

**PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
JUNE 30, 2017 AND 2016**

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**PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2017 AND 2016**

	2017	2016
ASSETS		
Current Assets		
Cash	\$ 21,143	\$ 22,727
Investments in Marketable Securities	172	472
Total Current Assets	21,315	23,199
Property and Equipment		
Land	30,000	30,000
Building	120,000	120,000
Building Improvements	7,500	6,500
Machinery and Equipment	47,046	62,522
Furniture and Fixtures	4,950	4,950
Total Property and Equipment	209,496	223,972
Less: Accumulated Depreciation	39,245	31,539
Net Property and Equipment	170,251	192,433
Other Assets		
Goodwill	365,014	365,014
Mineral Property Rights	5,956,000	5,956,000
Total Other Assets	6,321,014	6,321,014
Total Assets	\$ 6,512,580	\$ 6,536,646

No assurance is provided with these financial statements.

**PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2017 AND 2016**

	2017	2016
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accrued Expenses	\$ 224	\$ 306
Other Loans Payable	4,400	4,562
Convertible Notes Payable	72,613	96,841
Total Current Liabilities	77,237	101,709
Total Liabilities	77,237	101,709
Stockholders' Equity		
Common Stock (\$0.0001 Par Value; 500,000,000 and 250,000,000 Shares Authorized as of June 30, 2017 and 2016, Respectively; 135,275,187 and 133,629,500 Shares Issued and Outstanding as of June 30, 2017 and 2016, Respectively)	13,528	13,362
Additional Paid-In Capital	12,061,859	12,019,040
Accumulated Deficit	(5,591,795)	(5,549,516)
Unrealized Loss on Investments	(48,249)	(47,949)
Total Stockholders' Equity	6,435,343	6,434,937
Total Liabilities and Stockholders' Equity	\$ 6,512,580	\$ 6,536,646

No assurance is provided with these financial statements.

**PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE LOSS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016**

	2017	2016
Revenue	\$ -	\$ -
Operating Expenses		
Mining and Exploration Costs	3,440	17,285
Professional Fees	17,653	10,130
Research and Development	-	2,040
Repairs and Maintenance	1,900	10,732
SEC Administrative Costs	3,145	-
General and Administrative	73,578	47,464
Depreciation	5,390	5,859
Total Operating Expenses	105,106	93,510
Loss from Operations	(105,106)	(93,510)
Other Income (Expenses)		
Other Income	-	9,512
Loss on Note Conversions	(6,193)	(29,092)
Interest Expense	(281)	(231)
Total Other Income (Expenses)	(6,474)	(19,811)
Loss Before Provision for Income Taxes	(111,580)	(113,321)
Provision for Income Taxes	-	-
Net Loss	(111,580)	(113,321)
Other Comprehensive Loss		
Unrealized Loss on Investments Available for Sale	(188)	(168)
Total Other Comprehensive Loss	(188)	(168)
Comprehensive Loss	\$ (111,768)	\$ (113,489)

No assurance is provided with these financial statements.

PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016

	2017	2016
Cash Flows from Operating Activities		
Net Loss	\$ (111,580)	\$ (113,321)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Depreciation	5,390	5,859
Shares of Common Stock Issued for Services Rendered	15,363	11,190
Loss on Conversion of Debt	6,193	29,092
Changes in Assets and Liabilities:		
Other Assets	-	5,000
Accrued Expenses	224	231
Net Cash Used in Operating Activities	(84,410)	(61,949)
Cash Flows from Investing Activities		
Proceeds from Issuance of Common Stock	25,057	-
Net Cash Provided by Investing Activities	25,057	-
Cash Flows from Financing Activities		
Proceeds from Convertible Debt	72,613	61,104
Net (Decrease) Increase in Other Loans Payable	(4,300)	862
Net Cash Provided by Financing Activities	68,313	61,966
Net Increase in Cash	8,960	17
Cash - Beginning of Period	12,183	22,710
Cash - End of Period	\$ 21,143	\$ 22,727
Supplemental Disclosures:		
Cash Paid for Interest	\$ -	\$ -
Cash Paid for Income Taxes	-	-
Summary of Noncash Activities:		
Property and Equipment Acquired With Common Stock	\$ -	\$ 164,050
Common Stock Issued for Services	15,363	11,190
Common Stock Issued to Retire Debt	25,000	130,173
Common Stock Issued to Pay Accrued Interest on Debt	57	3,299

No assurance is provided with these financial statements.

**PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016**

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Organization

Pershing Resources, formerly named Xenolix, Technologies, Inc. (the “Company”), was incorporated under the laws of the State of Nevada on August 26, 1996. The Company is a gold and precious metals exploration company pursuing exploration and development opportunities primarily in Nevada. None of the Company’s properties contain proven and probable reserves, and all of the Company’s activities on all of its properties are exploratory in nature.

On May 14, 2015, the Company acquired its wholly owned subsidiary, Simple Recovery, Inc. (“Simple Recovery”), through the issuance of 2 million shares of the Company’s common stock.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements have been prepared in conformity with U.S generally accepted accounting principles (“GAAP”) and the rules and regulations of the United States Securities and Exchange Commission (“SEC”). It is Management's opinion, that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair financial statement presentation.

In the preparation of the consolidated financial statements of the Company, intercompany transactions and balances have been eliminated. The Company applies the guidance of Topic 810 “Consolidation” of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) to determine whether and how to consolidate another entity. Pursuant to ASC 810-10-15-10 all majority-owned subsidiaries—all entities in which a parent has a controlling financial interest—shall be consolidated except when control does not rest with the parent. Pursuant to ASC 810-10-15-8, the usual condition for a controlling financial interest is ownership of a majority voting interest, and, therefore, as a general rule ownership by one reporting entity, directly or indirectly, of more than 50 percent of the outstanding voting shares of another entity is a condition pointing toward consolidation. The power to control may also exist with a lesser percentage of ownership, for example, by contract, lease, agreement with other stockholders, or by court decree.

Use of Estimates and Assumptions

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated balance sheet, and revenues and expenses for the period then ended. Actual results may differ significantly from those estimates. Significant estimates made by management include, but are not limited to, the useful life of property and equipment, the valuation of deferred tax assets and liabilities, including valuation allowance, amounts and timing of closure obligations, the assumptions used to calculate fair value of stock-based compensation, capitalized mineral rights, asset valuations, and the fair value of common stock issued.

Reclassification

The Company has reclassified certain amounts in the 2016 consolidated financial statements to comply with the 2017 presentation.

No assurance is provided with these financial statements.

PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents. The Company places its cash with a high credit quality financial institution. The Company's accounts at this institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. To reduce its risk associated with bank balances exceeding the FDIC insurance limit on interest bearing accounts, the Company evaluates at least annually the rating of the financial institution in which it holds deposits. The Company held no cash equivalents at June 30, 2017 and 2016, respectively.

Fair Value of Financial Instruments

The Company adopted Accounting Standards Codification ("ASC") 820, "Fair Value Measurements and Disclosures" ("ASC 820"), for assets and liabilities measured at fair value on a recurring basis. ASC 820 establishes a common definition for fair value to be applied to existing generally accepted accounting principles that requires the use of fair value measurements, establishes a framework for measuring fair value and expands disclosure about such fair value measurements. The adoption of ASC 820 did not have an impact on the Company's financial position or operating results, but did expand certain disclosures.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

These inputs are prioritized below:

- Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data
- Level 3: Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

The Company analyzes all financial instruments with features of both liabilities and equity under the Financial Accounting Standard Board's ("FASB") accounting standard for such instruments. Under this standard, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, prepaid expenses, investments in marketable securities, accounts payable and accrued expenses approximate their estimated fair market values based on the short-term maturity of these instruments. The carrying amounts of the loans and note payable at June 30, 2017 and 2016 approximate their respective fair values based on the Company's incremental borrowing rate.

The Company's investment in marketable securities is held for an indefinite period and thus is classified as available for sale. Unrealized holding gain and losses on such securities, which were added to stockholders' equity during 2017 and 2016 amounted to a loss of \$188 and \$168, respectively.

No assurance is provided with these financial statements.

PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are carried at cost. The cost of repairs and maintenance is expensed as incurred; major replacements and improvements are capitalized. When assets are retired, or disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in income in the year of disposition. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, generally one to thirty-nine years. For the six months ended June 30, 2017 and 2016, depreciation expense was \$5,390 and \$5,890 respectively.

Mineral Property Acquisition and Exploration Costs

Costs of lease, exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. The Company expenses all mineral exploration costs as incurred as it is still in the exploration stage. If the Company identifies proven and probable reserves in its investigation of its properties and upon development of a plan for operating a mine, it would enter the development stage and capitalize future costs until production is established.

When a property reaches the production stage, the related capitalized costs are amortized using the units-of-production method over the estimated life of the proven and probable reserves. If in the future the Company has capitalized mineral properties, these properties will be periodically assessed for impairment

To date, the Company has not established the commercial feasibility of any exploration prospects; therefore, all exploration costs are being expensed.

ASC 930-805, "Extractive Activities-Mining: Business Combinations" ("ASC 930-805"), states that mineral rights consist of the legal right to explore, extract, and retain at least a portion of the benefits from mineral deposits. Mining assets include mineral rights. Acquired mineral rights are considered tangible assets under ASC 930-805. ASC 930-805 requires that mineral rights be recognized at fair value as of the acquisition date. As a result, the direct costs to acquire mineral rights are initially capitalized as tangible assets. Mineral rights include costs associated with acquiring patented and unpatented mining claims.

ASC 930-805-30-1 and 30-2 provides that in fair valuing mineral assets, an acquirer should take into account both:

- The value beyond proven and probable reserves ("VBPP") to the extent that a market participant would include VBPP in determining the fair value of the assets.
- The effects of anticipated fluctuations in the future market price of minerals in a manner that is consistent with the expectations of market participants.

Impairment of Long-Lived Assets

The Company accounts for the impairment or disposal of long-lived assets according to the ASC 360, "Property, Plant and Equipment". The Company continually monitors events and changes in circumstances that could indicate that the carrying amounts of long-lived assets, including mineral rights, may not be recoverable. Long-lived assets in the exploration stage are monitored for impairment based on factors such as the Company's continued right to explore the area, exploration reports, assays, technical reports, drill results and the Company's continued plans to fund exploration programs on the property, and whether sufficient work has been performed to indicate that the carrying amount of the mineral property cost carried forward as an asset will not be fully recovered. The tests for long-lived assets in the exploration stage are monitored

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PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets (Continued)

for impairment based on factors such as current market value of the long-lived assets and results of exploration, future asset utilization, business climate, mineral prices and future undiscounted cash flows expected to result from the use of the related assets.

Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated future net undiscounted cash flows expected to be generated by the asset. When necessary, impaired assets are written down to estimated fair value based on the best information available. Estimated fair value is generally based on either appraised value or measured by discounting estimated future cash flows. Considerable management judgment is necessary to estimate discounted future cash flows. Accordingly, actual results could vary significantly from such estimates. The Company recognizes an impairment loss when the sum of expected undiscounted future cash flows is less than the carrying amount of the asset. The Company did not record any impairment of its long-lived assets at June 30, 2017 and 2016, respectively.

Asset Retirement Obligations

Asset retirement obligations (“ARO”), consisting primarily of estimated mine reclamation and closure costs are recognized in the period incurred and when a reasonable estimate can be made, and recorded as liabilities at fair value. Such obligations, which are initially estimated based on discounted cash flow estimates, are accreted to full value over time through charges to accretion expense. Corresponding asset retirement costs are capitalized as part of the carrying amount of the related long-lived asset and depreciated over the asset’s remaining useful life. Asset retirement obligations are periodically adjusted to reflect changes in the estimated present value resulting from revisions to the estimated timing or amount of reclamation and closure costs. The Company reviews and evaluates its asset retirement obligations annually or more frequently at interim periods if deemed necessary.

Income Taxes

The Company accounts for income taxes pursuant to the provision of ASC 740-10, “Accounting for Income Taxes” (“ASC 740-10”), which requires, among other things, an asset and liability approach to calculating deferred income taxes. The asset and liability approach requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. A valuation allowance is provided to offset any net deferred tax assets for which management believes it is more likely than not that the net deferred asset will not be realized

The Company follows the provision of ASC 740-10 related to Accounting for Uncertain Income Tax Positions. When tax returns are filed, there may be uncertainty about the merits of positions taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, the benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions.

Tax positions that meet the more likely than not recognition threshold are measured at the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefit associated with tax positions taken that exceed the amount measured as described above should be reflected as a liability for uncertain tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination. The Company believes its tax positions are all more likely than not to be upheld upon examination. As such, the Company has not recorded a liability for uncertain tax benefits.

No assurance is provided with these financial statements.

PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

The Company has adopted ASC 740-10-25, "Definition of Settlement", which provides guidance on how an entity should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits and provides that a tax position can be effectively settled upon the completion and examination by a taxing authority without being legally extinguished. For tax positions considered effectively settled, an entity would recognize the full amount of tax benefit, even if the tax position is not considered more likely than not to be sustained based solely on the basis of its technical merits and the statute of limitations remains open. The federal and state income tax returns of the Company are subject to examination by the IRS and state taxing authorities, generally for three years after they are filed.

Research and Development Costs

Research and development costs are expensed as incurred. These costs include professional fees and other costs related to development.

Equity Based Payments to Non-Employees

Pursuant to ASC Topic 505-50, "Equity Based Payments to Non-Employees", for share-based payments to consultants and other third-parties, compensation expense is determined at the measurement date. Accordingly, the Company records compensation expense based on the fair value of the services rendered on the reporting date.

Related Party Transaction

Parties are considered to be related to the Company if the parties directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal stockholders of the Company, its management, members of the immediate families of principal stockholders of the Company and its management and other parties with which the Company may deal where one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. The Company discloses all related party transactions. All transactions shall be recorded at fair value of the goods or services exchanged. Property purchased from a related party is recorded at the cost to the related party and any payment to or on behalf of the related party in excess of the cost is reflected as compensation or distribution to related parties depending on the transaction.

Recent Accounting Pronouncements

In February 2016, FASB issued ASU 2016-02, Leases (Topic 842). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases. The new guidance will be effective for annual reporting periods beginning after December 15, 2018, including interim periods within that reporting period and is applied retrospectively. Early adoption is permitted. The Company is currently in the process of assessing the impact of the adoption of this guidance will have on the Company's consolidated financial statements.

No assurance is provided with these financial statements.

PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements (Continued)

In March 2016, the FASB issued Accounting Standards Update (“ASU”) No. 2016-09, “Compensation - Stock Compensation (Topic 718)”. The amendments in ASU No. 2016-09 were issued as part of the FASB’s simplification initiative focused on improving areas of GAAP for which cost and complexity may be reduced while maintaining or improving the usefulness of information disclosed within the financial statements. The amendments focused on simplification specifically with regard to share-based payment transactions, including income tax consequences, classification of awards as equity or liabilities and classification on the statement of cash flows. The guidance in ASU No. 2016-09 is effective for fiscal years beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted. The Company will evaluate the effect of ASU 2016-09 for future periods as applicable.

In August 2016, the FASB issued ASU 2016-15, “Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments (a consensus of the FASB Emerging Issues Task Force)” (“ASU 2016-15”). ASU 2016-15 addresses the following eight specific cash flow issues: Debt prepayment or debt extinguishment costs; settlement of zero-coupon debt instruments or other debt instruments with coupon interest rates that are insignificant in relation to the effective interest rate of the borrowing; contingent consideration payments made after a business combination; proceeds from the settlement of insurance claims; proceeds from the settlement of corporate-owned life insurance policies (including bank-owned life insurance policies); distributions received from equity method investees; beneficial interests in securitization transactions; and separately identifiable cash flows and application of the predominance principle. This guidance will be effective for the Company on January 1, 2018. The Company does not believe the guidance will have a material impact on its consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18 “Statement of Cash Flows (Topic 230): Restricted Cash,” or ASU 2016-18. ASU 2016-18 is intended to clarify how entities present restricted cash in the statement of cash flows. The guidance requires entities to show the changes in the total of cash and cash equivalents and restricted cash in the statement of cash flows. As a result, entities will no longer present transfers between cash and cash equivalents and restricted cash in the statement of cash flows. When cash and cash equivalents and restricted cash are presented in more than one line item on the balance sheet, the new guidance requires a reconciliation of the totals in the statement of cash flows to the related captions in the balance sheet. This reconciliation can be presented either on the face of the statement of cash flows or in the notes to the financial statements. ASU 2016-18 is effective for fiscal years beginning after December 15, 2017 and is to be applied retrospectively. Early adoption is permitted, including adoption in an interim period.

In January 2017, the FASB issued ASU No. 2017-4, Intangibles – Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment, which eliminates Step 2 from the goodwill impairment test. When an indication of impairment was identified after performing the first step of the goodwill impairment test, Step 2 required that an entity determine the fair value at the impairment testing date of its assets and liabilities (including unrecognized assets and liabilities) using the same procedure that would be required in determining the fair value of assets acquired and liabilities assumed in a business combination. Under the amendments in ASU No. 2017-4, an entity would perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying value. An entity would recognize an impairment charge for the amount by which the carrying value exceeds the reporting unit’s fair value. In addition, an entity must consider income tax effects from any tax deductible goodwill on the carrying amount of the reporting unit when measuring the goodwill impairment loss, if applicable. A public business entity that is a SEC filer should adopt the amendments in ASU No. 2017-4 for its annual, or any interim, good will impairment tests in fiscal years beginning after December 15, 2019. The Company is currently in the process of assessing the impact the adoption of this guidance will have on the Company’s consolidated financial statements.

No assurance is provided with these financial statements.

PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements (Continued)

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption. The Company does not discuss recent pronouncements that are not anticipated to have an impact on or are unrelated to its financial condition, results of operations, cash flows or disclosures.

In July 2017, the FASB issued ASU 2017-11 “Earnings Per Share (Topic 260). The amendments in the update change the classification of certain equity-linked financial instruments (or embedded features) with down round features. The amendments also clarify existing disclosure requirements for equity-classified instruments. For freestanding equity-classified financial instruments, the amendments require entities that present earnings per share (“EPS”) in accordance with Topic 260, Earnings Per Share, to recognize the effect of the down round feature when it is triggered. That effect is treated as a dividend and as a reduction of income available to common shareholders in basic EPS. Convertible instruments with embedded conversion options that have down round features would be subject to the specialized guidance for contingent beneficial conversion features (in Subtopic 470-20, Debt—Debt with Conversion and Other Options), including related EPS guidance (in Topic 260). For public business entities, the amendments in Part I of this update are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. The Company does not believe the guidance will have a material impact on its consolidated financial statements.

NOTE 3 — MINERAL PROPERTIES

The Company's mineral properties consists of a 40% interest in 107 mining leases and mining claims located in Pershing County, Nevada. The 40% interest in the properties was acquired in March 2014 for consideration of 35 million shares of the Company's common stock for a total value of \$5,950,000.

In 2004 Simple Recovery acquired 8 Bureau of Land Management claims located in Mohave County at a cost of \$4,800. In 2010 it acquired another 2 Bureau of Land Management claims in Mohave County at a cost of \$1,200.

In 2013 Simple Recovery assigned 8 claims known as “New Enterprise” to Bridge Metal Processing, LLC for which the Company will be paid a 10% royalty on all revenue attained from the claims. To date no revenue has been generated. For the six months ended June 30, 2017 and 2016, respectively, the Company received no revenue to extend the agreement beyond the original term dates. As of June 30, 2017 and 2016, based on management’s review of the carrying value of mineral rights, management determined that there is no evidence that the cost of these acquired mineral rights will not be fully recovered and accordingly, the Company has determined that no adjustment to the carrying value of mineral rights was required. As of the date of these consolidated financial statements, the Company has not established any proven or probable reserves on its mineral properties and has incurred only acquisition and exploration costs.

NOTE 4 – OTHER LOANS PAYBLE

Other loans payable represents net advances received of \$4,400 and \$4,562, respectively as of June 30, 2017 and 2016 that are non-interest bearing and due on demand.

NOTE 5 — CONVERTIBLE NOTES PAYABLE

Convertible notes payable represents advances that bear interest at 3% and are due on demand. The notes are secured by and convertible into shares of the Company’s common stock.

No assurance is provided with these financial statements.

PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016

NOTE 5 — CONVERTIBLE NOTES PAYABLE (CONTINUED)

The balance due as of June 30, 2017 and 2016 was \$72,613 and \$96,841, respectively. For the six months ended June 30, 2016 \$130,173 of notes plus accrued interest of \$3,299 were converted into 4,644,688 shares of the Company's common stock resulting in a net loss on conversion of \$29,092. For the six month ended June 30, 2017 \$25,000 of note plus accrued interest of \$57 were converted into 1,250,000 shares of the Company's common stock on February 20, 2017 resulting in a loss on conversion of \$6,193

Interest expense incurred on these notes payable for the six months ended June 30, 2017 and 2016 was \$281 and \$231, respectively.

NOTE 6 — STOCKHOLDERS' EQUITY

The Company was authorized to issue 250,000,000 shares of \$0.0001 par value common stock.

June 30, 2016

\$130,173 of convertible notes plus accrued interest of \$3,299 were converted into 4,644,688 shares of the Company's common stock resulting in a net loss on conversion of \$29,092.

The Company issued 695,000 shares of common stock in consideration of professional services valued at \$11,190 and to purchase property and equipment valued at \$14,050.

The Company issued 2 million shares of common stock for the purchase of land and a building valued at \$150,000

June 30, 2017

The Company increased its authorized shares to 500,000,000.

The company issued 280,361 shares of common stock in consideration of professional services valued at \$7,710 and 255,108 shares of common stock in consideration of services valued at \$7,653.

\$25,000 of convertible note plus interest of \$57 were converted into 1,250,000 shares of common stock resulting in a net loss on conversion of \$6,193 .

6,442,182 shares of common stock were cancelled.

NOTE 7 — NET INCOME (LOSS) PER COMMON SHARE

Net income or loss per common share is calculated in accordance with ASC Topic 260, "Earnings Per Share". Basic income or loss per share is computed by dividing net income or loss available to common stockholder, adjusted for preferred dividends, by the weighted average number of shares of Common Stock outstanding during the period. The computation of diluted net loss per share does not include anti-dilutive Common Stock equivalents in the weighted average shares outstanding. The following table sets forth the computation of basic and diluted loss per share:

No assurance is provided with these financial statements.

**PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016**

NOTE 7 — NET INCOME (LOSS) PER COMMON SHARE (CONTINUED)

	June 30, 2017	June 30, 2016
Net loss available to common stockholders	\$ (111,580)	\$ (113,321)
Denominator for basic and diluted loss per share (weighted-average shares)	137,089,691	134,837,180
Net loss per common share, basic and diluted	\$ 0.00	\$ 0.00

NOTE 8 — INCOME TAXES

The Company accounts for income taxes under ASC Topic 740: Income Taxes which requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statements and the tax basis of assets and liabilities, and for the expected future tax benefit to be derived from tax losses and tax credit carryforwards. ASC Topic 740 additionally requires the establishment of a valuation allowance to reflect the likelihood of realization of deferred tax assets.

The provision (benefit) for income taxes for the six months ended June 30, 2017 and 2016 differs from the amount which would be expected as a result of applying the statutory tax rates to the losses before income taxes due primarily to the valuation allowance to fully reserve net deferred tax assets.

Realization of deferred tax assets is dependent upon sufficient future taxable income during the period that deductible temporary differences and carry-forwards are expected to be available to reduce taxable income. As the achievement of required future taxable income is uncertain, the Company recorded a valuation allowance.

	As of June 30, 2017	As of June 30, 2016
Deferred tax assets:		
Net operating loss before non-deductible items	\$ (5,591,795)	\$ (5,549,516)
Tax rate	(34) %	(34)
Total deferred tax assets	1,901,210	1,886,835
Less: Valuation allowance	(1,901,210)	(1,886,835)
Net deferred tax assets	<u>\$ —</u>	<u>\$ —</u>

The Company has a net operating loss carryforward for tax purposes totaling approximately \$5.6 million at June 30, 2017, expiring through the year 2037. Internal Revenue Code Section 382 places a limitation on the amount of taxable income that can be offset by carryforwards after certain ownership shifts.

NOTE 9 — SUBSEQUENT EVENTS

Pershing Resources Company has maintained all recurrent expenses such as office, internet/website costs and consulting fees. The Company took in funds totaling \$60,000 in exchange for a convertible note.

The Company has committed to beginning a Phase 1 geologic study and mapping and sampling program on its New

No assurance is provided with these financial statements.

**PERSHING RESOURCES COMPANY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016**

NOTE 9 — SUBSEQUENT EVENTS (CONTINUED)

Enterprise Property near Kingman, Arizona and has an on going consulting agreement with Duncan Bain Consulting Ltd of London Ontario, Canada to provide supplemental geologic consulting to the Company. The monthly consulting fee is \$500.00. Duncan Bain Consulting Ltd and/or a subcontractor will be brought in to execute the mapping and sampling program in Q3 or Q4 of 2017 and execute the Phase 1 Report. The estimated fee for the sampling program and Phase 1 Report has been agreed on as \$35,500 Additional costs related to lab analysis and travel expenses will be incurred by the Company as well.

The Company has filed documentation with the BLM and has received a permit to begin road clearing and site preparation work in advance of a beginning a bulk sampling program on the New Enterprise mine site. The Company has hired to complete the work required to begin the program and expects to take charges in the Q3 2017 and Q4 2017 before realizing revenue from the bulk sampling program.

The Company has formed an Advisory Board currently comprised of three named members. Members of the Advisory Board serve for 2 years and are compensated over the 2 year period in restricted common stock in PSGR. As of Q3 2017, the Company has so far paid an additional 40, 000 shares of restricted to each of 3 named Advisory Board members.

The Company has sent signed a contract to purchase a 197 acre private property located in California for 9,000,000 restricted shares of common stock and is currently negotiating additional terms and conditions for the purchase. the Company as part of the transaction entered into an accompanying but separate service contract that provides up to 10 million restricted common shares as incentive for completion of critical task to open the existing mine on the property.

The Company has entered into a lease/purchase agreement on a 60 acre property located in Arizona and currently negotiating the final terms of the purchase agreement. The lease portion of the agreement began as of July 1, 2017 and runs through June 30th 2018. The Company will pay a monthly lease payment of \$3000.00 which is to be credited towards the final purchase price. The final purchase price will be determined by a exploration and drilling program that is expected to be completed in Q4 2017 and/or after funding from the Regulation A, Form 1-A offering statement filing is qualified and receives adequate funding.

No assurance is provided with these financial statements.