

# **PERSHING RESOURCES COMPANY, INC**

FINANCIAL STATEMENTS

Twelve Months Months Ended

December 31, 2015 and 2014

**PERSHING RESOURCES COMPANY, INC**  
**Statement of Assets, Liabilities and Stockholder's Equity -**  
**As of December 31, 2015 and 2014**

**ASSETS**

	<u>2015</u>	<u>2014</u>
<b>CURRENT ASSETS</b>		
Cash - Chase Bank	\$ 18,774.33	\$ 5,353.98
Cash - Scottrade	<u>235.02</u>	<u>235.02</u>
<b>Total Current Assets</b>	<u>19,009.35</u>	<u>5,589.00</u>
<b>PROPERTY AND EQUIPMENT</b>		
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>
<b>Net Property and Equipment</b>	<u>495,626.65</u>	<u>43,500.00</u>
<b>OTHER ASSETS</b>		
Claim filing fees	574.00	6,020.00
Investment - Scottrade	48,420.75	48,420.75
BLM Bond	0.00	12,885.00
Deposits	<u>5,000.00</u>	<u>0.00</u>
<b>Total Other Assets</b>	<u>53,994.75</u>	<u>67,325.75</u>
<b>TOTAL ASSETS</b>	<u>\$ 568,630.75</u>	<u>\$ 116,414.75</u>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

	<u>2015</u>	<u>2014</u>
<b>LONG-TERM LIABILITIES</b>		
Note Payable Shareholder	<u>35,737.52</u>	<u>27,647.51</u>
<b>Total Long-Term Liabilities</b>	<u>35,737.52</u>	<u>27,647.51</u>
<b>Total Liabilities</b>	<u>35,737.52</u>	<u>27,647.51</u>
<b>STOCKHOLDERS' EQUITY</b>		
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>(5,423,617.57)</u>	<u>(5,313,330.76)</u>
<b>Total Stockholders' Equity</b>	<u>562,893.23</u>	<u>88,767.24</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 598,630.75</u>	<u>\$ 116,414.75</u>

**PERSHING RESOURCES COMPANY, INC**  
**Statement of Revenues, Expenses and Net Income -**  
**Income Tax Basis**  
**For The 12 Months Then Ended December 31, 2015 and 2014**

	<u>12 Months Months</u> <u>Ended</u> <u>December 31, 2015</u>	<u>12 Months Months</u> <u>Ended</u> <u>December 31, 2014</u>
Net Sales	\$ 0.00	\$ 0.00
<b>Cost of Sales</b>		
Total Cost of Sales	0.00	0.00
Gross Profit	\$ 0.00	\$ 0.00
<b>Operating Expenses</b>		
Claim Maintenance Fees	15,940.00	645.00
Administration fees	0.00	86.00
Bank service charges	150.00	180.00
Claim fees	250.00	0.00
Consulting fees	54,988.00	10,500.00
Continuing educations/confer	850.00	0.00
Interest	106.22	0.00
Miscellaneous expense	(1.00)	0.00
Office expense	1,141.81	0.00
Press releases	1,808.00	0.00
Rent	1,926.87	0.00
Share registry expenses	6,162.30	0.00
Property taxes	558.09	0.00
Other taxes	0.00	475.00
Storage	1,000.00	0.00
Licenses, permits and fees	99.00	99.00
Franchise taxes	800.00	0.00
Travel	5,406.06	0.00
Stock transfer fees	100.00	0.00
Web site	12,933.98	0.00
Website Development	0.00	1,500.00
Depreciation	6,067.48	0.00
Total Operating Expenses	110,286.81	13,485.00
Operating Income	(110,286.81)	(13,485.00)
Income before income taxes	(110,286.81)	(13,485.00)
Federal income taxes	0.00	0.00
Net Income (Loss)	\$ (110,286.81)	\$ (13,485.00)

**PERSHING RESOURCES COMPANY, INC**  
**STATEMENT OF CASH FLOWS**  
**For the Period Ended December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income (Loss)	\$ (110,286.81)	\$ (13,485.00)
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:		
Depreciation and Amortization	6,067.48	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	13,331.00	(6,020.00)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	0.00	0.00
Accrued Liabilities	0.00	0.00
Total Adjustments	<u>19,398.48</u>	<u>(6,020.00)</u>
<b>Net Cash Provided By (Used in) Operating Activities</b>	<b>(90,888.33)</b>	<b>(19,505.00)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital Expenditures	0.00	0.00
Proceeds From Sale of Fixed Assets	<u>0.00</u>	<u>0.00</u>
<b>Net Cash Provided By (Used In) Investing Activities</b>	<b>0.00</b>	<b>0.00</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Notes Payable Borrowings	732,595.61	37,000.00
Notes Payable Repayments	(140,092.80)	(13,000.00)
Dividends Paid	0.00	0.00
Proceeds From Sale of Stock	<u>0.00</u>	<u>0.00</u>
<b>Net Cash Provided By (Used In) Financing Activities</b>	<b><u>592,502.81</u></b>	<b><u>24,000.00</u></b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>501,614.48</b>	<b>4,495.00</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b><u>5,589.00</u></b>	<b><u>1,094.00</u></b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>\$ 19,009.35</u></b>	<b><u>\$ 5,589.00</u></b>

**PERSHING RESOURCES COMPANY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015 (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**

**SEPTEMBER 30, 2015 (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.

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 twelve months ended December 31, 2015, the Company incurred a loss of \$110,286.81. In addition the Company has an accumulated deficit of \$5,423,617.57. It is the intention of the Company's stockholders to fund capital shortfalls for the foreseeable future.

**NOTE 4: SUBSEQUENT EVENTS**

**PERSHING RESOURCES COMPANY, INC.**

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.