

COVER SHEET

4 2 7 - A

S.E.C. Registration Number

A T O K - B I G W E D G E , C O . I N C .

(Company's Full Name)

1 0 T H F L O O R A L P H A L A N D
S O U T H G A T E T O W E R , 2 2 5 8 C H I N O
R O C E S A V E . E X T . C O R . E D S A
M A K A T I C I T Y

(Business Address : No. Street/City/Province)

Jonamel G. Israel-Orbe

Contact Person

304-6213 / 310-7100

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

SEC Form 17A

FORM TYPE

Annual Meeting

Not applicable

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

**ANNUAL REPORT PURSUANT TO SECTION 17 OF THE
SECURITIES REGULATION CODE AND SECTION 141 OF THE CORPORATION
CODE OF THE PHILIPPINES**



1. For the Fiscal Year ended **December 31, 2016**
2. SEC Identification No. **427A** 3. BIR Tax Identification No. **000-707-286**
4. Exact Name as specified in its charter: **ATOK-BIG WEDGE CO., INC.**
5. Province, Country or other jurisdiction of incorporation or organization: **Philippines** 6. (SEC use only)
Industry Classification Code
7. Address of principal office: **10th Floor, Alphaland Southgate Tower, 2258 Chino Roces Avenue corner EDSA, Makati**
8. Postal Code **1232**
9. Registrant's telephone number, including area code: **(632) 310-7100; (632) 337-2031**
10. Former name, former address, and fiscal year, if changed since last report: **N.A.**
11. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Class	Number of Shares	Number of Shares of Common Stock Outstanding Par value
Common	2,545,000,000	₱2,545,000,000.00

Total Liabilities as of 31 December 2016: **₱ 2,113,181**
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12. Are any or all of these securities listed on the Philippine Stock Exchange?

Yes [**x**] No. []

13. Check whether the registrant:

- (a) Has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder, or Section 11 of the Revised Securities Act and RSA rule 11-(a)-1 thereunder, and sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):

Yes [**x**] No. []

- (b) Has been subject of such filing requirements for the past 90 days:

Yes [**x**] No. []

14. State the aggregate market value of the voting stock held by non-affiliates of the registrant.

	Non-Affiliates No. of Shares	Market Value As of 12.31.16	Total Market Value
Common	260,776,489	Php10.38	Php2,706,859,955

PART I - BUSINESS AND GENERAL INFORMATION

Item 1: Description of Business

Atok-Big Wedge Co. Inc. (the "Company"), formerly Atok-Big Wedge Mining Co., Inc., was incorporated and registered with the Securities and Exchange Commission (the "SEC") on 4 September 1931. Its corporate life was extended on 25 September 1981 for another fifty (50) years to expire on 25 September 2031. The common shares of the Company are listed in the Philippine Stock Exchange (the "PSE"; ticker symbol: AB).

Since its incorporation, the Company engaged in mining as its primary purpose, producing gold as its major product and silver as a by-product. Its production was all sold to the Central Bank of the Philippines at a price subsidized by the Philippine Government, and later on at the prevailing world market price. Gold bullions are used by the Philippine Government as one of the components in the monetary reserve.

Although the Company changed its primary purpose in 1996 from mining to general investment, it reverted to its original purpose of engaging in exploration and development of mining, oil, gas, and other natural resources when it amended its Articles of Incorporation, which was approved by the SEC on 24 May 2010.

The Company has two (2) wholly-owned subsidiaries, AB Stock and Transfers Corporation (ABSTC) and Tidemark Holdings Ltd.

ABSTC was incorporated on 24 June 2010, with the purpose of establishing, operating and acting as a transfer agent and/or registrar of corporations.

On the other hand, Tidemark is a holding company registered and domiciled in Hongkong SAR, which the Company bought on 3 October 2011. Tidemark used to own 9,646,757 ordinary shares of Forum Energy plc, now Forum Energy Limited ("Forum"), a company registered and domiciled in the United Kingdom representing, approximately 27.14% of Forum's outstanding capital. In March 2017, Tidemark subscribed to 6,666,667 new shares of Forum, together with the subscription simultaneously made by the other shareholder of Forum. This new subscription resulted in Tidemark owning 20% of Forum. Tidemark expects the absolute value of its 20% stake in Forum to exceed the value of its then 27.14% stake. Forum is a gas & oil exploration and production company with a portfolio of projects in the Philippines. Among these projects is the Service Contract (SC) 72 where Forum holds 70% equity. SC72 is situated offshore West of Palawan Island and is host to the Sampaguita offshore gas/condensate discovery. Drilling plans for SC72 have been placed on hold by the Philippine government pending the resolution of territorial sovereignty disputes involving claimant countries surrounding West Philippine Sea.

The Company is a regular member and signatory of the Chamber of Mines. It has adopted the spirit and substance of the Chamber of Mines' Code of Conduct, which calls for sustainable mineral resources development, environmental responsibility and a social commitment to the general welfare and economic development of the people in the localities in which it operates.

Over the past seven decades, the Company has established a strong foundation in the Philippine mining industry.

Pursuant to its goal of seeking out projects to put into operation, the Company made a continued careful and diligent evaluation of multiple metallic and non-metallic prospects for possible investment. While it looked into investment possibilities in Laos, it recently decided to re-focus its efforts in the Philippines with priority on projects in the advanced stage, but not

disregarding greenfield exploration prospects with potential. Discussions also continued for mines with confirmed potential and previously operated but closed down during the period with low metal prices. However, the Company has not made any publicly-announced new products or services nor it or any of its security holders acquired securities of another person, aside from the previously stated acquisition by Tidemark of additional shares of Forum. The Company has no plans of purchasing or selling any significant equipment.

Participation in Bankruptcy, Receivership or Similar Proceedings

There were no bankruptcy, receivership, or similar proceedings involving the Company.

Business Indicators

The Company is exploring the possibility of entering into a business venture with local and foreign entities to maximize the potential of its mineral properties and to enhance its earnings in the very near future. It will abide by the principle of sustainable and socially acceptable mineral resources development.

The viability of expanding the current pilot plant operation and sustaining it at an economically viable scale depends on the price of gold in the world market, the peso-dollar exchange rate, the efficiency of mining and milling operations, and the grade of ore. The higher the grade of ore in grams gold per ton of ore, the higher the profit margin will be.

Patents, Franchise/Government Approvals

The Company has complied with government rules and regulations and has paid all the necessary taxes and fees. It regularly coordinates with the Department of Energy (DOE) and Department of Environment and Natural Resources (DENR) with regard to new rules and regulations that may be promulgated.

Employees

As of end of 2016, the Company has four (4) regular employees while ABSTC, the Company's subsidiary, has only one (1) regular employee, which employees are not subject to Collective Bargaining Agreement. The Company has no plans of adding additional employees for the ensuing twelve (12) months. However, if the level of activities increase parallel to a more supportive regulatory position on exploration and mining, the Company, is expected to increase the number of its employees. The principal duties and responsibilities of the employees of the Company and its subsidiaries are to conduct technical evaluation of potential mining projects, maintain the validity and existence of the subsidiary's mining rights, conduct exploration and development works, set and run a pilot gold processing plant, and secure all other properties of the subsidiary, including the plant, equipment, records, maps and other valuable information at the mine site.

Customers

The Company and its subsidiaries are not dependent on any single customer or on a few customers.

Transactions with and/or Dependence on Related Parties

Significant transactions with related parties include the following:

- a. The Company has existing subleasing agreements with ABSTC and other related parties. Rent income earned from related parties amounted to zero for 2015 and 2014, and P1 million in 2013. No rent income was declared in 2015 and 2014 as this purely pertains to affiliates' share in the rental cost. The Parent Company is also being billed by ADI for the utility expenses it incurs and allocates the same to its sub-lessees.
- b. The Company entered into a Cost Sharing Agreement with PhilWeb Corporation (Philweb), a related party under common management with the Company, for its share in rental and salaries of its key management personnel.
- c. Noninterest-bearing advances to and from related parties which are due and demandable.

The following table summarizes the Group's transactions with related parties (entities with common directors) for the years ended December 31, 2016 and 2015 and the related outstanding balances as at December 31, 2016 and 2015:

Nature of Transaction	Transaction Amount		Receivable (Payable)	
	2016	2015	2016	2015
Sub-lease of office space	-	516,289	3,878,919	3,962,410
Working capital	418,019	33,296	641,765	223,746
Allocated rent & salaries	-	4,407,450	(22,348,147)	(11,349,384)
Lease of office space	9,507	355,406	(563,355)	(572,862)
Advances	-	3,000	(193,182)	(190,182)

- d. In 2012, Boerstar Corporation sold a portion of its shareholdings in the Company to other entities to enable the Company to comply with the minimum public float requirement of the PSE. Upon approval of the Executive Committee of the Board of Directors of the Company, the Company agreed to shoulder the transaction costs amounting to ₱27.3 million for the transfer of ownership of the shares of Boerstar Corporation to other parties.

Aside from the foregoing, there are no transactions (or series of similar transactions) during the last two (2) years, with or involving the Company or its subsidiaries, in which a director, executive officer, or stockholder owning ten percent (10%) or more of the total outstanding shares, or any member of his/her immediate family, had or will have a direct or indirect material interest.

Patents, Trademarks, Copyrights, Licenses, Concessions and Royalty Agreements

The company does not own any registered patent, trademark or copyright. Neither is it a recipient of any license or concession nor a party to any royalty agreement.

Effect of Existing or Probable Governmental Regulations

The Philippine government is currently reviewing its policy on mining. Any such policy, when adopted, may have a significant on the Company's future endeavors into mining activities.

Nonetheless, a combination of political, administrative and social issues slowed the pace of mining permit processing in the Philippines. For this reason, none of the pending projects for the Company progressed. A team sent by the Company evaluated a potentially mineralized area in the Bicol region last September 2011. Surface indications combined with the presence of existing producing mines in the vicinity gave interest to this prospect. However, the existing tenement application by the claim owner was rejected by the Department of Environment and Natural Resources (DENR). Without a valid permit, a more thorough exploration program cannot be implemented.

In 2012, FEP encountered a delay in one of its drilling programs. It has submitted all the requirements for the issuance of required permits for the drilling program. However, the permit has not yet been issued by the relevant Government body. The latest resource assessment supported the case to proceed with the drilling and FEP has been granted an extension up to August 2015 to complete its obligations under the service contract. FEP expects to proceed with its commitment as soon as it is able to obtain the necessary authorization from the Government. The Philippine Department of Energy has granted a force majeure on Service Contract 72 [SC 72] because this contract area falls within the territorial disputed area of the West Philippine Sea, which is the subject of a United Nations arbitration process between the Republic of the Philippines and the People's Republic of China.

Research and Development Activities

The Company does not allocate specific amounts or fixed percentages for research and development. The allocation for such activities may vary depending on the nature of the project.

Total cost incurred, including exploration and development works, during calendar years 2013 to 2016 amounted to P5.2 million broken down as follows:

Period	Revenue	Exploration	Percentage on Revenue
		Development and Environmental Cost	
CY 2013		165,450	0%
CY 2014		2,456,558	0%
CY 2015		1,593,983	0%
CY 2016		976,428	0%
TOTAL	-	5,192,419	-

The above-mentioned expenses were incurred pursuant to the mandatory requirement to conduct annual assessment works, i.e. reconnaissance and semi-detailed exploration works such as geological mapping, sampling, opening up of assessment tunnels, ore reserve development and assaying of samples, etc., to prove mineable ore reserve, as provided under the Philippine Bill of 1902, Presidential Decree No. 463, the New Mining Code, and applicable laws, rules and regulations.

Compliance with Environmental Laws

The Company is currently not operating a mine or oil project. In the event that it does, all necessary pollution control and environmental protection measures will be set in place.

Competition

The Company is currently not operating a mine or oil project.

Risk Factors

The Company's profitability is dependent on the performance of its subsidiary ABSTC and affiliate Forum.

Financial Risk Management

The Company and its subsidiaries and affiliates have exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

The Company's Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, 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 Company's activities. All risks faced by the Company are incorporated in the annual operating budget. Mitigating strategies and procedures are also devised to address the results. The Company, 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.

The Company's Board of Directors reviews and institutes policies for managing each of the risks.

Credit Risk

Credit risk represents the risk of loss the Company would incur if credit customers and counterparties fail to perform their contractual obligations. The Company's credit risk arises principally from the Company's cash in banks and cash equivalents, trade receivables and refundable deposits.

Receivables which are neither past due nor impaired are of good quality. These are from clients that pay on time or even before maturity date.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting projected cash flows and maintaining a balance between continuity of funding and flexibility in operations. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the

Company's future and contingent obligations and sets up required cash reserves as necessary in accordance with internal requirements.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other market prices will adversely affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company is subject to transaction and translation exposures resulting from currency exchange fluctuations. The Company regularly monitors outstanding financial assets and liabilities in foreign currencies and maintains them at a level responsive to the changes in current exchange rates.

Capital Management

The primary objective of the Company's capital management is to ensure its ability to continue as a going concern and that it maintains healthy capital ratios in order to support its business.

The Company monitors capital on the basis of debt-to-equity ratio which is calculated as total debt divided by total equity. Total debt comprises of accounts payable and accrued expenses, other current liabilities and due to related parties. Total equity comprises all components of equity.

Mining Claims

The Company does not have any existing mining claim.

Item 2: Description of Properties

Other than its shareholdings in ABSTC and in Forum (through Tidemark), the Company does not own any other significant property.

Item 3: Legal Proceedings

The Company is not involved in any legal proceeding.

Item 4: Submission of Matters to a Vote of Security Holders

During the 2016 Annual Meeting of Stockholders, the security holders present and represented (representing more than 2/3 of the Company's outstanding capital stock) approved the appointment of Reyes, Tacandong & Co. as the Company's external auditor.

The following were elected as members of the Company's Board of Directors for 2016-2017:

Roberto V. Ongpin
Eric O. Recto
Walter W. Brown
Jose Raymund L. Apostol

Anna Eettina Ongpin
 Michael Angelo Patrick M. Asperin
 Dennis O. Valdes
 Mario A. Oreta
 John Peter Chick B. Castelo
 Victor C. Macalincag* – Independent Director
 Margarito B. Teves – Independent Director
 Gregorio Ma. Araneta III – Independent Director

* Died March 30, 2017.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5: Market for Issuer's Common Equity and Related Stockholder Matters

A. Market Information

1. Principal Market – Philippine Stock Exchange, Inc.

The Company's common shares are traded in the Philippine Stock Exchange. As of last trading date for March 2017, the closing price of the shares of the Company is Php11.38. The high and low sale prices of the shares for each quarter within the last three (3) years are:

Quarter Ended	High	Low
03.31.17– 1 st Quarter	11.38	10.00
12.31.16 - 4 th Quarter	10.38	9.70
09.30.16 – 3 rd Quarter	10.98	9.65
06.30.16 – 2 nd Quarter	11.80	11.78
03.31.16 – 1 st Quarter	12.78	12.58
12.31.15 - 4 th Quarter	11.78	11.78
09.30.15 – 3 rd Quarter	10.90	9.00
06.30.15 – 2 nd Quarter	11.40	11.04
03.31.15 – 1 st Quarter	10.80	10.80
12.31.14 - 4 th Quarter	11.78	11.78
09.30.14 – 3 rd Quarter	12.00	12.00
06.30.14 – 2 nd Quarter	18.00	15.98
03.31.14 – 1 st Quarter	17.70	17.70

(Data taken from the Philippine Stock Exchange, Inc.)

B. Holders

Approximate Number of Shareholders of Each Class of Common Security as of December 31, 2016:

The Company has 4,207 stockholders as of December 31, 2016.

The Top 20 Registered Stockholders of the Company as of December 31, 2016 are:

The list of the top twenty (20) registered shareholders is as follows:

	No. of Shares	%
1. Boerstar Corporation	1,775,218,804	69.75%
2. North Kitanglad Agricultural Co., Inc.	309,000,000	12.14%
3. PCD Nominee Corporation:	212,257,572	8.34%
Filipino - 212,123,797		
Non-Filipino - 133,775		
4. Strong Gain Enterprises Limited	120,000,000	4.72%
5. Progressive Development Corporation	93,963,474	3.69%
6. Power Merchant International Limited	30,000,000	1.18%
Carroll, Charles F., TEE Carroll Family Trust FBO		
7. Charles F. Carroll	593,200	0.02%
8. Braasch, Herbert	84,884	0.00%
9. Baron, Rose A. & William J.	81,197	0.00%
10. Araneta, Jorge L.	73,535	0.00%
11. McLarney, Jane Mary & Timothy P. McLarney	70,875	0.00%
12. Silbert, Solomon S. & Claire B. Silbert	56,567	0.00%
13. Cohen, Sy R. & Barbara	43,195	0.00%
14. Steiner, Norma	38,656	0.00%
15. Coherco Sec., Inc. FAO 181513151200	38,000	0.00%
16. Loo Ngo Kue	36,020	0.00%
17. Pua, Luis	35,542	0.00%
18. Cunningham, Edmund F. & Pauline F.	33,275	0.00%
19. Olasiman, Edilberto O.	33,100	0.00%
20. Fores, Maria Lourdes A.	29,840	0.00%
Roxas, Judy A.	29,840	0.00%

Total issued and outstanding shares - 2,545,000,000

NOTE: NKACI has 200,000,000 shares lodged with PCD Nominee Corporation. In all, NKACI owns 509,000,000 shares representing 20% of the total outstanding shares of the Company.

C. Beneficial Owner of More than 5% of Any Class of the Registrant's Common Equity

(1) TITLE OF CLASS	(2) NAME AND ADDRESS OF RECORD OWNER AND RELATIONSHIP WITH ISSUER	(3) NAME OF BENEFICIAL OWNER AND RELATIONSHIP WITH RECORD OWNER	(4) CITIZEN- SHIP	(5) NUMBER OF SHARES	(6) PERCENT TO TOTAL OUTSTANDI NG
Common	Boerstar Corporation 6766 Ayala Avenue corner Paseo de Roxas, Makati City (Stockholder)	Roberto V. Ongpin – Beneficial Owner	Filipino	1,485,685,983*	58.38%
Common	Boerstar Corporation 6766 Ayala Avenue corner Paseo de Roxas, Makati City (Stockholder)	Eric Or. Recto – Beneficial Owner	Filipino	289,532,821*	11.38%
Common	North Kitanglad Agricultural Co., Inc. Kalugmanan Manolo Fortich, Bukidnon (Stockholder)	Walter W. Brown – controlling shareholder	Filipino	309,000,000**	12.14%
Common	PCD Nominee Corporation (Stockholder)	North Kitanglad Agricultural Co., Inc. – beneficial owner	Filipino	200,000,000**	8.35%

* All shares subscribed by Boerstar Corporation, both fully paid-up and partially paid. The total fully paid-up shares amount to 493,182,278.

**North Kitanglad Agricultural Co., Inc. (NKACI) has 200,000,000 shares lodged with PDTC and held by PCD Nominee Corporation. In all, NKACI owns 509,000,000 shares representing 20% of the total outstanding shares of the Company. Only the 200,000,000 shares are fully-paid shares.

Except as stated above, the Board of Directors and Management of the Company have no knowledge of any person who, as at Record Date, was indirectly or directly the beneficial owner of more than 5% of the Company's outstanding shares of common stock or who has voting power or investment power with respect to shares comprising more than five percent of the outstanding shares of common stock. There are no persons holding more than 5% of the Company's common stocks that are under a voting trust or similar agreement.

D. Dividends

The Company has not declared any dividends during the last three (3) years.

The Company's Amended By-Laws provides that its Board of Directors may declare dividends only from surplus profits arising from the business of the Company, in accordance with the preferences constituted in favor of preferred stock when and if such preferred stock be issued and outstanding. Restrictions under the Corporation Code of the Philippines also limit the Company's power to declare dividends.

Item 6: Management's Discussion and Analysis of Financial Condition and Results of Operations for the Last Three Years

a) 2016 Operational Results

ATOK BIG WEDGE CO., INC. And Subsidiaries CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years ended December 31		
	2016	2015	2014
GENERAL AND ADMINISTRATIVE EXPENSES	(18,691,964)	(21,927,639)	(25,607,883)
OTHER INCOME (EXPENSES)			
Interest income	2,784,483	2,843,539	3,055,442
Service fees	1,479,480	1,463,297	1,438,880
Share in the net results of operations of an associate	(18,758,273)	(22,208,252)	2,647,051
Others	31,647	27,643	88,012
	(14,462,663)	(17,873,773)	7,229,385
LOSS BEFORE INCOME TAX	(33,154,627)	(39,801,412)	(18,378,498)
PROVISIONS FOR INCOME TAX	(209,955)	(219,688)	(158,529)
NET LOSS	(33,364,582)	(40,021,100)	(18,537,027)
OTHER COMPREHENSIVE INCOME			
<i>Item that will be reclassified subsequently to profit or loss -</i>			
Foreign exchange differences on translation of the financial statements of Tidemark Holdings Limited	46,933,425	40,540,500	1,905,745
TOTAL COMPREHENSIVE INCOME (LOSS)	13,568,843	519,400	(16,631,282)
BASIC AND DILUTED LOSS PER SHARE	(0.0131)	(0.0157)	(0.0073)

2016 operations resulted to a P13.6 million total comprehensive income compared to P0.5 million in 2015 – The total difference of P13.0 million were brought about by the following:

- 1) + P3.2 million; decrease in the general and administrative expenses
- 2) + P3.4 million; decrease in share on the income of operations of an associate (Tidemark),
- 3) + P6.4 million; increase on the foreign exchange differences of an associate (Tidemark)

The Company continues to evaluate investment opportunities and plans to acquire other mining assets in Northern Mindanao. It will likewise continue to scout for oil and assets within the country and overseas to be included in its business folio. While doing so, the company is planning to magnify its exploration activities in the areas relative to the signed Memoranda of Understanding (MOUs) covering three (3) areas in Agusan Del Norte. It also plans to conduct semi-detailed to detailed exploration work over the area within the CADT134, Agusan Del Norte where it applied for an Exploration Permit (EP).

b) 2015 Operational Results

	For the Year		Increase (Decrease)	
	2015	2014	Amount	%
GENERAL AND ADMINISTRATIVE EXPENSES	21,927,639	25,607,883	(3,680,244)	-14.37%
OTHER INCOME (EXPENSES)				
Share in the net result of operations of an associate	(21,208,252)	2,647,051	(24,855,303)	-938.98%
Interest income	2,843,539	3,055,442	(211,903)	-6.94%
Service fees	1,462,397	1,438,880	23,517	1.63%
Proceeds from lawsuit settlement	-	-	-	0.00%
Reversal of accrued rent	-	-	-	0.00%
Rent income	-	-	-	0.00%
Impairment loss	-	-	-	0.00%
Others	28,543	88,012	(59,469)	-67.57%
	(17,873,773)	7,229,385	(25,103,158)	-347.24%
LOSS BEFORE INCOME TAX	(39,801,412)	(18,378,498)	(21,422,914)	116.57%
PROVISION FOR INCOME TAX	219,688	158,529	61,159	38.58%
NET LOSS	(40,021,100)	(18,537,027)	(21,484,073)	115.90%
OTHER COMPREHENSIVE INCOME				
Item that will be reclassified subsequently to profit or loss:				
Foreign exchange differences on translation of financial statements of Tidemark Holdings Limited (Tidemark)	40,540,500	1,905,745	38,634,755	2027.28%
TOTAL COMPREHENSIVE INCOME	519,400	(16,631,282)	17,150,682	-103.12%
BASIC AND DILUTED LOSS PER SHARE	(0.0157)	(0.0073)	(0.0084)	115.90%

2015 operations resulted to a P0.5 million total comprehensive income compared to the loss of P16.6 million in 2014. The total difference of P17.2 million were brought about by the following:

- 1) + P 3.7 million; decrease in the general and administrative expenses as compared to 2014,
- 2) – P24.9 million; decrease in share on the income of operations of an associate (Tidemark), P22.2 million share on loss in 2015 as compared to the P2.6 million share on the income for 2014
- 3) – P 0.2 million; decrease on interest income in 2015
- 4) + P38.6 million; increase on the foreign exchange differences of an associate (Tidemark)

c) 2014 Operational Results

	Years Ended December 31		Increase (Decrease)	
	2014	2013	Amount	%
GENERAL AND ADMINISTRATIVE EXPENSES	25,607,883	20,174,182	5,433,701	26.93%
OTHER INCOME (EXPENSES)				
Share in the net result of operations of an associate	2,647,051	(43,213,445)	45,860,496	-106.13%
Interest income	3,055,442	3,698,335	(642,893)	-17.38%
Service fees	1,438,880	1,236,880	202,000	16.33%
Proceeds from lawsuit settlement	-	27,982,500	(27,982,500)	-100.00%
Rent income	-	1,004,278	(1,004,278)	-100.00%
Others	88,012	255,800	(167,788)	-65.59%
	7,229,385	(9,035,652)	16,265,037	-180.01%
LOSS BEFORE INCOME TAX	(18,378,498)	(29,209,834)	10,831,336	-37.08%
PROVISION FOR INCOME TAX	158,529	649,389	(490,860)	-75.59%
NET LOSS	(18,537,027)	(29,859,223)	11,322,196	-37.92%
OTHER COMPREHENSIVE INCOME				
Item that will be reclassified subsequently to profit or loss:				
Foreign exchange differences on translation of financial statements of Tidemark Holdings Limited (Tidemark)	1,905,745	61,677,000	(59,771,255)	-96.91%
TOTAL COMPREHENSIVE INCOME	(16,631,282)	31,817,777	(48,449,059)	-152.27%
BASIC AND DILUTED LOSS PER SHARE	(0.0073)	(0.0117)	0.0044	-37.92%

2014 results of operation showed a total comprehensive loss of P16.6 million – a 152% reversal from a total comprehensive income of Php31.8 million as compared with last year (2013), brought about by the following:

- 1) A 97% decrease in Foreign exchange translation gain from Php61.7M (from Tidemark Holdings Ltd.) down to only Php1.9M
- 2) A 27% increase in the general and administrative expenses from Php20M to Php26M

Plan of Operation for the Next Twelve (12) Months

The Company is hoping to get the government approval for its application for Exploration Permit over an area of 3,375 Hectares in CADT134, Agusan Del Norte. While in the process, it will continue to conduct series of field inspection to understand the mineralization occurrence in preparation for more detailed exploration activities. Concurrent to the field activities in CADT134, exploration works continues in Mt. Daraga (587 Hectares), Mendez (486 Hectares) and Aboloc (567 Hectares) areas also in Agusan Del Norte, all under Memoranda of Agreement. "Sweet" areas (HIGH GRADE areas for Gold mineralization) within Mt. Daraga and Mendez have been identified for more detailed subsurface. Plans involving oil and gas exploration have been shelved in relation to low oil prices and the uncertainty in supply and demand situation. SC-72 (Recto Bank) is still kept on hold depending on the outcome of Philippine Government

initiatives involving West Philippine Sea. The Philippine Department of Energy has granted a force majeure on Service Contract 72 [SC 72] because this contract area falls within the territorial disputed area of the West Philippine Sea, which is the subject of a United Nations arbitration process between the Republic of the Philippines and the People's Republic of China. From November 2013 to 31 December 2016, the mining exploration cost of the Company is Php 5,192,419.00.

The Company will continue to fund its operations in the next year or two depending on the activities that will materialize using its cash and its money market investments.

The vision of the Company remains and that is to have a substantial involvement in the exploration and judicious development of various natural resources that will contribute to the economic development of the Philippines. The Company's mission to be the leader in chosen fields by creating value through change, utilizing the group's knowledge capital and adopting leading technologies, to enhance shareholders' value and profit through growth in earnings and in intrinsic worth, to be committed to a culture of excellence, loyalty and pride, and to be a socially responsible and environmentally conscious corporate citizen, adhering to the highest ethical standards and respecting the communities to which it belongs remains.

Currently, the Company has no plans of increasing its number of employees during the next twelve (12) months, however, if the level of activities increase parallel to a more supportive regulatory position on exploration and mining, the Company, is expected to increase the number of its employees.

Key Performance Indicators

The Company's key performance indicators and their manner of computation are as follows:

Manner of Calculation		As of		
		Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
CURRENT / LIQUIDITY RATIO		75.38:1.00	12.97:1.00	21.77:1.00
Current assets	Current assets divided by current liabilities	159,036,443	184,845,834	197,028,882
Current liabilities		2,109,743	14,256,356	9,049,768
SOLVENCY RATIO		-15.60:1.00	-2.75:1.00	-1.86:1.00
Net income (loss) after tax less depreciation and impairment losses	The sum of net income (loss) after tax less depreciation and impairment losses divided by total liabilities	(33,364,582) 442,826	(40,021,100) 856,500	(18,537,027) 1,666,771
Total liabilities		2,109,743	14,256,356	9,049,768
DEBT TO EQUITY RATIO		0.00:1.00	0.02:1.00	0.01:1.00
Total liabilities	Total liabilities divided by total equity	2,109,743	14,256,356	9,049,768
Total equity		652,344,890	638,776,047	638,256,647
ASSET TO EQUITY RATIO		1.00:1.00	1.02:1.00	1.01:1.00
Total assets	Total assets divided by total equity	654,454,633	653,032,403	647,306,415
Total equity		652,344,890	638,776,047	638,256,647
INTEREST RATE COVERAGE RATIO		-	-	-
Income before interest and taxes	Income before taxes and interest divided by Interest expense	(33,154,627)	(39,801,412)	(18,378,498)
Interest expense		-	-	-
PROFITABILITY RATIO		-0.05:1.00	-0.06:1.00	-0.03:1.00
Net income (loss) after tax	Net income (loss) after tax divided by total equity	(33,364,582)	(40,021,100)	(18,537,027)
Total equity		652,344,890	638,776,047	638,256,647

Current/liquidity ratio – The ratio increased from 12.97 to 75.38 due to decreased activities.

Solvency ratio – The ratio moved from (2.75) to (15.60) due to lower net loss incurred as compared with 2015, from (P39 million) down to (P30 million). This is caused primarily by the decrease in share in the net results of operations of its associate, Tidemark.

Debt-to-equity ratio – The ratio decreased from .02 in 2015 to .00 in 2016 due to the decreased activities on exploration works.

Asset-to-equity ratio – The ratio went down from 1.02 in 2015 to 1.00 in 2016 due to the increased value of investment in an associate.

Profitability ratio – The ratio moved from (0.06) to (0.05) due to lower net loss incurred from P40 million down to P33 million. In 2016, the share in the net results of operations of Tidemark amounted to (P18.8) million compared to (P22.2 million) in 2015.

Item 7. Financial Statements

Please see the attached Company's Financial Report as of 31 December 2016 and its supplementary schedules, as well as the Company's audited Statement of Income and Cash Flows for each of the three (3) preceding years.

There are no changes in, or disagreements with, the accountants on accounting and financial disclosure.

Item 8. External Audit Fees (MC No. 14, Series of 2004)

A. Audit and Audit Related Fees

The Company's external auditor for 2016 is Reyes Tacandong & Co.

The aggregate External Audit Fees (MC No. 14, Series of 2004) billed for each of the last two (2) years, for the audit of the annual financial statements and services that are normally provided by the External Auditor, are as follows:

Year	Amount
2014	200,000.00
2015	200,000.00
2016	200,000.00

The above-mentioned audit fees are inclusive of: (a) other assurance and related services by the External Auditor that are reasonably related to the performance of the audit; and (b) review of the Company's financial statements, exclusive of tax fees and/or representation fees for legal matters.

The Audit Committee makes recommendations to the Board of Directors concerning the external auditors and pre-approves audit plans, scope and frequency before the conduct of the external audit.

The auditor of the Company conducted its audit in accordance with auditing standards generally accepted in the Philippines with the objective of expressing an opinion as to whether the presentation of the financial statements, taken as a whole, conforms to accounting principles generally accepted in the Philippines. They performed tests of the accounting records and such other procedures, as they considered necessary in the circumstances to provide a reasonable basis for an opinion on the financial statements. They also assessed the accounting principles used and significant estimates made by management and evaluated overall financial statements presentation.

The auditor also considered the Company's internal control in order to determine the nature, timing and extent of the audit procedures for the purpose of expressing an opinion on the financial statements. There were no audit fees related to this.

There were no products and services provided by the external auditor other than the services reported under the above items.

B. Audit Committee Policies and Procedure – External Audit Services and Fees Policies:

1. An external auditor is selected and appointed by the stockholders upon recommendation of the Audit Committee through the Board of Directors.
2. All proposed professional fees from the external auditor for professional services are to be approved by the Board of Directors through the Audit Committee.
3. The Audit Committee is to pre-approve the scope of proposed professional services and/or audit plans of the external auditor.

Procedure:

1. A proposal for the appointment of an external auditor is submitted by the external auditor.
2. The stockholders, during their annual stockholders' meeting, shall appoint the external auditor upon recommendation of the Audit Committee through the Board of Directors.
3. All proposed professional fees shall be submitted to the Audit Committee, outlining the scope of work, deadlines and other pertinent information.
4. The Audit Committee reviews and decides on the proposal.
5. The acceptance of the proposal is forwarded to the Board of Directors and formally communicated to the external auditor.
6. After the external auditor renders its services, the Audit Committee evaluates and reviews its final reports to ensure compliance with the service agreement.
7. The Audit Committee submits to the Board of Directors all significant items and findings in the external auditor's report.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

A. Directors, Executive Officers, Promoters and Control Persons

The names of the Directors and Executive Officers of the Corporation as of December 31, 2016, and their respective ages, positions held, and periods of service are as follows:

Name	Age	Position	Period During Which the Individual has Served as Such
Roberto V. Ongpin	80	Chairman of the Board, Chief Executive Officer and Director	12 November 2009 to Present
Eric O. Recto	53	Director, Vice Chairman, and President	12 November to Present; 12 December 2009 to Present; 01 September 2016 to Present
Walter W. Brown	75	Director	10 December 2009 to Present
Jose Raymund L. Apostol*	51	Director	20 May 2013 to Present
Anna Bettina Ongpin	51	Director	16 August 2013 to Present
Dennis O. Valdes	54	Director	12 November 2009 to Present
Michael Angelo Patrick M. Asperin	57	Director	28 August 2014 to Present
John Peter Chick B. Castelo	49	Director	28 August 2014 to Present
Margarito B. Teves	72	Independent Director	26 May 2011 to Present
Gregorio Ma. Araneta III	68	Independent Director	28 August 2014 to Present
Victor C. Macalincag**	80	Independent Director	20 April 2012 to March 30, 2017
Josephine A. Manalo	75	Treasurer	11 August 2015 to Present

Name	Age	Position	Period During Which the Individual has Served as Such
Cristina B. Zapanta	53	Compliance Officer-Anti Money Laundering Manual and Vice President for Finance	31 May 2016 to Present
Cliburn Anthony A. Orbe	41	Director, Corporate Secretary, and Corporate Information Officer	31 May 2013 to Present 31 May 2013 to Present 13 December 2013 to present
Jonamel G. Israel-Orbe	43	Corporate Information Officer and Assistant Corporate Secretary	13 December 2013 to present; 28 August 2014

* Resigned as President as of September 1, 2016.

** Died on March 30, 2017.

Following are information on the educational attainment, business experience and credentials of each of the above-named Directors and Officers of the Corporation:

ROBERTO V. ONGPIN, *Chairman of the Board, Chief Executive Officer, and Director*

Mr. Ongpin, Filipino, 80 years old, was elected Director and Chairman of the Board on 12 November 2009. He is also the Chairman of Alphaland Corporation (ALPHA) and a former Chairman of Philweb Corporation, a former Director of San Miguel Corporation (SMC), PAL Holdings, Inc. (PAL) and Petron Corporation (PCOR). He is also the chairman of Alphaland Balesin Island Club, Inc. (ABICI). In Hong Kong, he is the former Non-Executive Director of Shangri-La Asia and the former Deputy Chairman of the South China Morning Post, both listed in the Hong Kong Stock Exchange. He is also the former Non-Executive Director of Forum Energy PLC (United Kingdom). Mr. Ongpin joined SGV & Co. in 1964 and was Chairman and Managing Partner of the firm from 1970 to 1979. He served as the Minister of Trade and Industry of the Republic of the Philippines from 1979 to 1986. Mr. Ongpin graduated cum laude in Business Administration from the Ateneo de Manila University, is a Certified Public Accountant and has an MBA from the Harvard Business School.

ERIC O. RECTO, *Vice Chairman, President and Director*

Mr. Recto, Filipino, 53 years old, was elected Director on 12 November 2009 and appointed as Vice-Chairman of the Board of Directors on 12 December 2009. He was appointed Acting President on 1 September 2016. He is also the Chairman and CEO of ISM Communications Corporation (ISM), Chairman of Philippine Bank of Communications (PBC), Chairman and President of Bedfordbury Development Corporation, Director of Petron Corporation, and a member of the Board of Supervisors of Acentic GmbH. Prior to joining the Company, Mr. Recto served as Undersecretary of Finance of Republic of the Philippines, in charge of handling both the International Finance Group and the Privatization Office. Before his stint with the government, he was Chief Finance Officer of Alaska Milk Corporation and Belle Corporation. Mr. Recto has a degree in Industrial Engineering from the University of the Philippines as well as an MBA from the Johnson School, Cornell University.

JOSE RAYMUND L. APOSTOL, *Director*

Mr. Apostol, 51, Filipino, was elected director on 20 May 2013. He was a Director and the President of Forum Energy Philippines Corp. from 2007 to 2013 and President and Technical Director of PhiGold Metallic Ore Inc. from 2008 to 2013. He was also a Non-exclusive consultant of Forum Exploration Inc., Non-Exclusive Adviser to the Chairman & CEO of Philex Petroleum Corporation, and Country Manager for Philippine Operations of Sterling Energy (plc), U.K., among others. He is a Registered Professional Geologist. He is a Director of Petroleum Association of the Philippines. He is also a member of Southeast Asian Petroleum Exploration Society, American Association of Petroleum Geologists and Geological Society of the Philippines. He graduated with a degree of Bachelor of Science in Geology from the University of the Philippines.

WALTER W. BROWN, *Director*

Dr. Brown, 75, Filipino, is also the Chairman of A Brown Company, Inc., Palm Thermal Consolidated Holdings Corporation, International Cleanenvironment Systems, Inc., North Kitanglad Agricultural Company, Inc., PhiGold and A Brown Energy & Resources Dev't. Inc., President of Monte Oro Resources and Energy Inc., and Director of PBJ Corporation. He was also the Chairman and Chief Executive Officer of Philex Mining Corporation. He received two undergraduate degrees: B.S. Physical Science (1959) and B.S. Geology (1960), both from the University of the Philippines, and post graduate degrees from Stanford University: M.S. Economic Geology (1963), and Ph.D. in Geology, and Major in Geochemistry (1965). He was a candidate in Master of Business Economics (1980) from the University of Asia & the Pacific (formerly Center for Research & Communications). He is currently the Chairman and Director of Family Farm School (PPAI), Chairman and President of Studium Theologiae Foundation, Vice Chairman of the Board of Trustees of Xavier University, and Member of the Chamber of Mines of the Philippines Inc., and the Geological Society of the Philippines.

MICHAEL ANGELO PATRICK M. ASPERIN, *Director*

Mr. Asperin, Filipino, 59 years old, was elected Director on August 28, 2014. He is also President and Chief Executive Officer of Alphaland Balesin Island Club, Inc. (ABICI) and handles various matters for the Group including the development of the Balesin Island Club project, as well as the operations of the aviation and security divisions of the Alphaland Group. He is also the Chief Operating Officer of Alphaland Corporation. Prior to joining ALPHA, he served as Senior Vice President for Security for WEB from 2009 to 2012. He graduated from the Philippine Military Academy in 1981.

DENNIS O. VALDES, *Director*

Mr. Valdes, 55, Filipino, was elected Director on 12 November 2009. He is also the President and a Director of PhilWeb Corporation (since 2006) and a Director of Alphaland Corporation (since 2011). His previous work experience includes 10 years with the Inquirer Group of Companies, as a Director of the newspaper, and he was also in charge of expanding their Internet, printing, and ink-making operations. Prior to that, he spent six years with The NutraSweet Company developing its businesses in Asia. He is a Certified Public Accountant, graduated magna cum laude in Business Administration and Accountancy from the University of the Philippines and has an MBA from the Kellogg School of Management, Northwestern University.

ANNA BETTINA ONGPIN, *Director*

Ms. Ongpin, Filipino, 52, was elected Director on 16 August 2013. She is also currently a Director, the Vice Chairman and President of Alphaland Corporation. Ms. Ongpin has more than 20 years of communications, marketing, project management, and operations experience in the management consulting and media fields. She holds a Bachelor's Degree in Political Science from Wellesley College.

JOHN PETER CHICK B. CASTELO, *Director*

Mr. Castelo, Filipino, 51 years old, was elected Director on 28 August 2014. He is presently the Senior Vice President for Business Development of Araneta Center, Inc. and sits in the board of its various subsidiaries and affiliates. He had 27 years of experience in real estate and finance industries. He earned his Masters in Business Administration and Degree in Bachelor of Science in Electrical Engineering from the University of the Philippines in Diliman.

MARGARITO B. TEVES, *Independent Director*

Mr. Teves, 73, Filipino, is also the Chairman of Think Tank, Inc., Member of the Board of Advisers of Bank of Communications. He is also an Independent Director of Alphaland Corporation, Alphaland Balesin Island Club, Inc. and The City Club at Alphaland Makati Place, Inc. He was formerly Secretary of the Department of Finance, Landbank President and CEO, and a Member of the House of Representatives (representing the 3rd District of Negros Oriental). He obtained a Higher National Diploma (HND) in Business Studies, equivalent to a BSC in Business Economics from the City of London College and a Master of Arts (MA) in Development Economics from the Center for Development Economics, Williams College in Massachusetts, USA. He was recently conferred an Honorary Degree of Doctor of Laws by Williams College, and named Senior Adviser to the China-Asean Economic and Culture Research Center and Visiting Professor at the Guilin University of Electronic Technology in China.

GREGORIO MA. ARANETA III – *Independent Director*

Mr. Araneta III, Filipino, 68 years old, is also the Chairman of Philweb Corporation, Alphaland Corporation and an Independent Director of Alphaland Corporation, Alphaland Balesin Island Club, Inc. and The City Club at Alphaland Makati Place, Inc. He is the Chairman and Chief Executive Officer of Araneta Properties, Inc. since 2010. He is President and Chairman of ARAZA Resources Corporation and Carmel Development Corporation, Chairman of Gregorio Araneta Inc., Gregorio Araneta Management Corporation, and Gamma Properties, Inc. Mr. Araneta studied at the University of San Francisco and Ateneo de Manila University where he earned his Bachelor of Arts Degree in Econornics.

CLIBURN ANTHONY A. ORBE, *Director, Corporate Information Officer and Corporate Secretary*

Mr. Orbe, Filipino, 42 years old, was elected Corporate Information Officer on 13 December 2013 and elected Corporate Secretary on 31 May 2016. He is also Director, Assistant Corporate Secretary and Corporate Information Officer of WEB. He has a Bachelor of Laws degree from Mindanao State University where he graduated cum laude and class valedictorian. He was formerly an associate of Rodrigo Berenguer & Guno law firm. He is a member of the Integrated Bar of the Philippines.

JONAMEL G. ISRAEL-ORBE, *Corporate Information Officer; Assistant Corporate Secretary*
Ms. Israel-Orbe, Filipino, 43 years old, replaced Ms. Larrazabal as Corporate Information Officer on 13 December 2013 and appointed Assistant Corporate Secretary on 28 August 2014. Ms. Orbe is also Legal Counsel for Alphaland Development, Inc. and Corporate Information Officer of Alphaland Corporation. She is a member of the Philippine Bar.

B. Term of Office

Under Article II, Section 1 of the Corporation's Amended By-Laws, the directors chosen by the stockholders of the Corporation entitled to vote at the annual meeting shall hold office for one (1) year until their successors are elected and shall have qualified.

C. Directorships in Other Reporting Companies

Mr. Roberto V. Ongpin also serves as Chairman of the Board of Alphaland Corporation, and Alphaland Balesin Island Club, Inc.

Mr. Eric O. Recto is also Chairman of the ISM Communications Corporation, as well as the Vice Chairman of Philweb Corporation. He is also a Director of Petron Corporation.

Dr. Walter W. Brown is also the Chairman of A Brown Company, Inc.

Mr. Margarito B. Teves is an independent Director of Alphaland Corporation, The City Club at Alphaland Makati Place, Inc. and Alphaland Balesin Island Club, Inc.

Mr. Gregorio Ma. Araneta III, is also a Director and the Chairman of Philweb Corporation, and an independent Director of Alphaland Corporation, The City Club at Alphaland Makati Place, Inc. and Alphaland Balesin Island Club, Inc.

Mr. Michael Angelo Patrick M. Asperin is also director of and Chief Executive Officer of Alphaland Balesin Island Club, Inc., and director of Philweb Corporation, The City Club at Alphaland Makati Place, Inc., and Alphaland Corporation. Mr. Dennis O. Valdes is also a Director and President of Philweb Corporation and a Director of Alphaland Corporation.

Ms. Anna Bettina Ongpin is also a Director and the President of Alphaland Corporation and The City Club at Alphaland Makati Place, Inc., and a director of Alphaland Balesin Island Club, Inc.

Mr. Cliburn Anthony A. Orbe is also director of Philweb Corporation and Alphaland Corporation.

Shares of ISM Communications Corporation (ISM), PhilWeb Corporation (WEB), Philippine Bank of Communications (PBC) Petron Corporation (PCOR) and A Brown Company, Inc. (BRN) are all listed in the PSE. Shares of Alphaland Corporation, The City Club at Alphaland Makati Place, Inc. and Alphaland Balesin Island Club, Inc. are covered by Registration Statements filed with the SEC.

D. Significant Employees

The Company considers its subsidiaries' entire workforce as significant employees. Everyone is expected to work together as a team to achieve the Company's goals.

E. Family Relationships

Ms. Anna Bettina Ongpin is the daughter of Mr. Roberto V. Ongpin. Messrs. Recto and Valdes are nephews of Mr. Ongpin. Mr. Recto, Mr. Valdes and Ms. Ongpin are first cousins. Mr. Cliburn Anthony A. Orbe and Ms. Jonamel G. Israel-Orbe are married to each other. Other than the foregoing, the persons nominated or chosen by the Company to become directors or executive officers are not related to each other up to the fourth civil degree either by consanguinity or affinity.

F. Involvement in Certain Legal Proceedings

1. *Atty. Zenaida Ongkiko-Acorda, as attorney in fact of Atty. Mario E. Ongkiko and in behalf of Philex Mining Corporation vs. Roberto V. Ongpin, et al., SEC Case No. 11-166, Branch 158, Regional Trial Court of Pasig.* This involves a purported "derivative suit" filed on behalf of Philex against RVO and other companies beneficially owned by RVO in connection with Section 23.2 of the Securities Regulation Code and in order to recover the "short-swing profits" which were allegedly realized from supposed transactions involving Philex shares. A related Petition for Review on Certiorari is also pending before the Supreme Court in G.R. No. 204166, entitled *Roberto V. Ongpin, et al. vs. Acorda, et al.*
2. *People vs. Reynaldo G. David, et al., S.B.-13-CRM-0105 and S.B.-13-CRIM-0106, Sandiganbayan (Third Division).* This case was filed against RVO and others in connection with two loans obtained by Deltaventure Resources, Inc. (DVRI) from DBP. The Informations in both cases for violations of Section 3 (e) of R.A. No. 3019 were filed on 10 January 2013. In a Resolution promulgated on 28 May 2014, the Third Division of the Sandiganbayan granted the Accused's Motions to Quash and DISMISSED Criminal Case Nos. S.B.-13-CRM-0105 and S.B.-13-CRIM-0106. A related Petition for Review on Certiorari is pending before the Supreme Court in G.R. Nos. 217417 and 217914, entitled "People of the Philippines v. Reynaldo G. David, et al."
3. *In the matter of: Roberto V. Ongpin, Mario A. Oreta, Margarito B. Teves, et al., SEC-EIPD Case No. 14-3039.* This concerns the findings of the Enforcement and Investor Protection Department on the liability of respondents for violation of Section 26(3) of the Securities Regulation Code (SRC) in connection with the issuance of shares of Alphaland Corporation in a capital call, stock rights offering and property for share swap which were approved and ratified by respondents as officers and members of the Board of Alphaland Corporation. On August 24, 2015, Respondents elevated the matter through notice of appeal to the SEC En Banc, where the matter is presently pending resolution. The appeal is docketed as SEC En Banc Case No. 08-15-384, entitled "Roberto V. Ongpin, Mario A. Oreta, Margarito B. Teves, et al. vs. Enforcement and Investor Protection Department".
4. *In the Matter of: Philex Mining Corporation, SEC-EIPD Case No. 14-3044.* This concerns the findings of the Enforcement and Investor Protection Department against Mr. Roberto V. Ongpin for allegedly committing Insider Trading when he purchased Philex shares at Php19.25 to Php 19.50 per share from the open market in the morning of 02 December 2009 without disclosing to the public that the group of Mr. Manuel V. Pangilinan had agreed to purchase the said shares from him at P21.00 per share. RVO appealed the case to the SEC En Banc but the latter affirmed the findings of the EIPD. Mr. Ongpin elevated the case to the Court of Appeals by way of a Petition for Review docketed as CA-G.R. SP. No. 146704, entitled "Roberto V. Ongpin v. Enforcement and Investor Protection Department". In a Resolution dated September 29, 2016, the Court of

Appeals issued a writ of Preliminary Injunction enjoining the enforcement of the SEC En Banc's decision.

Other than the foregoing, the Corporation knows of no legal proceeding including without limitation any (a) bankruptcy petition, (b) conviction by final judgment, (c) order, judgment or decree, or (d) violation of a securities or commodities law, during the last five (5) years up to the date of the filing of this Statement, to which any of its Directors and Executive Officers is a party and which is material to an evaluation of their ability or integrity to act as such.

Neither have they been convicted by final judgment in any criminal proceeding or have been subject to any order, judgment or decree of competent jurisdiction, permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, nor found in action by any court of administrative bodies to have violated a securities or commodities law.

Item 10. Executive Compensation

Although authorized to give per diems, the Company did not do so in the year 2014. In the year 2015 and 2016, the Company gave directors per diem in the total amount of Php40,000.00 each, net of withholding taxes. Further, the directors and officers did not receive any compensation from the Corporation in the form of bonus, warrants, options, or participation in any profit-sharing plan in the years 2014-2016.

There are no material terms of, nor any other arrangements with regard to compensation as to which directors are compensated, directly or indirectly, for any services rendered as director.

There is no employment contract between the Company and a named executive officer.

There is no compensatory plan or arrangement between the Company and any executive officer in case of resignation, retirement or any other termination of the executive officer's employment with the Company, or from a change in the management control of the Corporation, or a change in the named executive officer's responsibilities following a change in the management control.

The aggregate salaries of the CEO and the four highest compensated officers are as follows:

(a) Name and Principal Position	(b) Year	(c) Salary	(d) Bonus	(e) Other Annual Comp
1. Roberto V. Ongpin Chairman/CEO				
2. Jose Raymund L. Apostol President				
3. Troadio M. Jimenez Jr. Exploration Manager				
4. Manuel Alejandro P. Chavez Jr. Exploration Geologist				
5. Benedicto D.V. Tan General Manager for ABSTC				

Aggregate Compensation of the Five
Most Highly-Paid Executives
including the CEO:

2014	5,859,750
2015	3,952,000
2016	3,945,552

Item 11. Security Ownership of Certain Record and Beneficial Owners and Management

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE BENEFICIAL OWNERSHIP	CITIZENSHIP	PERCENT OF CLASS
Common	Roberto V. Ongpin	1 (direct) 1,485,685,983 (indirect)	Filipino	Nil 58.38%
Common	Eric O. Recto	1 (direct) 289,532,821 (indirect)	Filipino	Nil 11.38%
Common	Walter W. Brown	1 (direct) 509,000,000 (indirect)	Filipino	Nil 20.00%
Common	Dennis O. Valdes	1 (direct)	Filipino	Nil
Common	Jose Raymund L. Apostol	100 (direct)	Filipino	Nil
Common	Anna Bettina Ongpin	100 (direct)		Nil
Common	Mario A. Oreta	1 (direct)	Filipino	Nil
Common	Michael Angelo Patrick M. Asperin	100 (direct)	Filipino	Nil
Common	Margarito B. Teves	100 (direct)	Filipino	Nil
Common	John Peter Chick B. Castelo	102 (direct)	Filipino	Nil
Common	Gregorio Ma. Araneta III	1,000	Filipino	Nil
	Total	2,284,218,804		89.75%
Total Issued & Outstanding Shares		2,545,000,000		100.00%

Messrs. Roberto V. Ongpin beneficially owns and controls Boerstar Corporation ("Boerstar"), which is the registered owner of approximately 69.75% of the Company. However, Mr. Eric O. Recto is the beneficial owner of 289,532,821 common shares registered in the name of Boerstar, corresponding to approximately 11.38% of the Company as indicated above.

To the extent known to the Corporation, there is no person holding more than five percent (5%) of the Corporation's voting stock under a voting trust or similar agreement.

Changes in Control

The Corporation is not aware of any change in control or arrangement that may result in a change in control of the Corporation during the period covered by this Statement.

Item 12. Certain Relationships and Related Transactions

There are no transactions (or series of similar transactions) during the last two (2) years, with or involving the Company or its subsidiaries, in which a director, executive officer, or stockholder owning ten percent (10%) or more of the total outstanding shares, or any member of his/her immediate family, had or will have a direct or indirect material interest.

PART IV - CORPORATE GOVERNANCE

Please see attached Annual Corporate Governance Report.

PART V - EXHIBITS AND SCHEDULES

List of Items Reported under SEC Form 17-C, as amended (During the Last 6 Months)

February 12, 2016

Amended Notice of Annual Stockholders' Meeting

April 14, 2016

List of Stockholders entitled to vote

April 19, 2016

Postponement of Annual Stockholders' Meeting

April 27, 2016

Postponement of Annual Stockholders' Meeting

May 31, 2016

Results of the Annual Stockholder's Meeting

SIGNATORIES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized in the City of Makati on APR 24 2017.



Eric O. Recto
President



Cristina B. Zapanta
Vice President - Finance




Cliburn Anthony A. Orbe
Corporate Secretary

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S.S.

SUBSCRIBED AND SWORN to before me this APR 24 2017 day of _____ in Makati City by the affiants, personally known to me, who are the same persons who personally signed before me the foregoing Annual Report and acknowledged that they executed the same. Affiants, whose identities are personally known to me, exhibited to me their competent evidence of identity as follows:

Name	Competent Evidence of Identity
Eric O. Recto	<u>TIN No. 108-730-891</u>
Cristina B. Zapanta	<u>TIN No. 102-116-723</u>
Cliburn Anthony A. Orbe	<u>TIN No. 180-004-166</u>

Doc. No. 727;
Page No. 47;
Book No. III;
Series of 2017.


NOELLE S. GAVINO
Appointment No. M-420
Notary Public for Makati City
Until December 31, 2017
5th Floor, The City Club at Alphaland Makati Place
7232 Ayala Ave. corner Malugay St. Makati City
Roll No. 61296
PTR No. 5918354, 01/11/2017 Makati City
IES No. 1269461, 01/26/2017 Makati City
MCL No. V-0577546, MNR No. 274-075243