terminated, AMIC can now deal with another party which signified their interest in our brown field mining project.

Again, our long term cherished Mission-Vision is to look for vitally and financially capable investors that can pursue the commercial development of our vast and diverse mining tenement projects. We explore the most attractive deals with the intention to have a more risk-averse strategy for greater growth and financial stability. Develop and transform these hoards of highly valuable mining tenements into commercially viable producing mines.

Although, with the persistent and never-ending new challenges that our mining industry is facing today, the growth potentials of our abundant gold reserves secure our determination and our resolve to launch these mining ventures during these turbulent times is to stay ahead of the others. The potential bounty of our travails is our gold odyssey. Our vision is to focus on what is sustainable to attain growth in our mining operations and innovate continuously to stay ahead and secure opportunities in mineral industry outturn that will complement our share values. A review of our corporate governance policy is sought to deal with the requisites of these very challenging times and incorporate the same in our business goal to achieve sustainable and strong robust growth during these trying times.

Our board and officers remain steadfast to their commitment to pursue the most suitable plan to attain its long term cherished mission-vision. To pursue various investment opportunities and secure the most attractive deals in order to develop and transform these hoards of valuable mining tenements into commercially viable producing mines. Despite the seemingly endless challenges and daunting tasks that our mining industry is facing today, our company is committed to launch these gold mining ventures and create growth potentials for our abundant gold reserves; strive to obtain productive deals to fund exploration of the adjoining areas of our mine discoveries to unearth additional reserves to secure a steady and strong robust growth. Despite the turbulent times, we pause and bestow

our thanks to the Lord Almighty for the numerous blessings that He has granted our company and the good fortune to acquire these highly valuable mining tenements.

In closing, we owe our biggest gratitude to the unending commitment and support of our investors who have endured with us during our course through these tough times. They certainly uplift the emotional well being of our officers and employees. These are the driving forces that inspire our officers and management to work harder to make our company a valuable mining venture. In these challenging times, the exemplary performance and self-sacrifices of our hardworking officers and employees of our company are commendable. With God's warmest blessing and the right business opportunity we will continue to endeavour to bring these projects into fruition all in God's time.

JAMES G. BELOY
President

Management's Report

I. Audited Financial Statements

AMIC's Audited Financial Statements for 2019 are incorporated herein for reference (Annex "B").

II. Management's Discussion and Analysis of Financial Condition and Results of Operation

RESULTS/STATUS OF OPERATIONS

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 P62.2 Million and P62.4 Million as at December 31, 2019 and 2018, respectively. 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. In addition, the company's stockholder undertakes to provide continuing

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.

RESULTS OPERATIONS (2019)

AMIC has not started normal commercial extraction of mine products. As shown in the accompanying financial statements, AMIC has incurred cumulative losses of P62.2 Million and P62.4 Million as at December 31, 2019 and 2018, respectively. Despite the losses, the accompanying financial statements were prepared on a going concern basis as the Company addressed the capital deficiency in its 5-tiered Management Plan and management is in continuous discussion with potential investors to fund such 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.

RESULTS OPERATIONS (2018)

AMIC has not started normal commercial extraction of mine products. As shown in the accompanying financial statements, AMIC has incurred cumulative losses of P62,426,243 and P59,672,519 as at December 31, 2018 and 2017, respectively. Despite the losses, the accompanying financial statements were prepared on a going concern

basis as the Company addressed the capital deficiency in its 5-tiered Management Plan and management is in continuous discussion with potential investors to fund such plan.

RESULTS OPERATIONS (2017)

AMIC has not started normal commercial extraction of mine products. As shown in the accompanying financial statements, AMIC has incurred cumulative losses of P3,328,870. 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.

The table below shows the highlights in the financial position of AMIC over the last three fiscal years:

	2019	2018	2017
Total Assets	1,775,021,511	1,759,562,292	P1,749,316,341
Total Liabilities	61,068,554	40,074,793	27,075,118
Retained Earnings	-65,228,958	-62,426,243	-59,672,519

FINANCIAL CONDITION

Comparative financial condition for the last three (3) are presented below:

	2019	2018	2017
Total Current Assets	5,486,187	7,301,192	7,350,135
Total Non-Current Assets	1,769,535,324	1,752,261,100	1,741,966,206
Total Assets	1,775,021,511	1,759,562,292	1,749,316,341
Current Liabilities	972,527	857,595	1,557,920
Non-Current Liabilities	58,336,727	39,217,198	25,517,198
Total Liabilities	61,068,554	40,074,793	27,075,118

FINANCIAL SOUNDNESS INDICATORS

Financial Soundness Indicators are used to monitor the soundness of a financial system and assess systemic risk. It responds to the need for better tools to assess the strengths and vulnerabilities of the financial system.

Below is the schedule showing financial soundness indicators for the last 3 years :

FINANCIAL CONDITION

PROFITABILITY RATIOS

		2019		2018
Return on Asset		0:1		0:1
	Net Profit/	-	2,802,716	-
Net profit Divide by Average	Total Assets (PY)		1,759,562,292	2,753,723
Asset (Total Assets Prior Year	Total Assets (CY)		1,775,021,511	1,749,316,341
plus Total Assets Current Year	<u>Total</u>		<u>3,534,583,803</u>	<u>1,759,562,292</u>
Divide By 2	Divide by 2 = Average Asset		1,767,291,902	3,508,878,633
				1,754,439,317
Return on Equity		0:1		0:1
	Net Profit/	-	2,802,716	-
Net Profit Divide By Average	Total Equity (PY)		1,719,487,499	2,753,723
Equity (Equity Prior Year Plus	Total Equity (CY)		1,716,684,784	1,772,241,223
Equity Current Year Divide by 2)	<u>Total</u>		<u>3,436,172,283</u>	<u>1,719,487,499</u>
	Divide by 2 = Average Equity		1,718,086,142	3,491,728,722
				1,745,864,361
Profit Margin			-	-
	Net Income	-	2,802,716	-
Net Income Divide By Revenue	<u>Revenue</u>		-	<u>2,753,723</u>
			-	-

Management plans

The 2019 Management Plan is the continuity of the integrated five-tiered long-term Management Program of Abra Mining and Industrial Corporation (AMIC) that is fitting and responsive to the present challenges of the mining industry. Even though the mining industry in our country is experiencing uncertainty and unprecedented regulatory scrutiny aggravated by the adverse effect of depressed commodities prices and consequences of the cyclical economic downturns, calamities and financial collapse of other industries, we foresee the forthcoming bright future of our country's mining industry.

Priorities in its five-year management program have been updated to fast-track a commercial operations with the least gestation period starting with the Baticang Lime Kiln Plant in Bucay, Abra. The construction shall commence upon availability of funds to use the company's huge Limestone Deposit for the production of Lime (CaCO₃), Ground Calcium Carbonate (GCC) and Precipitated Calcium Carbonate (PCC). The primary objective of the project is to commission the operation to make productive use of its proven limestone resources and the feasibility study has already been completed including the necessary market research for the commercialization of these limestone products. This project was largely isolated from the rest and expect to provide the Company with high returns at the least capital cost and gestation period. The plant construction and commissioning, notably much faster than the hard rock projects. The project has already been designed and plant construction will commence upon availability of funds which is presently under negotiation with a none-operating equity participating foreign funder and a Joint Venture Company from AMIC group. This lime project becomes an integral part of the Patok reopening in that it will also supply the lime requirements of the Patok plant. In the meantime, the Baticang plant can supply the lime requirements of the surrounding areas, being the only producer in Northern Luzon where all the other

mines in the Baguio Mining District can procure their supplies including the agricultural and aquaculture requirements of the northern region.

Simultaneously, with the emergence of the Baticang Lime Plant another project in the vicinity is the newly constructed and installed Baticang Magnetite and Gold-Copper Plant that can be put in operation with minimal fund retooling. This project has been envisioned to last longer mainly due to the demand for steel and iron derivatives. Though the viability of the company's mineral tenement has been ascertained years before, the company launched a more detailed exploration program to ascertain the feasibility of the reserve compliant with international standards as regards the content of indispensable quantity of the black material Magnetite Iron Sand and the Precious Metals. In the past, the magnetite sand industry was in a booming market in the late 70's and early 80's which gave hope to the company's vision of regaining its heydays of mining. The Company's integrated plans of large scale Magnetite Operation, will run on multiple dredging operation to produce 200 mtpd of magnetite iron sand in its initial stages gradually expanding to bigger capacities. This production shift would be considered reticent enough to relaunch the operations and focus the research activities to recover the finer gold values and other precious metals by centrifugal gravity separation without use of toxic chemicals. In its pilot operation the company's efforts have been focused on maximizing the alluvial mineral resources to recover not only Magnetite Iron Sand but also the more valuable Precious Metal values. Although the recovery of the very fine gold is very difficult. Management plan is to implement a more efficient recovery of the magnetite iron sand and that of the finer gold particles. The company therefore engaged in an endless research and analysis with constant monitoring for the perpetual refinement and improvement of plant design for these type of deposits. This is just one way the Company can stay ahead in conjunction with the implementation of the essential recovery plant expansion program spread-out over the years as aided by engineering research, analysis and innovation. Efforts have also been made to contact buyers of the ever increasing stockpile of R & D magnetite. Due to the depressed price of iron ore, the company has ventured to advance its R & D by conversion of the magnetite iron sand into pellets and/or pig iron in pursuit of higher values for its product thereby resulting in additional cash flow.

The third tier in the company's five-year management plan is the re-opening of the *Patok Gold Operation that be commissioned immediately upon availability of funds*. This Patok Gold Project was the main Company operation back in the late 70's and early 80's when it was sidetracked due primarily to the unsettling oil embargo of the 80's when at one point in our history fuel was being rationed. The Patok property is targeted to be likely at the third or even at the second level of our management program pending hefty capital infusion and budget availability. The Patok project enjoys a relatively easier and faster development in that an ores of high grade have already been blocked and readily accessible by reopening the previous tunnel. Another windfall factor is that it qualifies for the government program for "*Certificate of Non-Coverage*". This program entitles old mines to immediately restart operation by allowing them to run while their ECC papers are being processed. Time is of the essence in that it takes quite a long time to secure the ECC approval, seven years to be exact, as in the Company's Alluvial Project. The Patok property is just a few aerial kilometers southwest of the Capcapo Copper-Gold Mine.

The five-year management plan have been modified to conform with the new development of the Capcapo Copper-Gold Project where AMIC signed a Joint Venture Agreement ("JVA") with a Canadian Strategic Partner, formerly Olympus Pacific Minerals, Inc. now Besra Gold Incorporated (BESRA). The aforementioned JVA was finally terminated by both Parties due to inability of BESRA to properly pursue and actively launch the detailed exploration program to advance the project into operational stage because of their internal corporate operational problem coupled by the uncertainty of the local mining industry. At this juncture AMIC can now entertain a more abled multinational strategic partner who have been clamoring to take over and pursue this world class mine discoveries as declared by BESRA. It took four (4) years for AMIC to convince BESRA to disengaged in the Capcapo Copper-Gold Project for it have qualms about relinquishing the project because of their knowledge that it is a great world class mine discovery. In their last ditched efforts, BESRA even asked AMIC for a certain percentage stake in the new JVA because they know that some day this will be a great large mine operation but AMIC declined all these provision of the Deed of Termination to give a clean slate of the Capcapo Copper-Gold Mine for the new incoming strategic partner. A brief review of the former JVA status of the project starts on November 23, 2006, after the signing of the MOA, drilling started in early 2007. This was abruptly interrupted by the nearby community's clamor for a Free & Prior Informed Consent (FPIC). Even though all of the project tenement documentations including MPSA have been issued by DENR with the concurrence of NCIP. However, by law, an FPIC is only needed if the mineral tenement is part of an Indigenous People's (IP) territorial domain. The project tenement was never the IP's domain and that the area is widely covered by tax declarations that have already and mostly acquired by our group of companies. This fact is the main premise why the Company was able to obtain an MPSA. Furthermore, there were no host communities within the Capcapo mineral tenement and that the neighboring communities started seeking IP recognition only in 2010 after learning of the very positive results of the drilling. Fifteen (15) drill holes have been drilled to date, including eight drill holes by OYM/BEZ, yielding

very encouraging results to validate the Company's Capcabo tenement. The project documents are all in order from the MPSA to the NCIP approval, with no less than the Chairman of the National Commission of Indigenous People (NCIP) affixing his signature. Notwithstanding the Company's signed papers categorically stating there are no *Indigenous People (IP)* in the tenement area, in our partner's efforts to appease and maintain diplomatic relations with this small community it decided to temporarily halt further drillings in the area and conducted the requisite Community Relations Program in lieu of the *Free & Prior and Informed Consent (FPIC)* before the resumption of the detailed drilling program. This act of riposte will hopefully educate the community about the benefits of mining development in their underprivileged region while at the same time cleaning up misconceptions and smear campaigns that opposing minority group is feeding them while we maintain vital presence in the area.

The former Joint Venture (JV) group consequently commissioned an experienced consultant team knowledgeable in the steps and platforms of community relations in the mining industry to continue the community relations where it was abruptly suspended a couple years before the JVA signing. This step increases our chances for faster and smoother working relations within the nearby communities. A consultative body in community relations was also formed by the commissioned consultant team to educate the community about the benefits of mining development in their underprivileged region. At the same time clearing up misconceptions and smear campaigns that opposing minority group is feeding them while we maintain vital presence in the tenement area and now in the final stages of the program. The program of BESRA have been suspended from early 2013 until today and AMIC is mulling over to entertain a new strategic partner with another foreign multinational mining company who are interested and posses the requisite funding to carry on the project. Since the former JVA has been terminated AMIC can now deal with another party which signified their interest in our brownfield mining project.

Tier five of the Company's management program is also unchanged with the gradual expansion and constant refinement of the Alluvial Plant Operation from its present linear processing system to a non-linear modular processing design for continuous operations. Thereafter, when capital is available, the Company plans to employ multi cluster bulk material dredging operation of continuous system along the lengthy Abra River towards sea. Bulk dredging is a reliable and more fitting method for this type of deposit. It is highly efficient and exceedingly productive operating system for alluvial flood plains but may prove to be more expensive due to huge capital cost but this can be offset by higher revenue for the company. This method entails a lot of capital there is a need to increase the plant capacity as well as its bulk production which can be extremely profitable as the deposit may warrant. This method is further down the line of our five year tiered management plan and right now is made part of the program to integrate a multi-processing recovery system of operation. The design incorporates the three line gravity concentrating system of recovery for the precious metal.

The first line will consist of rotating circular trommel grizzly (RCTG) as primary de-rocker in-line with three unit of Pan American Placer Jig, in series with two units vibrating sluice boxes. The RCTG Machine is mainly a gravel and sand washing machine, consisting of a bin/grizzly, a belt conveyor, two units of water-sprayed trommels and an apron feeder for feeding to the jig. For handling and material flow, the dredge machine will feed the bin while its grizzly will reject oversize materials. The second line will require the resumption of the magnetite sand in the Alluvial Plant. However, the plant will undergo major revisions underneath the three magnetic separators, including the additions of Five more magnetic separators as one (1) cluster. As usual, the magnetic separators will produce rough magnetite sand and its tailings pump-fed into the IHC Jig to recover the precious metals along with the magnetite sand. For the third line gravity concentration, the process will use *Centrifugal Force Technology*. Five centrifugal machines using this technology will be used for feeds derived from the tails of the magnetic separators as part of the cluster. The tailings feed, however, will have to be screened to minus 14 mesh as required by the machine. The tailings of the concentrators will be discharged onto the third line of sluice boxes, thence into the tailings pond. There will be several cluster to be deployed along the river to outturn commercial production of magnetite iron sand and the jig and centrifugal concentrates will be delivered to land base processing plant to recover the precious metals.

Finally, the company has embarked on a capital raising endeavor to raise the necessary funding for the projects on the pipeline. To achieve this goal faster, the company seeks to engage the services of investment houses and investment managers to arrange meetings, including foreign roadshows and, hopefully, close deals with foreign companies that fit into the Company's mission-vision and management plan. Presently, these groups are engaged by AMIC in the ongoing negotiations for private placement from non-equity operating foreign funders. Presently we are seriously negotiating with a credible foreign non-operating equity funder that can provide the capital requirement of the several mine projects and pursue the opportunities to explore additional mine reserves in the expansive land areas surrounding these great mine discoveries. This availment will provide secure capital resources for the requisite capital deployment needed in this challenging times where venture capital for sustainable growth are difficult to acquire due to reluctance of banks and financial funders to position their resources at this time of

economic uncertainty. Raising capital through the international stock markets are worrisome because of China's economic woes and a slump of their Stock Market that can drag the entire world equity markets where speculative money can be battered heavily causing jitters to deal in new investments. The present volatile situation is expected to aggravate the unpredictable global financial condition that will impair the sourcing of funds and bound to be very difficult and tough. It is therefore prudent to set-up a funding credit line at this hard times to cushion the intensive commercial development of the mine and the flexibility to sustain growth in this uncertain economic situations. Their engagement will also help the Company tap their services when the planned primary and secondary offerings will be undertaken and even other private placements including roadshow presentations by the company for further fund raising.

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

For the last fiscal three years (2019, 2018 & 2017) there are no causes for any material changes from period to period of the financial statements(5%) that include vertical and horizontal analyses of any material item have occurred and recorded.

The company's activities were not affected with seasonal or cyclical events like peak periods of production or changes in the weather since the company is in the exploration stage. During CY 2019, the company made a borrowing from various sources. This led to a higher liability compared to CY 2018 and 2017 . Some of the assets were used to secure these borrowings. The company's estimates during the prior period did not change materially in CY 2019. No issuance of stocks was made and no stocks were put to treasury. Dividends are still beyond the capability of the company with the present trend of accumulating net losses. No subsequent events of any scale happened after 2019. There were no business combinations and changes in the organization of the company and it does not have any contingent assets or liability during the prior period up to the present period.

Additional disclosure Requirements

Reconciliation of Retained earnings Available for Dividend

Commitment for Capital Expenditure

For 2020, Registrant has no plan to spend capital expenditure .

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 no material commitments for capital expenditures not reflected in the company's financial statements. There are 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.

Income Statement Items

For the past several years, the company has no income from its 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.

Risk Management Objectives and Policies

AMIC is exposed to a variety of financial risks which result from both its operating and investing activities. AMIC's risk management is coordinated with its management, in close cooperation with the Board of Directors (BOD) and focuses on actively securing the AMIC's short to medium-term cash flows by minimizing the exposure to financial markets. Long term financial investments are managed to generate lasting returns.

AMIC's risk management policies are established to identify and analyze the risks faced by AMIC, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and AMIC's business activities. AMIC, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

AMIC's risk management policy are described below:

Liquidity risk

Liquidity risks or funding 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 AMIC's inability to raise funds to finance its operations and exploration costs through sales of its equity or availability of debt financing on acceptable terms. AMIC manages liquidity by regularly monitoring and evaluating its projected and actual cash flows. In support of its operations, the company relies on advances from its shareholders.

In support of its operations, AMIC relies on advances from its shareholders.

The table below summarizes the maturity profile of company's financial liabilities as of December 31, 2019 based on undiscounted payments:

2019	On Demand	120 days and more	Total
Accrued expenses and other payables	P 6,601	P 965,926	P 972,527
Advances from an affiliated company	-	57,364,200	57,364,200
Total	P 6,601	P 58,330,126	P 58,336,727

Advances from an affiliated company	-	39,217,198	39,217,198
Total	P 857,595	P 39,217,198	P 40,074,793

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

Market Risk

Cash Flow and Fair Value Interest Rate Risks

Cash flow and fair value interest rate risks policies are to ensure short to medium-term liquidity.

Interest risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Interest rate risk is managed by targeting a desired return, which is reviewed periodically, based on the Company's long-term view on interest rates.

Currently, the Company has no financial liabilities with floating interest rates.

Foreign Currency Risk

The AMIC has no significant exposure to foreign currency risks as most transactions are denominated in Philippine Peso, its functional currency.

Financial Statements

The financial statements and schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this report.

Information on Independent Accountants and Other Related Matters

External Audit Fees and Services

Registrant pay its external auditor the following fees (exclusively of out of pocket expenses and value added taxes):

Registrant pay its external auditor the following fees (exclusively of out of pocket expenses and value added taxes):

	2019	2018
Audit fees	Php151,200.00	Php151,000.00
Tax fees	Php18,144.00	Php18,144.00
Other fees	Not applicable	Not applicable

Other Assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the registrant's financial statements – NOT APPLICABLE

Audit Committee's Approval Policies and Procedures

The Audit Committee adopted a Revised Audit Committee Charter in compliance with SEC Memorandum Circular No. 4, Series of 2012. The Charter sets forth the Audit Committees' purposes, authority, duties and responsibilities, structure and procedures which shall guide the function of the Committee as prescribed by the Revised Code Corporate Governance, the Company's Manual on Corporate Governance and the Guidelines for the Assessment of Performance of Audit Committees of Companies listed on the Exchange promulgated by the Securities and Exchange Commission (SEC).

The external auditor prepares an accountability statement that sufficiently identifies the officers responsible for the financial report.

The final form of the audited financial statements is then presented to the company's audit committee members who review and further examine and perform their oversight financial management functions. The approval of the external auditor's fees is made by the audit committee.

Prior to the commencement of audit services, the external auditors submit their Audit Plan to the Audit Committee, indicating the applicable accounting standards, audit objectives, scope, approvals, methodology, needs and expectations and timetable, among others. A presentation on the same Plan is made by the external auditors before all the members of the Committee. All the items in the Plan are considered by the Committee, along with industry standards, in approving the services and fees of the external auditors.

Changes in and Disagreements with Accountants

There were no disagreements with the Company’s principal accountants as to any matter of accounting principles or practices, financial statement disclosures, or auditing scope or procedure.

CERTAIN RELATIONSHIP AND RELATED TRANSACTIONS

Related Party Transactions

AMIC’s related party transactions involved shareholders and AMIC’s key management personnel.

The following are the Company’s related party transactions:

	<i>Transaction Values</i>		<i>Due from (to) Related Parties</i>	
	2019	2018	2019	2018
<i>Advances from Stockholder Jabel Corp.</i>		13,700,000		36,055,698
<i>Discovery Mines, Inc.</i>	57,364,200	-	57,364,200	3,161,500
	P57,364,200.00	P13,700,000.00	P 57,364,200	P39,217,198

The above advances are classified as non-current in as much as the Company was given the unconditional right to defer settlement of the liability for t least three (3) years from 2018.

Abra Mining and Industrial Corporation (“the Company”) is compliant with the requirements of PAS 24. The Company has not yet been operating and while it is not yet in operations, it relies on the support of its stockholders in the form of advances, generally, for its working capital requirements. This has been the arrangement with certain related parties/companies whose directors are also directors of the Company (common stockholders/directors).

The purpose of a certain transaction with its one of the stockholders, Jabel Corporation is fully explained in Note 20.4 and in Note 15.1, it was stated that “the Company” and Jabel were relieved of any liability to the joint venture (risks of the Company) while the the transaction with the other stockholder engaged also in the mining business, Discovery Mines, is for working capital requirements whose purpose is to complement the Company’s business.

These advances are classified in the Company’s financial statements as non-current liabilities as it was given the unconditional right to defer settlement of the liabilities for at least three years from transaction date, renewable at the option of the Company.

No other ongoing or other commitments as a result of this arrangement.

These advances are initially recognized at their fair value and subsequently measured at amortized cost less settlement payments.

CORPORATE GOVERNANCE

Compliance by the Company with its Amended Manual of Corporate Governance was monitored with the company’s directors, officers and employees substantially complying with the leading practices and principles on good corporate governance as embodied in the manual.

The compliance officer is currently in charge of evaluating the level of compliance of the Board of Directors and top-level management with its Manual of Corporate Governance.

Due to company’s limited operations, measures are slowly being undertaken to fully comply with the adopted leading practices on good corporate governance.

There was no significant deviation from the company’s Amended Manual of Corporate Governance noted during the period under review. The company plans to adopt whatever new principles and practices applicable that may evolve to improve its corporate governance.

PARENT OF THE REGISTRANT

The corporation has no parent company.

UNDERTAKING

THE COMPANY UNDERTAKE TO PROVIDE WITHOUT CHARGE TO EACH PERSON SOLICITED ON THE WRITTEN REQUEST OF ANY SUCH PERSON a copy of the registrant's annual report on SEC form 17-A and shall indicate the name and address of the person to whom such a written request is to be directed **AT THE DISCRETION OF MANAGEMENT, A CHARGE MAY BE MADE FOR EXHIBITS, PROVIDED SUCH CHARGE IS LIMITED TO REASONABLE EXPENSES INCURRED BY THE REGISTRANT IN FURNISHING SUCH EXHIBITS.**

ALL REQUESTS MAY BE SENT TO:

MRS. AMELIA G. BELOY
Corporate Secretary
ABRA MINING & INDUSTRIAL CORPORATION
Jabel Business Centre,
103 West Avenue, Bgy Bungad Quezon City