

PERSHING RESOURCES COMPANY, INC

FINANCIAL STATEMENTS

Three Months Months Ended

March 31, 2016 and 2015

PERSHING RESOURCES COMPANY, INC
Statement of Assets, Liabilities and Stockholder's Equity -
As of March 31, 2016 and 2015

ASSETS

	<u>2016</u>	<u>2015</u>
CURRENT ASSETS		
Cash - Chase Bank	\$ 11,703.74	\$ 1,053.98
Cash - Scottrade	<u>235.02</u>	<u>235.02</u>
Total Current Assets	<u>11,938.76</u>	<u>1,289.00</u>
PROPERTY AND EQUIPMENT		
Mining Properties	43,500.00	43,500.00
Pilot Plant	424,240.00	0.00
Machinery and equipment	38,659.13	4,705.00
Less: Accumulated Depreciation	<u>(10,772.48)</u>	<u>(4,705.00)</u>
Net Property and Equipment	<u>495,626.65</u>	<u>43,500.00</u>
OTHER ASSETS		
Investment - Scottrade	48,420.75	48,420.75
BLM Bond	0.00	12,885.00
Deposits	<u>5,000.00</u>	<u>5,000.00</u>
Total Other Assets	<u>53,420.75</u>	<u>66,305.75</u>
TOTAL ASSETS	<u>\$ 560,986.16</u>	<u>\$ 111,094.75</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2016</u>	<u>2015</u>
LONG-TERM LIABILITIES		
Note Payable Shareholder	<u>43,108.37</u>	<u>61,085.51</u>
Total Long-Term Liabilities	<u>43,108.37</u>	<u>61,085.51</u>
Total Liabilities	<u>43,108.37</u>	<u>61,085.51</u>
STOCKHOLDERS' EQUITY		
Common Stock - authorized 250,000,000 shares, 131,624,410 issued and outstanding	13,162.45	12,387.98
Paid in capital	5,973,348.35	5,389,710.02
Retained Earnings	<u>(5,438,633.01)</u>	<u>(5,352,088.76)</u>
Total Stockholders' Equity	<u>547,877.79</u>	<u>50,009.24</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 590,986.16</u>	<u>\$ 111,094.75</u>

PERSHING RESOURCES COMPANY, INC
Statement of Revenues, Expenses and Net Income -
Income Tax Basis
For The 3 Months Then Ended March 31, 2016 and 2015

	<u>3 Months Months</u> <u>Ended</u> <u>March 31, 2016</u>	<u>3 Months Months</u> <u>Ended</u> <u>March 31, 2015</u>
Net Sales	\$ 0.00	\$ 0.00
Cost of Sales		
Pilot plant and lab expense	2,752.15	0.00
Total Cost of Sales	2,752.15	0.00
Gross Profit	\$ (2,752.15)	\$ 0.00
Operating Expenses		
Claim Maintenance Fees	0.00	6,020.00
Consulting fees	0.00	28,038.00
Office expense	90.91	0.00
Press releases	848.00	0.00
Rent	604.79	0.00
Share registry expenses	0.00	4,700.00
Property taxes	4,320.59	0.00
Storage	168.00	0.00
State Filing Fees	1,010.00	0.00
Stock transfer fees	450.00	0.00
OTC Listing Services	2,100.00	0.00
Web site	2,097.00	0.00
Total Operating Expenses	11,689.29	38,758.00
Operating Income	(14,441.44)	(38,758.00)
Income before income taxes	(14,441.44)	(38,758.00)
Federal income taxes	0.00	0.00
Net Income (Loss)	\$ (14,441.44)	\$ (38,758.00)

PERSHING RESOURCES COMPANY, INC
STATEMENT OF CASH FLOWS
For the Period Ended March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	\$ (14,441.44)	\$ (38,758.00)
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:		
Depreciation and Amortization	0.00	0.00
Losses (Gains) on sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	0.00	0.00
Inventory	0.00	0.00
Other	0.00	1,020.00
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	0.00	0.00
Accrued Liabilities	0.00	0.00
Total Adjustments	<u>0.00</u>	<u>1,020.00</u>
Net Cash Provided By (Used in) Operating Activities	(14,441.44)	(37,738.00)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures	0.00	0.00
Proceeds From Sale of Fixed Assets	<u>0.00</u>	<u>0.00</u>
Net Cash Provided By (Used In) Investing Activities	0.00	0.00
CASH FLOWS FROM FINANCING ACTIVITIES		
Notes Payable Borrowings	7,370.85	33,438.00
Notes Payable Repayments	(140,092.80)	0.00
Dividends Paid	0.00	0.00
Proceeds From Sale of Stock	<u>0.00</u>	<u>0.00</u>
Net Cash Provided By (Used In) Financing Activities	(132,721.95)	33,438.00
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(147,163.39)	(4,300.00)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>19,009.35</u>	<u>5,589.00</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 11,938.76</u>	<u>\$ 1,289.00</u>

PERSHING RESOURCES COMPANY, INC.

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2016 (unaudited)

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Background

Pershing Resources Company, Inc. was incorporated on August 26, 1996 under the laws of the State of Nevada. The Company currently has limited operations and in accordance with Statements of Financial Accounting Standards (SFAS) No.7, "Accounting and Reporting by Development State Enterprises" is considered a Development Stage Enterprise.

The Company is a development stage exploration and mining company, focused on precious metal ores and mining projects located in Nevada and Arizona.

Accounting Policies

The Company's accounting policies conform to United States generally accepted accounting policies and have been consistently applied in the preparation of these financial statements.

The financial statements included herein have not been audited by an independent registered public accounting firm, but include all adjustments (including normal, recurring entries), which are, in the opinion of management, necessary for a fair presentation of the results for such periods.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

The Company recognizes revenue when earned in accordance with SEC Staff Accounting Bulletin No. 101, "Revenue Recognition in Financial Statements."

NOTE 2: Notes Payable

On November 1, 2012, the Company has issued a note payable to a related party for \$3,647.51 for operating expenses. The note is payable on demand and is convertible at \$0.01 per share.

On July 15, 2014, the Company has issued a note payable to a related party for \$4,000.00 for operating expenses. The note is payable on demand and is convertible at \$0.02 per share.

On July 15, 2014, the Company has issued a note payable to a related party for \$2,000.00 for operating expenses. The note is payable on demand and is convertible at \$0.02 per share.

PERSHING RESOURCES COMPANY, INC.

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2016 (unaudited)

On August 25, 2014, the Company has issued a note payable to a related party for \$10,000.00 for operating expenses. The note is payable on demand and convertible at \$0.02 per share.

On October 10, 2014, the company issued a note payable to a related party for \$5,000.00 for operating expenses. The note is payable on demand and convertible at \$0.02 per share.

On October 16, 2014, the Company issued a note payable to a related party for \$3,000.00 for operating expenses. The note is payable on demand and convertible at \$0.02 per share.

On January 4, 2015, the Company issued a note to a related party for \$10,138.00 for operating expenses. The note is payable on demand and convertible at \$0.02 per share.

On January 12, 2015, the Company issued a note to a related party for \$20,000.00 for operating expenses. The note is payable on demand and convertible at \$0.02 per share.

On March 2, 2015, the Company issued a note to a related party for \$3,300.00 for operating expenses. The note is payable on demand and convertible at \$0.03 per share.

During the second quarter notes payable to related parties were issued in the amount of \$69,087.29 for operating expenses. The notes are payable on demand and convertible at \$.02 to \$.08 per share.

During the third quarter notes payable to related parties were issued in the amount of \$6,990.14 for operating expenses. The notes are payable on demand and convertible at \$.0225 per share.

During the fourth quarter notes payable to related parties were issued in the amount of \$ 28,747.28 for operating expenses. The notes are payable on demand and convertible at \$ 0.02 per share.

During the first quarter notes payable to related parties were issued in the amount of \$7,370.85 for operating expenses. The notes are payable on demand and convertible at \$0.0256 per share.

All notes except for those issued in the third and fourth quarters have been converted into common stock.

NOTE 3: GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As show in the accompanying financial statements, for the three months ended March 31, 2016, the Company incurred a loss of \$14,441.44. In addition the Company has an

PERSHING RESOURCES COMPANY, INC.

accumulated deficit of \$5,438,633.01. It is the intention of the Company's stockholders to fund capital shortfalls for the foreseeable future.

NOTE 4: SUBSEQUENT EVENTS

The Company has acquired Simple Recovery, Inc. on May 14, 2015 in exchange for shares of the Company's stock. The transaction has been approved by the board and is effective May 14, 2015. Assets of Simple Recovery, Inc. being acquired by the Company includes heavy equipment, mill equipment, lab equipment, personnel, and two precious metals mining properties located near Kingman, Arizona. The transaction was complete in the fourth quarter of 2015.

