

**PHILIPPINE MINING DEVELOPMENT CORPORATION**  
**BALANCE SHEET**  
As of 12/31/2013

BALANCE SHEET	YTD 2013	
	DEBIT (CREDIT)	
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Cash</b>		<b>106,536,250.67</b>
Cash in Banks - LBP BAJADA	204,713.84	
Cash in Banks - LBP NORTH AVE	11,501,234.43	
Cash in Banks - LBP DECS	7,411,142.94	
Cash in Banks - DBP CAMP AGUINALDO	626,036.30	
Cash in Banks - LBP NORTH \$	86,544,459.52	
Special Collecting Officer-H.O	6,580.60	
Special Collecting Officer-F.O	4,092.96	
Petty Cash Fund-Field Office	229,990.08	
Petty Cash Fund-Dinagat	8,000.00	
<b>Receivables - Trade and Non- Trade</b>		<b>17,026,310.72</b>
Cash Advance-Local Travel	103,802.55	
Cash Advance-Other Business Expense	31,690.32	
Employee Personal Account	16,928.06	
Other Receivables	291.07	
Accounts Receivable-Others	218.48	
Royalty Receivable-Dinagat Project	16,382,537.75	
Claims Receivable-Maternity	39,000.00	
Non-Trade Receivables-Fuel and Other Storehouse Withdrawals	71,610.27	
Non-Trade Receivables-Receivable to Contractor	28,115.40	
Input Tax	352,116.82	
<b>Inventories - Non-Trade</b>	<b>4,822,433.27</b>	<b>4,822,433.27</b>
<b>Prepaid Expenses</b>		<b>4,114.62</b>
Prepaid Expenses-Security Services	2,452.48	
Prepaid Expenses-Insurance	1,662.14	
<b>Total Current Assets</b>		<b>128,389,109.28</b>
<b>Non-current Assets</b>		
<b>Property, Plant and Equipment, Net</b>		<b>19,998,672.81</b>
Plant and Equipment	29,934,255.21	
Incomplete Construction -HEADOFFICE	217,750.01	
Incomplete Construction -MABATAS	8,658,872.39	
Incomplete Construction-DEPOT	168,971.25	
Incomplete Construction- North Davao	178,573.16	
Accumulated Depreciation-PPE	(19,159,749.21)	
<b>Exploration and Evaluation Assets, Net</b>		<b>252,558,301.54</b>
Exploration and Development Costs-FS	1,867,473.25	
Exploration and Development Cost-CDSI Core Drilling	19,174,041.74	
Incomplete Construction-UG	385,286.55	
Exploration and Evaluation Assets -JB Victory	243,463,750.00	
Accumulated Depreciation-Exploration Asset	(12,332,250.00)	
<b>Deffered Charges</b>	<b>8,697,324.39</b>	<b>8,697,324.39</b>
<b>Other Assets</b>		<b>2,790,098.92</b>
Downpayment for Contractual Obligations-Services	1,496,416.00	
Downpayment for Contractual Obligations-Others	30,800.00	
Special Deposits and Fund-Deposit on Account of Contract	119,478.15	
Special Deposits and Funds-Deposit on Returnable Containers	25,500.00	
Other Assets - for disposal	1,117,904.77	
<b>Total Non-Current Assets</b>		<b>284,044,397.66</b>
<b>TOTAL ASSETS</b>		<b>412,433,506.94</b>
<b>LIABILITIES AND NET WORTH</b>		

<b>Current Liabilities</b>		
<b>Payables</b>		<b>(11,445,321.19)</b>
Accounts Payable	(5,932,192.81)	
Accrued Liabilities	(744,657.64)	
Salaries Payable HO	(665.52)	
Salaries Payable Dvo	(10,224.26)	
Other Accounts Payable - Employees	(1,580.96)	
Other Payables due NDC	(4,756,000.00)	
<b>Due to NGA and GOCCs</b>		<b>(18,739,998.24)</b>
Employee Income Tax-H.O	(357,953.00)	
Employee Income Tax-Davao	(75,666.89)	
SSS Contributions-H.O	13,099.80	
SSS Contributions-Dvo	(10,533.03)	
Philhealth Contributions-H.O	(8,531.25)	
Philhealth Contributions-Dvo	(3,898.00)	
Pag-ibig Contributions - Dvo	(4,703.75)	
Professional Fees - Management and Technical Consultants-15%	(50,734.25)	
Professional Fees - Directors who are not employees of the Co.-15%	(3,800.00)	
Rentals on Real Property Exceeding P500.00-5%	22,300.72	
Contractors Income Tax 2%	1,616.93	
Suppliers Income Tax 1%	(60,253.71)	
VAT on Purchase of Services - 6%	(77,443.03)	
VAT on Purchase of Goods- 3%	(125,248.68)	
VAT on Purchase of Goods and Services - 5%	(31,332.90)	
Output VAT	(347,357.15)	
SSS Salary Loan-Davao	2,626.13	
SSS Salary Loan	(1,766.56)	
Pag-ibig Contributions	2,412.50	
Pag-ibig Multi Purpose Loan	(195.32)	
Calamity Loan - FO	(925.19)	
Income Tax Payable	(12,180,366.65)	
VAT Payable	(5,441,344.96)	
<b>Other Payables - Trust Liabilities</b>		<b>(7,167,481.63)</b>
Trust Liability-Vested Rights	(480,531.63)	
Trust Liability-Performance Bond	(3,627,450.00)	
Trust Liability-BAC Honoraria	(82,500.00)	
Trust Liability-Bid Security	(2,937,000.00)	
Trust Liability-Others	(40,000.00)	
<b>Total Current Liabilities</b>		<b>(37,352,801.06)</b>
<b>Long - Term Debt</b>		<b>(152,768,000.02)</b>
Long Term Debt- DBP	(0.02)	
Long Term Debt- NDC	(97,768,000.00)	
Long Term Debt- JB	(55,000,000.00)	
<b>Other Deferred Credits</b>	(9,322,550.00)	<b>(9,322,550.00)</b>
<b>Total Non Current Liabilities</b>		<b>(162,090,550.02)</b>
<b>TOTAL LIABILITIES</b>		<b>(199,443,351.08)</b>
	<b>NET WORTH</b>	
<b>CAPITAL STOCK</b>		<b>(125,000,003.00)</b>
Paid In - Common	(125,000,000.00)	
Donated Capital	(3.00)	
<b>REVALUATION SURPLUS</b>		
Appraisal Increment	(144,415,500.00)	<b>(144,415,500.00)</b>
<b>DEFICIT</b>		<b>56,425,347.16</b>
Retained Earnings - Unappropriated	115,041,548.75	
Retained Earnings - Unappropriated -DDSDP	(4,532,230.32)	
Net Revenues (Loss)	(53,769,167.00)	
Prior Period's Expenses	(314,804.27)	
<b>TOTAL NET WORTH</b>		<b>(212,990,155.84)</b>
<b>TOTAL LIABILITIES AND NET WORTH</b>		<b>(412,433,506.92)</b>

**PHILIPPINE MINING DEVELOPMENT CORPORATION**  
**INCOME STATEMENT**  
As od 12/31/2013

INCOME STATEMENT	YTD 2013	
	DEBIT (CREDIT)	
<b>REVENUES</b>		
<b>Commitment and Royalty Fees</b>		<b>(130,581,531.44)</b>
Royalty- Mangament Fee	(125,688,674.30)	
Commitment Fees	(4,892,857.14)	
<b>Interest Income - Net</b>		<b>(91,798.39)</b>
Savings/Combo Accounts	(108,325.11)	
20% Final Tax on Peso-denominated Investments	13,443.79	
7.5%Final Tax on Dollar-denominated Investments	3,082.93	
<b>Foreign Exchange Gain/Loss</b>	(2,368,606.11)	<b>(2,368,606.11)</b>
<b>Other Income-Revenue/Other Credits</b>	(1,785.71)	<b>(1,785.71)</b>
<b>TOTAL REVENUES</b>		<b>(133,043,721.65)</b>
<b>EXPENDITURES</b>		
<b>Employee Compensation</b>		<b>19,568,533.15</b>
Regular Employees - Base Pay	19,253,036.96	
Regular Rank & File - Overtime	277,784.19	
Project Employee-Base Pay	37,712.00	
<b>Employee Benefits</b>		<b>1,409,495.67</b>
Company Assistance on Maternity/Other Diseases	28,357.35	
Vacation Leave Monetization	400,230.06	
Retirement Plan	161,700.00	
State Insurance Fund (Worksmen's Compensation	11,630.00	
SSS/Philhealth Co. Share	673,736.60	
Service/Termination Pay	50,369.13	
Pag-ibig Co. Share	61,430.03	
Cost of Living Allowance	22,042.50	
<b>Employee Costs</b>		<b>2,484,746.03</b>
Transportation Expenses	206,953.64	
Base-off Expenses	49,503.00	
Employee Recreation Expenses	753,946.16	
Training and Education - Local	905,578.89	
Other Employee Costs	314,830.11	
Mess Expenses - Field Office	253,303.19	
Contractual Employees - Overtime	631.04	
<b>Materials and Supplies</b>		<b>1,078,907.62</b>
Fuel (IFO, ADO, etc.)	561,787.95	
Lubricants (Oil, Grease, etc.)	11,521.44	
Tires, Batteries & Accessories Products	45,066.44	
Tarpaulins and Ropes	12,500.00	
Raincoats and Boots	10,750.00	
Oxygen and Acetylene	47.00	
Expensed Tools and Instruments	3,299.39	
Laundy/Kitchen Supplies	37,481.85	
Sanitation Supplies	2,357.90	
Sampling and Geological Supplies	3,552.64	
Electrical - Parts and Supplies	13,077.18	

Pipes and Plumbing Supplies	36.00	
Stationery and Office Supplies	151,219.30	
Microcomputer - Related Supplies	175,992.06	
Official Forms	17,511.78	
Medical/Dental Supplies	3,183.70	
General Construction Supplies	91.00	
Paints, Lumber/Nails	56.00	
Safety Equipment and Supplies	18,494.66	
Other Materials and Supplies	10,881.33	
<b>Maintenance and Repairs</b>		<b>212,313.09</b>
Microcomputer and Peripherals	7,017.85	
Housing Facilities - Materials	84.75	
Office Buildings - Materials	810.00	
Office Buildings - Services	260.00	
Office Furniture and Eqpt. - Materials	72,263.94	
Office Furniture and Eqpt. - Services	1,142.85	
General Facilities - Services	12,232.14	
Vehicles - Materials	70,870.89	
Vehicles - Services	43,470.22	
Others - Materials	2,585.00	
Others - Services	1,575.45	
<b>Purchased Services and Utilities</b>		<b>2,857,327.08</b>
Prof. & Tech'l Services/Fees	726,607.14	
Contractual Employees - Base Pay	8,920.00	
Handling, Hauling, Towing & Delivery	86,463.41	
Security Services	9,096.11	
General Services	13,243.62	
Mimeographing and Photocopying	43,947.19	
Other Services	603,739.77	
Landline Communication	282,140.81	
Mobile Communication	528,613.29	
Other Communications	51,944.03	
Other Utilities	502,611.71	
<b>Rentals / Insurance / Taxes &amp; Licenses</b>		<b>5,165,656.34</b>
Building/Office Space Rental	1,991,870.98	
Vehicle Rental	5,800.00	
Computer Rental	1,279.00	
Insurance Expense	2,657,864.24	
Real Property Taxes	61,510.04	
Business Taxes	271,456.24	
Documentary Stamp Tax	449.41	
Motor Vehicle Registration Fees	35,365.90	
Other Taxes, Fees and Licenses	140,060.53	
<b>Depreciation - On First Cost</b>	4,171,175.39	<b>4,171,175.39</b>
<b>Business Expense</b>		<b>3,041,701.00</b>
Local Travel	942,860.40	
Foreign Travel	275,469.54	
Contributions and Memberships	202,561.00	
Company Meetings	79,945.82	
Business Meetings - Marketing	81,604.57	
Advertising-Media	1,147,190.00	
Advertising-Others	40,000.00	
Business Meetings - Non-Marketing	249,880.67	
Other Business Meetings	22,189.00	
Miscellaneous Expense		<b>1,603,823.63</b>
Corporate Social Responsibility	1,403,163.29	

Temporary Improvements	1,991.07	
Subscriptions/Publications in Periodicals	161,475.22	
Sundry Expenses	37,194.05	
<b>Other Expenses</b>		<b>37,680,875.63</b>
Interest Charges-Principal	14,273,528.27	
Bank Charges - Current	8,582.05	
OCC-Non Operating Charges-Income Tax	(20,000.00)	
OCC-Loss on Sale of Fixed Assets	61,779.40	
Others/Penalty	1,367,515.86	
Income Taxes	21,989,470.05	
<b>TOTAL EXPENDITURES</b>		<b>79,274,554.63</b>
<b>NET INCOME FOR OPERATION CY 2013</b>		<b>(53,769,167.02)</b>