ORIENTAL PETROLEUM & MINERALS CORPORATION

ANNUAL REPORT 2020

TABLE OF CONTENTS

COVER: **Floating Production Storage Offloading Tanker/FPSO "Rubicon Intrepid" on location at the Galoc Oilfield in Offshore Northwest Palawan.**

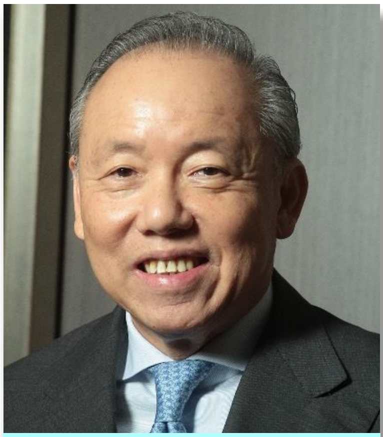
FINANCIAL HIGHLIGHTS

OPERATING RESULTS			
DECEMBER 31			
	2020	2019	2018
	US$	US$	US$
REVENUES - PETROLEUM OPERATIONS	**1,277,272**	4,248,325	7,691,545
GROSS LOSS	**(1,120,404)**	(1,858,771)	(909,698)
INTEREST INCOME	**2,054,493**	2,366,359	2,014,026
DIVIDEND INCOME	**1,733,762**	1,099,501	687,193
NET INCOME	**2,495,454**	2,331,090	855,287
INCOME PER SHARE	**0.000012**	0.000012	0.000004

FINANCIAL CONDITION			
DECEMBER 31			
	2020	2019	2018
	US$	US$	US$
TOTAL ASSETS	**96,449,502**	93,412,104	92,288,357
TOTAL LIABILITIES	**2,549,334**	2,523,234	4,183,022
NET WORTH	**93,900,168**	90,888,870	88,105,335
CAPITAL STOCK	**82,268,978**	82,268,978	82,268,978
RETAINED EARNINGS (DEFICIT)	**5,058,983**	4,560,651	4,454,238

MESSAGE OF THE CHAIRMAN AND THE PRESIDENT

JAMES L. GO
Chairman & CEO



ROBERT COYIUTO, JR.
President & COO

To our Fellow Stockholders:

We are pleased to present the Company's Annual Report – 2020.

As we embarked into the First Year after 50 years of corporate existence, your company Oriental Petroleum and Minerals Corporation was confronted with mixed challenges. However, these were met and managed with prudence and caution.

FINANCIAL HIGHLIGHTS:

In 2020, the Company posted Revenues from Petroleum Operations in the amount of US$ 1,277,272, a Gross Loss of US$ 1,120,404 and a Net Income of US$ 2,495,454.

In 2019, the Revenues from Petroleum Operations amounted to US$ 4,248,325 but the Operating Expenses reached US$ 6,107,096 which included the depletion expense and cost of Plug & Abandonment (P&A) of 9 oilwells in the Nido & Matinloc Blocks in offshore NW Palawan. This resulted in a Gross Loss in 2019 of US$ 1,858,771.

Nevertheless in 2020, the Company managed to realize a positive Net Income of US$ 2,495,454 brought about by interest income, and other income and dividend from investments in equity and debt instruments.

CHALLENGING YEAR – 2020: COVID-19 PANDEMIC

The year 2020 was a most challenging and difficult time, not only for the Company but the rest of the world as well. The World Health Organization (WHO) officially announced in 11 March 2020 that the spread of the corona virus Covid-19 has reached world-wide or pandemic proportions. Even before the official announcement, there had been cases towards the end of 2019 that the virus had caused severe infections and several deaths in some countries. The virus primarily affects the human respiratory system that can result in death.

The virus can also affect the cardiovascular system and other body organs.

IMPACT OF THE COVID-19 PANDEMIC: ON THE OIL & GAS INDUSTRY

There have been several supply and demand shocks in the past in the oil and gas industry.

The 2020 pandemic, however, not only resulted in the drastic decline in oil prices but had severe effects on the world economy as well. The airline industry, travel, tourism and hospitality establishments, factories, and other commercial and industrial activities had to severely cut back on their operations. The resulting unemployment was widespread due to lockdowns, quarantine requirements and travel restrictions. The international prices of crude oil plunged to record levels in 2020. The benchmark Brent Oil briefly descended to as low as US$ 22.58/barrel in March 2020. However, there was a marked improvement in oil prices as the year progressed and by yearend Brent Oil averaged US$ 50.00/barrel.

PRODUCTION OPERATIONS: GALOC OILFIELD SERVICE CONTRACT-14C1 OFFSHORE NW PALAWAN

Petroleum operations in the Galoc Oilfield continued in 2020 despite the Covid-19 pandemic.

Oil production in the Galoc Oilfield in offshore NW Palawan continued even after Rubicon Offshore International (ROI), the owners of the Floating Production Storage Offloading (FPSO) "Rubicon Intrepid" tanker gave a Notice of Termination on the lease of the FPSO. The termination notice covered a 6-month period from 25 March 2020 - 24 September 2020.

SIX (6) MONTHS CONTINUED PRODUCTION OPERATIONS

Transition Period August 2020 – January 2021

An alternative strategy was developed to continue production operations in the Galoc Oilfield even before the end of the Notice of Termination.

The joint venture Operator - Galoc Production Co. 1 (GPC1) brokered the purchase of the FPSO "Rubicon Intrepid" by its mother company Tamarind Resources Pte Ltd, through a separate entity Upstream Infrastructure Holdings (UIH). Tamarind Resources will have full control of the FPSO. The purchase of the FPSO was effective 1 August 2020.

There will be a 6-month Transition Period: August 2020 - January 2021, where ROI senior staff, the crew of the FPSO and the production technicians will continue to carry out production operations in the Galoc Oilfield. Tamarind Resources and UIH will supervise the operations.

TWENTY-FOUR (24 MONTHS) EXTENDED PRODUCTION OPERATIONS

Extension Period February 2021 - January 2023

Beyond the 6-month Transition Period, a new alliance was formed with Three60 Energy, an established offshore operator registered in Scotland, to provide Operations and Management (O&M) of the FPSO Rubicon Intrepid. The contract for the Extension Period is for 24 months, February 2021 – January 2023, for the continued oil production in the Galoc Oilfield under the supervision of Tamarind Resources and UIH.

MESSAGE OF THE CHAIRMAN AND THE PRESIDENT

The Galoc Oilfield is expected to continue production under the Transition and Extension Periods at least up to end January 2023. A provision for extension beyond January 2023 is part of the contract.

OTHER SERVICE CONTRACT AREAS:

SERVICE CONTRACT-14A
NIDO BLOCK

The Plug & Abandonment (P&A) of the Nido-A1 and Nido-A2 wells was successfully completed in the latter part of September 2020 - early October 2020. This brings a total of nine (9) oil wells that have been Plugged & Abandoned (P&A) in offshore NW Palawan since 2019.

Service Contract - 14A: Five (5) Wells
Service Contract - 14B/-B1: Four (4) Wells

The Nido-AP/AW, Nido-BW and the Matinloc Platforms have been turned over to the Department of Energy (DOE) after the processing equipment and wellheads have been removed.

SERVICE CONTRACT - 14C2
WEST LINAPACAN BLOCK

The documents relating to the Sale & Purchase Agreement (SPA) and the Farm Out Agreement (FAO) with the third-party proponent, Desert Rose Petroleum Limited (DRPL), have been completed in 2020. The virus Covid-19 pandemic, however, caused delays and difficulty for DRPL to obtain financing for the project.

As of yearend 2020, the SPA and FOA documents have not been submitted to the Department of Energy (DOE) due to the absence or lack of proof of financial capability of DRPL.

A letter agreement dated 7 December 2020 has been proposed by DRPL to mutually terminate the SPA and FOA should they not be able to submit to the DOE proof of financial capability by 31 March 2021. This is under review by the SC-14C2 joint venture partners as of yearend 2020.

SERVICE CONTRACT-6B
BONITA-CADLAO BLOCK

A proposed Work Program and Budget (WP&B) was submitted by the Operator-Manta Oil Company Limited (MOCL) to the Department of Energy (DOE) last 6 December 2020 to come up with a New Plan of Development (POD) for the shut-in Cadlao Oilfield. The proposed WP&B was approved by the DOE in 12 January 2021.

The WP&B will be carried out in the Calendar Year-2021 and include subsurface work, well design, engineering and planning, facilities design, environmental data, and permitting.

The delay in submitting a WP&B was due to the Covid-19 pandemic which caused travel restrictions, lockdowns and quarantine protocols, and difficulty in commercial discussions with third party contractors.

By end December 2021, Manta Oil is expected to submit to the DOE the New Plan of Development (POD) for the re-start of the Cadlao Oilfield which has been shut-in since 1991 up to the present.

MESSAGE OF THE CHAIRMAN AND THE PRESIDENT

OUTLOOK:

The Covid-19 pandemic in the year 2020 caused considerable slowdown in worldwide economic activities. In the oil and gas sector, there was a drastic fall in the prices of crude oil.

In the Philippines, prices of crude oil from the Galoc Oilfield fetched an average price of less than US$ 40.0/Barrel. Towards the end of the year and by early 2021, however, crude oil prices have rebounded in the vicinity of US$ 60.0/Barrel. This optimism as brought about by the development, start of rollout, and distribution of several brands of vaccines against the Covid-19 virus.

CONTINUATION OF PRODUCTION: GALOC OILFIELD SERVICE CONTRACT – 14C1 NORTHWEST PALAWAN

A Notice of Termination was issued last 25 March 2020 to the Galoc Joint Venture on the lease of the tanker FPSO "Rubicon Intrepid" by Rubicon Offshore International (ROI), owners of the FPSO to the Joint Venture. The notice was for a period of six (6) months or from 25 March - 24 September 2020.

The Notice of Termination would have meant the disconnection of the FPSO "Rubicon Intrepid" from the Galoc Oifield subsea production facilities and departure from the Galoc Field site.

Instead of disconnection, a strategy was developed to continue oil production. Arrangements were made to purchase the FPSO "Intrepid" by the Operator-GPC1 through a separate entity Upstream Infrastructure Holdings (UIH), owned by its mother company Tamarind Resources Pte. Ltd. The purchase was effective 1 August 2020.

ROI will continue to be responsible for the operations and maintenance (O&M) for the Transition Period of six months from August 2020 - January 2021.

To further continue production in the Galoc Oilfield, an alliance was forged with Three60 Energy, an international service provider based in Scotland, to provide the O&M for the Extension Period for the next twenty-four (24) months from February 2021-January 2023.

In both the Transition and Extension Periods, the overall supervision will be by UIH and Tamarind Resources Pte. Ltd.

CADLAO OILFIELD DEVELOPMENT: SERVICE CONTRACT – 6B NORTHWEST PALAWAN

The Department of Energy (DOE) approved in October 2019 the Farm In Agreement (FIA) between the SC-6B Joint Venture and Manta Oil Company Ltd. (MOCL) With the DOE approval Manta Oil earned 70% working interest and assumed the role as Operator of Service Contract SC-6B.

For the year 2021, Manta Oil will carry out a work program to complete and finalize a proposed New Plan of Development (POD) for the re-start of production of the Cadlao Oilfield which has been shut-in since 1991. The New POD will be submitted by the end of 2021 to the DOE for evaluation and approval.

MESSAGE OF THE CHAIRMAN AND THE PRESIDENT

Upon approval by the DOE, Manta Oil will start implementing the New POD.

In November 2019 an early and preferred preliminary conceptual scheme of the New POD envisions the drilling of two (2) production wells from a light wellhead platform (WHP), a flexible subsea flowline and pipeline from the platform to a floating production storage offloading (FPSO) tanker anchored some distance away.

The additional recoverable oil reserves from the shut-in Cadlao Oilfield have yet to be finalized with the completion of the New POD by yearend 2021. Manta Oil Co. Ltd. in 2019 placed a preliminary estimate of 5.7 Million Barrels in the 2P Category (Proven and Probable). Start of production upon completion of the New POD is planned for the 1st Quarter, 2023.

Oriental Petroleum is carried free in the cost of development of the Cadlao Field up to declaration of commerciality. It retains a working interest of 4.9092% in the Cadlao Field Service Contract-6B.

NEAR TERM OIL PRODUCTION:

With the transition and extension periods due to the purchase of the FPSO Rubicon Intrepid, it is expected that the Galoc Oilfield will continue production at least up to January 2023.

It is also anticipated that the new development or redevelopment of the Cadlao Oilfield will result in the start of oil production in the 1st Quarter 2023.

NON-0IL AND GAS ACTIVIES:

Oriental Petroleum and Minerals Corporation has been mandated in 2018 to diversify its portfolio and venture into renewable energy resources and power generation.

In pursuance of this expanded mandate, OPMC will continue to explore opportunities outside of the oil and gas industry including venturing to metal mining.

CHALLENGING TIMES:

The Company will continue to confront the challenges brought about by the Covid-19 pandemic, the slow recovery of the worldwide economy, and the unpredictable swings in crude oil prices.

As in the past and for more than 50 years, the Company has prevailed over several difficulties and challenges. We are optimistic of being able to do the same again.

In behalf of the Board of Directors, officers and staff members of the Company, we extend our gratitude and appreciation for the continued loyalty and support of our stockholders.

JAMES L. GO
Chairman & CEO

ROBERT COYIUTO, JR.
President & COO

REVIEW OF OPERATIONS

OIL PRODUCTION:

SERVICE CONTRACT - 14C1
OFFSHORE NORTHWEST PALAWAN

GALOC OILFIELD

The Galoc Oilfield continued to produce in 2020. Production came from three (3) wells- Galoc-3, Galoc-5, and Galoc-6. The Galoc-4 well was shut-in for the whole year.

There were three (3) Liftings/Cargo Deliveries in 2020:

CARGO NO.	MONTH	VOLUME BARRELS	PRICE US$/BARREL
65	March	234,148	Ave. 34.913
66	June	214,149	35.764
67	November	302,209	42.423
TOTAL		**750,506**	**Ave. 38.180**

As of end 2020 the Galoc Oilfield has produced a cumulative total of 22.790 Million Barrels Oil. It started production in October 2008 from Galoc-3 and Galoc-4 wells, (Phase-1, 2 wells, Year 2008-2013) and from the additional Galoc-5 and Galoc-6 wells, (Phase-2, 4 wells, Year 2014-2018).


RUBICON INTREPID


GALOC Oil Lifting
Shuttle Tanker & Support Vessel

OTHER DEVELOPMENTS:

SERVICE CONTRACT - 14C1
OFFSHORE NW PALAWAN

GALOC BLOCK

A. NOTICE OF TERMINATION OF LEASE ON FPSO

The Rubicon Offshore International (ROI) owner of the Floating Production Storage Offloading tanker-FPSO "Rubicon Intrepid" gave a Notice of Termination of the lease to the Joint Venture Operator - Galoc Production Company - 1 (GPC1), last 25 March 2020. The termination notice covered the period 25 March 2020 to 24 September 2020, or for 6 months.

After receipt of the Notice of Termination, the Operator - GPC1 started making plans for the disconnection of the FPSO from the Galoc Oilfield site.

The FPSO disconnection was not implemented or carried out, however, because a new strategy was developed to continue production operations in the Galoc Oilfield.

REVIEW OF OPERATIONS

Offloading of Oil to a Shuttle Tanker from the FPSO Rubicon Intrepid

B. SIX (6) MONTHS CONTINUED PRODUCTION OPERATIONS:

TRANSITION PERIOD
1 August 2020 - 31 January 2021

Upon the initiative of the Operator - GPC1, an alternative strategy was developed to continue production operations even before the end of the Termination Notice.

GPC1 brokered the purchase of ROI's FPSO Rubicon Intrepid by its mother company Tamarind Resources Pte. Ltd., through a separate entity, Upstream Infrastructure Holdings (UIH). Tamarind Resources will have full control of the FPSO. The purchase was effective 1 August 2020.

GPC1 also arranged a new bareboat charter between UIH and the Galoc Joint Venture at minimal rates.

During the 6-month Transition Period, the FPSO Rubicon Intrepid will remain at the Galoc Oilfield location and continue production from the Galoc oilwells. A separate Operations & Management (O&M) contract has been negotiated with ROI for the 6-month Transition Period. ROI senior management staff, FPSO crew, and production technicians will continue to carry out operations of the FPSO Rubicon Intrepid.

C. TWENTY-FOUR (24) MONTHS EXTENDED PRODUCTION OPERATIONS:

EXTENSION PERIOD
1 February 2021 – 31 JANUARY 2023

To further continue production operations in the Galoc Oilfield beyond the 6-month Transition Period, a new alliance was formed with Three60 Energy, an established international offshore operator. Three60 Energy is an independent specialist service provider with headquarters in Aberdeen, Scotland and has branch offices in Kuala Lumpur, Malaysia and Singapore. It has been engaged to provide the Operations and Management (O&M) of the FPSO for 24 months from February 2021 – January 2023. The contract provides extensions beyond January 2023.

UIH and Tamarind Resources will continue to supervise the operations of ROI and Three60 Energy. GPC1's FPSO Operations Advisor has been mobilized to assure and control the activities and work force of the FPSO and Three60 Energy.

Flaring of Excess Gas in the FPSO Rubicon Intrepid

REVIEW OF OPERATIONS

D. WITHDRAWAL OF GPC2/KUPEC

GPC2/Kuwait Foreign Petroleum Exploration Company (KUFPEC), in a letter dated 14 September 2020 indicated their withdrawal from Service Contract - 14C1 Joint Venture (Galoc Block). KUFPEC before notice of withdrawal held a working interest of 26.84473% in SC - 14C1, Galoc Block.

As a result of KUFPEC's withdrawal their working interest will be allocated to the remaining partners.

Oriental Petroleum together with Linapacan Oil Gas Power Corporation (LOGPOCOR) chose not to accept the pro rata interest allocated to them and remained at a combined 7.78505% working interest.

Similarly, the Operator - GPC1 elected not to get their allocated interest from KUFPEC and maintained their working interest at 33.00000%. They passed on their allocation to Nido Production Galoc (NPG), a sister company under Tamarind Resources Pte. Ltd.

Flaring of Excess Gas at the
FPSO Rubicon Intrepid

The Department of Energy has acknowledged KUFPEC's withdrawal from SC-14C1, Galoc Block.

Pipe Layout of the
FPSO Rubicon Intrepid

E. RESIGNATION OF GPC1 AS OPERATOR

In a Joint Venture Operating Committee Meeting (OCM) held last 23 December 2020, Galoc Production Company – 1 (GPC1) announced their resignation as Operator of SC-14C1, Galoc Block.

Nido Production Galoc Co. (NPG), a sister company under Tamarind Resources Pte. Ltd., has assumed the role as the new Operator.

GALOC BLOCK: SC–14C1 **Joint Venture Partners**	**%**
GPC1/Tamarind Resources	33.00000
NPG/Tamarind Resources	45.82683
Philodrill Corporation	10.17782
Oriental Petroleum/Logpocor	**7.78505**
Forum Energy	3.21030
TOTAL	**100.0000**

REVIEW OF OPERATIONS

NIDO – MATINLOC – COMPLEX
SERVICE CONTRACT – 14A & - 14B
OFFSHORE NORTHWEST PALAWAN

After 40 years and 37 years, respectively, of petroleum production operations, the Nido Oilfield Complex in Service Contract SC–14A, and the Matinloc Oilfield Complex in Service-14B/B1 have reached the end of their economic field lives.

The Nido Oilfield commenced production in 1979 and produced a total of 18.92 Million Barrels Oil up to 2019. The Matinloc Oilfield also produced oil for about 37 years from 1982 up to 2019 and flowed a total of 13.23 Million Barrels Oil. The combined cumulative production of the Nido-Matinloc Complexes reached 32.15 Million Barrels Oil.

The Nido and Matinloc Oilfield Complex produce from separate platforms. The Nido Oilfield Complex has the Nido – AP/ - AW and the BW platforms. The Matinloc Oilfield Complex has one platform but connected to several smaller satellite platforms.

NIDO BLOCK: SC-14A Joint Venture Partners	%
Oriental Petroleum	**42.940**
Philodrill Corporation	26.106
Nido Petroleum	22.486
Forum Energy	8.468
TOTAL	**100.00**

SERVICE CONTRACT - 14A NIDO BLOCK
Nido-A1 and A2 Wells
Plug & Abandonment (P&A)

The Nido-A1 and A2 wells are both located in the NIDO - AW Platform and were originally planned for the 2019 Plug & Abandonment campaign. These wells were partially plugged with cement in 2019.

The Nido - A1 and - A2 wells were only plugged in their bottom sections due to a technical glitch. The middle and uppermost sections of the Nido - A1 and A2 wells must still be fully plugged to conform with international standards. Following good oil field industry practice, the SC-14A Consortium carried out the P&A program to complete the cement plugging of the said wells last year 2020.

The 2020 P&A program was planned to be executed during the month of April – May within a period of good weather window in offshore Northwest Palawan. However, due to the COVID-19 pandemic that resulted in travel restrictions and lockdowns, the scheduled P&A was moved to end - September 2020.

The Nido - A1 and A2 wells were successfully plugged with cement at pre-selected intervals, this time using the construction vessel “ENA WIZARD”. The vessel was mobilized from Loyang Port in Singapore with its third-party services crew onboard to mitigate the impact of COVID-19. It initially sailed from Singapore to the Batangas Port to load other equipment/cementing unit and additional supplies and materials to be used in the P&A operation. Afterwards, the vessel proceeded to the Nido - AW platform in Northwest Palawan to carry-out the P&A program.

Construction Vessel ENA WIZARD

The local P&A crew was airlifted from Manila to El Nido, Palawan and joined the “ENA WIZARD” in Palawan following strict COVID-19 protocols. The P&A of the Nido - A1 & A2 wells by way of setting additional cement plugs was completed on 5 October 2020.

Plug & Abandonment Operation in the Nido AW-Platform

After completion of the P&A, the construction vessel ENA Wizard sailed back to the Batangas Port to offload the equipment and other materials used in the P&A operation. Then it sailed to Singapore where it was off-hired on October 14, 2020.

MATINLOC BLOCK: SC-14B Joint Venture Partners	**%**
Philodrill Corporation	41.608
Nido Petroleum	28.283
Oriental Petroleum	**17.703**
Forum Energy	12.406
TOTAL	**100.00**

REVIEW OF OPERATIONS

In a letter dated 24 November 2020 by the Department of Energy (DOE), it certified that the P&A of the Nido - A1 & - A2 wells P&A was carried out in accordance with the approved P&A program by the DOE.

Stripping of the Vertical Separator from the Nido -AP Platform

NORTH MATINLOC: SC-14B1 Joint Venture Partners	%
Philodrill Corporation	33.111
Oriental Petroleum	**27.772**
Forum Energy	19.463
Alcorn Petroleum	13.551
Trans-Asia Oil & Energy	6.103
TOTAL	**100.00**

TURNOVER OF PLATFORMS:

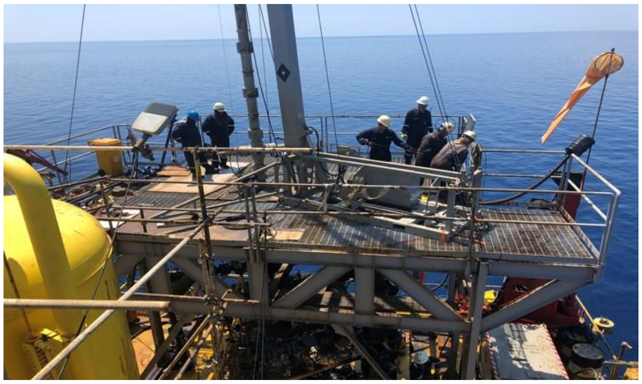
The NIDO and MATINLOC platforms were already turned over to the Department of Energy (DOE) since December 2019 and have been occupied and used by AFP personnel by virtue of the Deed of Donation and Acceptance (DODA) between the Department of Energy (DOE) and the Armed Forces of the Philippines (AFP) on behalf of the Department of National Defense (DND). The other platforms turned over but unoccupied are the Libro-Tara and the Pandan platforms. All these four (4) platforms have been stripped-off of their production facilities.

SURRENDER OF SEVERAL SERVICE CONTRACT- 14 BLOCKS: SC - 14A, SC -14B/ B1, SC - 14D

The Joint Venture Partners have agreed to surrender to the DOE certain blocks in Service Contract SC - 14, namely SC - 14A (Nido Block), SC-14B (Matinloc Block – "Matinloc-Libro-Pandan Fields"), SC-14B1 (North-Matinloc Block), SC - 14 (Tara Block) and SC – 14D (Retention Area).

SC-14A/-B/-B1 are the sites of the Nido, Matinloc, North Matinloc, Pandan, Libro-Tara oilfields and oilwells which have reached their economic limits and have been decommissioned. The SC-14D Retention Block is believed to hold no prospective structures and offer no development opportunity within the area.

A Resolution has been agreed upon by the Joint Venture Partners to finalize the surrender of the said blocks to the DOE. The Resolution was dated 9 December 2020. A letter dated 16 February 2021 was submitted to the DOE notifying them of the Resolution.



Plug & Abandonment Operation Nido AW-Platform

REVIEW OF OPERATIONS

SERVICE CONTRACT - 14C2
WEST LINAPACAN BLOCK

The documents relating to the Sale & Purchase Agreement (SPA) and the Farm Out Agreement (FAO) with the third-party proponent, Desert Rose Petroleum Ltd (DRPL), have been completed in 2020. The virus Covid-19 pandemic, however, caused delay and difficulty for DRPL to obtain financing for the project.

In a letter agreement issued to the Joint Venture Partners dated 7 December 2020, Desert Rose proposed to extend the effectivity of the SPA and FOA documents up to 31 March 2021. The proposed extension is for Desert Rose to have additional time to negotiate and obtain financing for the West Linapacan development project. The proposed extension was approved by the Joint Venture Partners.

WEST LINAPACAN: SC-14C2 Joint Venture Partners	%
Philodrill Corporation	28.070
Oriental Petroleum/Logpocor	30.288
Nido Petroleum	22.279
Forum Energy	9.103
Alcorn Petroleum	6.123
PetroEnergy	4.137
TOTAL	**100.00**

Flaring of Excess Gas of the FPSO Rubicon Intrepid

Helicopter Shuttle Used For Crew Changes

SERVICE CONTRACT - 6B
BONITA - CADLAO BLOCK
OFFSHORE NORTHWEST PALAWAN

The Department of Energy (DOE) approved the Farm-In Agreement (FIA) in Service Contract-6B Bonita - Cadlao Block between the SC-6B Joint Venture Partners and with Manta Oil Company Ltd. (MOCL), a company registered in England and was designated as the new Operator of the SC-6B Block.

Manta Oil earned 70% participating interest in SC-6B Bonita-Cadlao Block while the remaining 30% have been retained by the Joint Venture Partners (Assignor). The "Assignor" will be carried free by Manta Oil ("Assignee") in the cost of re-development of the Cadlao Oilfield up to the "Declaration of Commerciality".

The DOE approved last 17 October 2019 the transfer of 70% interest to Manta Oil. In 24 October 2020, the DOE also requested the submission of a SC-6B Work Program & Budget (WP&B) for the calendar year 2021 (CY-2021).

REVIEW OF OPERATIONS

The preparation and submission of the New Cadlao Plan of Development (POD) to the Department of Energy (DOE) was delayed because of the COVID-19 pandemic that resulted in travel restrictions and lockdowns in 2020. The POD should have been submitted by the 1st Quarter 2021 for DOE's evaluation. A request was made to the DOE for an extension for the submission of a New Cadlao POD. The extension was granted up to end December 2021.

The Cadlao Oilfield was discovered by Amoco in 1977. It is located at a water depth range of 18 - 95 meters or 59 – 312 feet. The Cadlao Oilfield has produced about 10.5 million barrels of oil from 1981 to 1991 (10 years). It was shut - in 1991 due to the prevailing low oil prices at that time. It remains shut-in up to the present.

Oriental Petroleum and Minerals Corporation's (OPMC) holds 4.9092% participating interest in the SC-6B Bonita - Cadlao block. OPMC is carried free in the cost of the new Plan of Development (POD), in drilling of two (2) development wells, construction of platform and other production facilities up to the "Declaration of Commerciality.

Robust Coral Reef Growth under the Nido -AP Platform

School of Fish under the Nido – AW Platform

SERVICE CONTRACT-6B BONITA-CADLAO BLOCK

COMPANY	PARTICIPATING INTEREST	
	PRE-FIA %	AFTER FIA %
Philodrill Corporation	58.162	17.4546
Oriental Petroleum	**16.364**	**4.9092**
Nido Petroleum	9.090	2.7270
Alcorn Petroleum	8.182	2.4546
Forum Energy	8.182	2.4546
	100.000	**30.000**
Manta Oil Co. Ltd.	**-**	**70.0000**

CORPORATE SOCIAL RESPONSIBILITY

COMMUNITY ASSISTANCE PROGRAM

Oriental Petroleum & Minerals Corp. (OPMC) and Linapacan Oil Gas & Power Corp. (LOGPOCOR) are both members of the Galoc Field Area and Development (GFAD) Project that has been extending Community Assistance Program (CAP) to several towns or municipalities in Northern Palawan as part of GFAD's corporate social responsibility.

The GFAD Project is in compliance of the requirement of the Department of Environment and Natural Resources (DENR) and the Palawan Council for Sustainable Development (PCSD) which are mandated to secure and govern all environmentally critical projects located in the island of Palawan.

Implementation of the GFAD Project started in 2009 after declaration of commerciality of the Galoc Oilfield. The towns and municipalities covered by the Community Assistance Program (CAP) are Culion, Busuanga and Linapacan.

The areas of assistance are as follows:

EDUCATION:

- Solar Power E-TV Education Package Center
- Training for Teachers
- Library Rehabilitation
- Construction of Classrooms
- Construction of Laboratory House for Hospitality Management Students

LIVELIHOOD:

- Water Access Project and Manpower Development Skills Training
- Donation of Generation Sets
- Construction of Eco-Tourism Center

HEALTH:

- Solar Electrification of Health Center
- Donation of Medical Equipment (Active Projects as of March 2021)

ACTIVE PROJECTS AS OF MARCH 2021

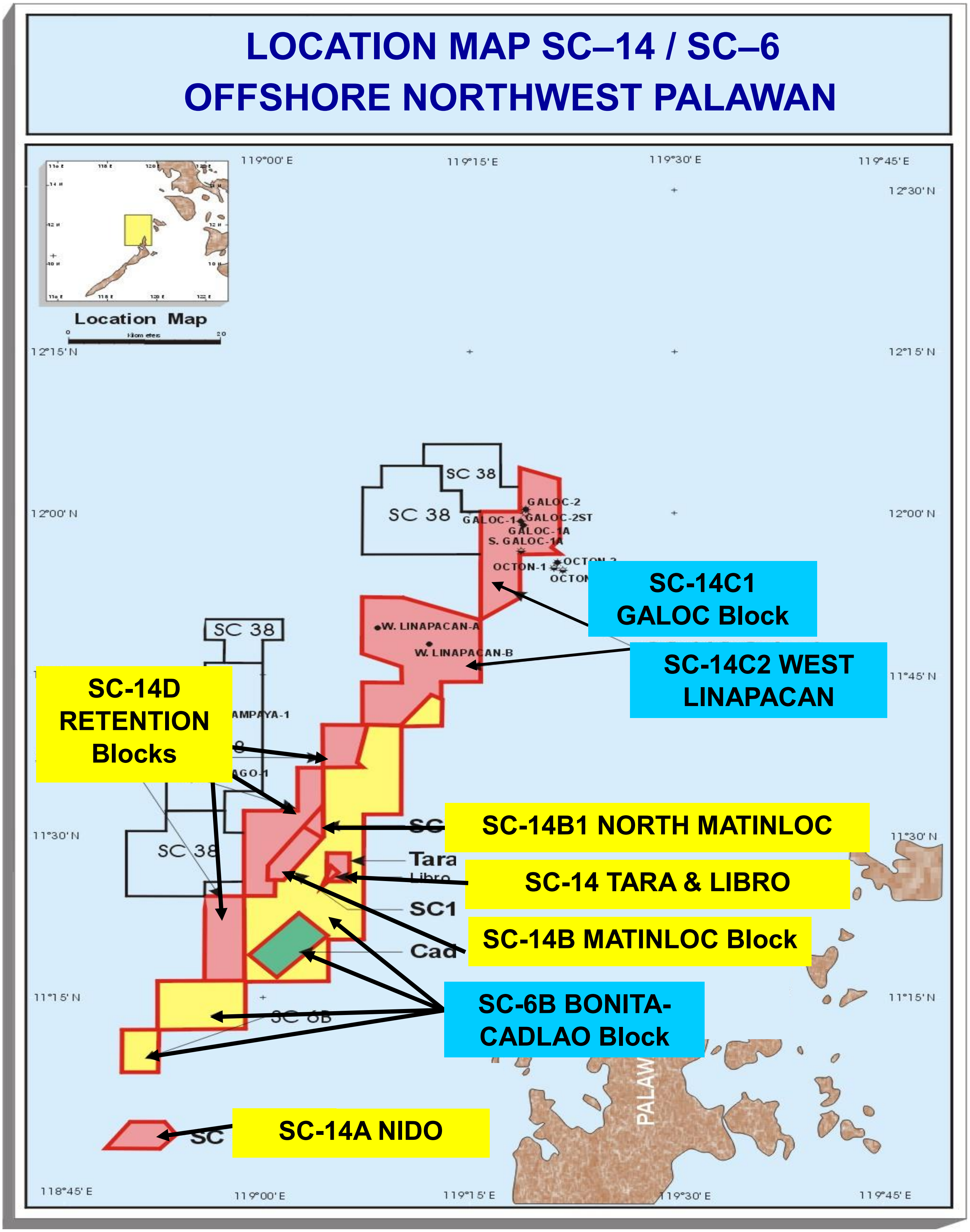
- Donation of Medical Equipment2
- School Vehicles (2 modified school buses) for students in the town of Culion
- Water System Project of the town of Busuanga

COMMUNITY ASSISTANCE PROJECTS - NORTHERN PALAWAN:

Solar electrification of Barangay Health Centers

School vehicle for students in Culion, Palawan

SERVICE CONTRACT MAP



BOARD OF DIRECTORS

James L. Go
Chairman & CEO

Robert Coyiuto, Jr.
President & COO

Lance Y. Gokongwei
Director

Josephine V. Barcelon
Director

Perry L. Pe
Director

James Coyiuto
Director

Benedict Coyiuto
Director

Brian Go
Director

Jocot de Dios
Director

Antonio L. Go
Independent Director

Ricardo Balbido, Jr.
Independent Director

ORIENTAL PETROLEUM AND MINERALS CORPORATION
34th Floor, Robinsons Equitable Tower, ADB Avenue, Ortigas Center, Pasig City, Philippines
☎: 633-7631 to 40 Extensions 278, 281 • 📠: 395-2586

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The management of **Oriental Petroleum and Minerals Corporation and Subsidiaries** is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2020 and 2019, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the company in accordance with Philippine Standards on Auditing, and in its reports to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

James L. Go
Chairman of the Board and
Chief Executive Officer

Robert Coyiuto, Jr.
President and
Chief Operating Officer

Ma. Riana C. Infante
Chief Financial Officer
and Compliance Officer

Signed this APR 2 0 2021 day of ____ 2021

SUBSCRIBED AND SWORN to before this APR 2 0 2021 day of ____ 2021 affiants executed to me their respective CTC / government issued identification cards as follows:

Name	CTC / Government ID No.	Date of Issue	Place of Issue
James L. Go	P0986521A	November 23, 2016	DFA NCR Central
Robert Coyiuto, Jr.	P7236639A	May 19, 2018	DFA Manila
Ma. Riana C. Infante	P4098424A	August 20, 2017	DFA NCR East

Doc. No. 463
Page No. 94
Book No. 1
Series of 2021.

Notary Public

ATTY. XELA LAUREN V. CATEDRILLA
NOTARY PUBLIC
Commission No. 2019-007 (2019-June 30, 2021
(Pursuant to B.M. No. 3795)
Roll of Attorney No. 71760
IBP No. 137382; 01/04/2021; Quezon City
PTR No. 1475937; 01/04/2021; San Juan, M.M.
MCLE Compliance No. VI – 0027571; June 13, 2019
4856 San Diego St. Brgy. 598 Pld Sta. Mesa, Manila

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 891 0307
Fax: (632) 819 0872
ey.com/ph

BOA/PRC Reg. No. 0001,
October 4, 2018, valid until August 24, 2021
SEC Accreditation No. 0012-FR-5 (Group A),
November 6, 2018, valid until November 5, 2021

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Oriental Petroleum and Minerals Corporation
34th Floor, Robinsons Equitable Tower
ADB Avenue, Ortigas Center, Pasig City

Opinion

We have audited the consolidated financial statements of Oriental Petroleum and Minerals Corporation and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2020 in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

SGV
Building a better working world

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Impairment Testing of Wells, Platforms and Other Facilities of Service Contract (SC) 14C1 and Deferred Exploration Costs of SC 6 and 6B

As of December 31, 2020, the carrying value of the Group's wells, platforms and other facilities of SC 14C1 amounted to $1.77 million. The Group is adversely affected by the continued decline in oil prices in the market.

As of December 31, 2020, the carrying value of the Group's deferred exploration costs of SC 6 and 6B amounted to $0.66 million. Under PFRS 6, Exploration for and Evaluation of Mineral Resources, these deferred exploration costs shall be assessed for impairment when facts and circumstances suggest that the carrying amounts exceed the recoverable amounts. The ability of the Group to recover its deferred exploration costs would depend on the commercial viability of the oil reserves.

In the event that an impairment indicator is identified, the assessment of the recoverable amount of the wells, platforms and other facilities and deferred exploration costs requires significant judgment and involves estimation and assumptions about future production levels and costs, as well as external inputs such as oil prices and discount rate. In addition, because of the coronavirus pandemic, there is heightened level of uncertainty on the future economic outlook and market forecast. Hence, such assessment is a key audit matter in our audit.

The disclosures in relation to wells, platforms and other facilities and deferred exploration costs are included in Notes 5, 8, 10 and 11 to the consolidated financial statements.

Audit response
We obtained management's assessment on whether there is any indication that the wells, platforms and other facilities and deferred exploration costs may be impaired. For the deferred exploration costs, we reviewed the status of the exploration of SC 6 and 6B as at December 31, 2020 and compared it with the disclosures submitted to the regulatory agencies. We reviewed contracts and agreements, and budget for exploration and development. We inquired if there is a plan to discontinue the exploration activities in SC 6 and 6B. We inspected the license and permit for SC 6 and 6B to determine that the period for which the Group has right to explore has not expired. We involved our internal specialist in evaluating the methodologies and the assumptions used. These assumptions include future production levels and costs as well as external inputs such as oil prices and discount rate. We compared the key assumptions used such as future production levels and oil prices against the estimated reserves report by the respective operators of SC 14C1, SC 6 and 6B and published oil prices, taking into consideration the impact associated with coronavirus pandemic. We compared the future production cost against the work program and budget duly approved by the joint operation and regulatory agency. We tested the parameters used in the determination of the discount rate against market data. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive; specifically those that have the most significant effect on the determination of the recoverable amount of wells, platforms and other facilities and deferred exploration costs.

SGV
Building a better working world

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2020, but does not include the financial statements and our auditor's report thereon. We obtained the SEC Form 17-A for the year ended December 31, 2020, prior to the date of our auditor's report, and we expect to obtain the SEC Form 20-IS and Annual Report for the year ended December 31, 2020 after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ysmael S. Acosta.

SYCIP GORRES VELAYO & CO.

Ysmael S. Acosta
Partner
CPA Certificate No. 112825
SEC Accreditation No. 1744-A (Group A),
March 14, 2019, valid until March 13, 2022
Tax Identification No. 301-106-775
BIR Accreditation No. 08-001998-130-2020,
November 27, 2020, valid until November 26, 2023
PTR No. 8534209, January 4, 2021, Makati City

April 20, 2021

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In U.S. Dollars)

	December 31	
	2020	2019
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 6 and 20)	**$15,298,829**	$17,887,849
Receivables (Notes 7 and 20)	**1,564,241**	982,492
Crude oil inventory (Note 8)	**249,867**	668,147
Short-term investments (Notes 9 and 20)	**1,034,175**	1,501,897
Other current assets	**10,008**	10,440
Total Current Assets	**18,157,120**	21,050,825
Noncurrent Assets		
Equity instruments at fair value through other comprehensive income (Notes 9 and 20)	**36,986,361**	31,080,859
Debt instruments at amortized cost (Notes 9 and 20)	**27,997,544**	27,291,700
Property and equipment (Notes 5, 8 and 10)	**12,645,633**	13,325,876
Deferred exploration costs (Notes 5, 8 and 11)	**662,844**	662,844
Total Noncurrent Assets	**78,292,382**	72,361,279
	$96,449,502	$93,412,104

LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Notes 12 and 20)	**$443,023**	$825,770
Provision for plug and abandonment (Notes 5 and 12)	**–**	817,011
Total Current Liabilities	**443,023**	1,642,781
Noncurrent Liabilities		
Net pension liability (Notes 5 and 16)	**649,792**	522,337
Deferred tax liabilities - net (Note 17)	**1,456,519**	358,116
Total Noncurrent Liabilities	**2,106,311**	880,453
Total Liabilities	**2,549,334**	2,523,234
Equity		
Capital stock (Note 13)	**82,268,978**	82,268,978
Subscriptions receivable (Note 13)	**(277,710)**	(277,744)
Capital in excess of par value (Note 13)	**3,650,477**	3,650,477
Retained earnings	**5,058,983**	4,560,651
Reserve for changes in value of equity instruments at fair value through other comprehensive income (Note 9)	**2,406,322**	(136,181)
Remeasurement gains on pension liability - net (Note 16)	**98,644**	120,735
Cumulative translation adjustment	**694,474**	701,954
Total Equity	**93,900,168**	90,888,870
	$96,449,502	$93,412,104

See accompanying Notes to Consolidated Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(In U.S. Dollars)

	Years Ended December 31		
	2020	2019	2018
REVENUE FROM PETROLEUM OPERATIONS (Note 8)	**$1,277,272**	$4,248,325	$7,691,545
COST OF PETROLEUM OPERATIONS			
Petroleum production costs (Notes 8 and 12)	**1,677,971**	4,603,816	7,516,862
Depletion, depreciation and amortization (Notes 8 and 10)	**719,705**	1,503,280	1,084,381
	2,397,676	6,107,096	8,601,243
GROSS LOSS	**(1,120,404)**	(1,858,771)	(909,698)
GENERAL AND ADMINISTRATIVE EXPENSES (Note 14)	**658,468**	626,226	648,891
OTHER INCOME (CHARGES)			
Interest income (Notes 6 and 9)	**2,054,493**	2,366,359	2,014,026
Foreign exchange gain (loss) - net	**1,870,509**	1,027,294	(237,799)
Dividend income (Note 9)	**1,733,762**	1,099,501	687,193
Other income (Note 15)	**129,012**	250,585	–
	5,787,776	4,743,739	2,463,420
INCOME BEFORE INCOME TAX	**4,008,904**	2,258,742	904,831
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 17)			
Current	**405,580**	497,316	559,887
Deferred	**1,107,870**	(569,664)	(510,343)
	1,513,450	(72,348)	49,544
NET INCOME	**$2,495,454**	$2,331,090	$855,287
Basic/Diluted Earnings Per Share (Note 18)	**$0.000012**	$0.000012	$0.000004

See accompanying Notes to Consolidated Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In U.S. Dollars)

	Years Ended December 31		
	2020	2019	2018
NET INCOME	**$2,495,454**	$2,331,090	$855,287
OTHER COMPREHENSIVE INCOME (LOSS)			
Item to be reclassified to profit or loss in subsequent periods - Changes in cumulative translation adjustment	**(7,480)**	107,652	15,042
Items not to be reclassified to profit or loss in subsequent periods:			
Movements in reserve for fluctuation in value of Equity instruments at fair value through other comprehensive income (Note 9)	**2,542,503**	2,248,296	(2,276,212)
Remeasurement gains (losses) on pension liability - net of tax (Note 16)	**(22,091)**	(58,101)	21,259
	2,512,932	2,297,847	(2,239,911)
TOTAL COMPREHENSIVE INCOME (LOSS)	**$5,008,386**	$4,628,937	($1,384,624)

See accompanying Notes to Consolidated Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In U.S. Dollars)

	Capital Stock (Note 13)	Subscriptions Receivable (Note 13)	Capital in Excess of Par Value (Note 13)	Retained Earnings	Reserve for Changes in Value of Equity Instruments at FVOCI (Note 9)	Remeasurement Gains (Losses) on Pension Liability - Net (Note 16)	Cumulative Translation Adjustment	Total
				For the Year Ended December 31, 2020				
Balances as at January 1, 2020	**$82,268,978**	**($277,744)**	**$3,650,477**	**$4,560,651**	**($136,181)**	**$120,735**	**$701,954**	**$90,888,870**
Net income	–	–	–	**2,495,454**	–	–	–	**2,495,454**
Other comprehensive income (loss)	–	–	–	–	**2,542,503**	**(22,091)**	**(7,480)**	**2,512,932**
Total comprehensive income (loss)	–	–	–	**2,495,454**	**2,542,503**	**(22,091)**	**(7,480)**	**5,008,386**
Collection of subscription receivable (Note 13)	–	**34**	–	–	–	–	–	**34**
Cash dividends (Note 13)	–	–	–	**(1,997,122)**	–	–	–	**(1,997,122)**
Balances as at December 31, 2020	**$82,268,978**	**($277,710)**	**$3,650,477**	**$5,058,983**	**$2,406,322**	**$98,644**	**$694,474**	**$93,900,168**
				For the Year Ended December 31, 2019				
Balances as at January 1, 2019	$82,268,978	($373,412)	$3,650,477	$4,454,238	($2,668,084)	$178,836	$594,302	$88,105,335
Net income	–	–	–	2,331,090	–	–	–	2,331,090
Other comprehensive income (loss)	–	–	–	–	2,248,296	(58,101)	107,652	2,297,847
Total comprehensive income (loss)	–	–	–	2,331,090	2,248,296	(58,101)	107,652	4,628,937
Collection of subscription receivable (Note 13)	–	95,668	–	–	–	–	–	95,668
Cash dividends (Note 13)	–	–	–	(1,941,070)	–	–	–	(1,941,070)
Transfer to retained earnings	–	–	–	(283,607)	283,607	–	–	–
Balances as at December 31, 2019	$82,268,978	($277,744)	$3,650,477	$4,560,651	($136,181)	$120,735	$701,954	$90,888,870
				For the Year Ended December 31, 2018				
Balances as at January 1, 2018	82,268,978	(373,412)	3,650,477	3,592,772	(385,693)	157,577	579,260	89,489,959
Net income	–	–	–	855,287	–	–	–	855,287
Other comprehensive income (loss)	–	–	–	–	(2,276,212)	21,259	15,042	(2,239,911)
Total comprehensive income (loss)	–	–	–	855,287	(2,276,212)	21,259	15,042	(1,384,624)
Transfer to retained earnings	–	–	–	6,179	(6,179)	–	–	–
Balances as at December 31, 2018	$82,268,978	($373,412)	$3,650,477	$4,454,238	($2,668,084)	$178,836	$594,302	$88,105,335

See accompanying Notes to Consolidated Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In U.S. Dollars)

	Years Ended December 31		
	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**$4,008,904**	$2,258,742	$904,831
Adjustments for:			
Depletion, depreciation and amortization expenses (Notes 8 and 10)	**719,705**	1,503,280	1,084,381
Plug and abandonment cost (Notes 8 and 12)	**133,753**	1,362,716	2,855,134
Pension expense (Note 16)	**66,481**	44,214	39,801
Gain on reversal of long-outstanding payables	–	(250,585)	–
Dividend income (Note 9)	**(1,733,762)**	(1,099,501)	(687,193)
Unrealized foreign exchange losses (gains) - net	**(1,885,146)**	(988,203)	259,448
Interest income (Notes 6 and 9)	**(2,054,493)**	(2,366,359)	(2,014,026)
Operating income (loss) before working capital changes	**(744,558)**	464,304	2,442,376
Changes in operating assets and liabilities:			
Decrease (increase) in:			
Receivables	**(702,711)**	27,259	16,489
Crude oil inventory	**418,280**	1,104,922	(310,415)
Other current assets	**432**	(102)	1,452
Increase (decrease) in:			
Accounts and other payables	**(717,582)**	554,459	(2,886,754)
Provision for plug and abandonment	**(950,764)**	(2,607,553)	2,061,848
Cash flows generated from (used for) operations	**(2,696,903)**	(456,711)	1,324,996
Income tax paid	**(405,580)**	(669,992)	(502,565)
Net cash flows generated from (used in) operating activities	**(3,102,483)**	(1,126,703)	822,431
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	**2,093,295**	2,498,004	2,006,651
Dividends received	**1,815,923**	923,917	738,604
Proceeds from redemption/sale/maturity of:			
Debt instruments at amortized cost (Note 9)	**828,638**	–	–
Short-term investments	**1,501,897**	–	10,255,240
Long-term investments	–	40,000,000	–
Equity instruments at fair value through other comprehensive income	–	1,940,740	1,099,731
Acquisitions of/additions to:			
Property and equipment (Notes 8 and 10)	**(39,462)**	(1,111,357)	(50,985)
Short-term investments	**(1,034,175)**	(1,501,897)	–
Equity instruments at fair value through other comprehensive income (Note 9)	**(3,362,999)**	(19,131,454)	(1,703,871)
Debt instruments at amortized cost (Note 9)	–	(13,465,080)	(8,060,845)
Net cash flows provided by investing activities	**1,803,117**	10,152,873	4,284,525
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt of subscription receivable	**34**	95,668	–
Payment of cash dividends	**(1,837,696)**	(1,941,070)	–
Net cash flows used in financing activities	**(1,837,662)**	(1,845,402)	–
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**548,008**	183,960	3,345
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(2,589,020)**	7,364,728	5,110,301
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**17,887,849**	10,523,121	5,412,820
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 6)	**$15,298,829**	$17,887,849	$10,523,121

See accompanying Notes to Consolidated Financial Statements.

DIRECTORY

OFFICERS:	**JAMES L. GO** Chairman and Chief Executive Officer
	ROBERT COYIUTO, JR. President and Chief Operating Officer
	APOLLO P. MADRID Senior Vice President - Operations & Administration
	MA. RIANA C. INFANTE Chief, Financial Officer/ Compliance Officer
	TEODORA N. SANTIAGO Treasurer
	ALDRICH T. JAVELLANA Finance Adviser
	VICENTE O. CAOILE, JR. Corporate Secretary
	PERRY L. PE Assistant Corporate Secretary
	ROSALINDA F. RIVERA Assistant Corporate Secretary
AUDITORS:	SyCip, Gorres, Velayo & Co.
BANKERS:	Banco de Oro Unibank Robinsons Bank Corporation
LEGAL COUNSEL:	Romulo, Mabanta, Buenaventura, Sayoc and Delos Angeles; Roxas De Los Reyes Laurel Rosario and Gonzales Law Offices
TRANFER AGENT:	Banco de Oro Unibank, Inc.
CORPORATE OFFICES:	34th Floor, Robinsons Equitable Tower ADB Avenue corner Poveda Street Ortigas Center, Pasig City, Philippines

Telephone: (632) 8240-8801 / 8633-7631 to 40
Fax : (632) 8395-2586
Email : orientalpetroleum@opmc.com.ph

All Galoc Photographs Courtesy of Nido Productions Galoc Pty Ltd.