

# COVER SHEET

SEC Registration Number

4	0	0	5	8						
---	---	---	---	---	--	--	--	--	--	--

**COMPANY NAME**

[illegible]**PRINCIPAL OFFICE** ( No. / Street / Barangay / City / Town / Province )[illegible]

**Ethelwoldo E. Fernandez**

(Contact Person)

**637-1670**

(Company Telephone Number)

1	2
---	---

3	1
---	---

Month Day  
(Fiscal Year)

S	E	C		F	O	R	M	-	1	7	-	A
---	---	---	--	---	---	---	---	---	---	---	---	---

(Form Type)

--	--	--	--

Month Day  
(Annual Meeting)

Annual Report 2016

--

(Secondary License Type, If Applicable)

\_\_\_\_\_

Dept. Requiring this Doc.

\_\_\_\_\_

Amended Articles Number/Section

### Total Amount of Borrowings

11,827

Total No. of Stockholders

--	--

Domestic

\_\_\_\_\_

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

---

LCU

LCU

[illegible]

Document ID

---

Cashier

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

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. Commission identification number 40058
3. BIR Tax Identification No. 000-483-747-000
4. ORIENTAL PETROLEUM AND MINERALS CORPORATION  
Exact name of issuer as specified in its charter
5. Manila, Philippines  
Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: [                      ] (SEC Use Only)
7. 34th Floor, c/o JG Summit, Robinsons Equitable  
Tower, ADB Avenue, Ortigas Center Pasig City 1600  
Address of issuer's principal office Postal Code
8. (632) 637-1670 locals 278 and 281  
Issuer's telephone number, including area code
9. **Not Applicable**  
-----  
Former name, former address and formal fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding
Common Stock, P0.01 par value	200 Billion

11. Are any or all of the securities listed on a Stock Exchange?

Yes [ ☒ ]                      No [    ☐    ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange                      Class A and B

12. Indicate by check mark whether the registrant:

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

**Yes** [ **x** ]      No [   ]

- (b) Has been subject to such filing requirements for the past ninety (90) days

**Yes** [ **x** ]      No [   ]

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

The aggregate market value of the voting stock held by non-affiliates is ₱1.36 billion.

## **TABLE OF CONTENTS**

Page No.

### **PART I - BUSINESS AND GENERAL INFORMATION**

Item 1	Business	1
Item 2	Properties	3
Item 3	Legal Proceedings	3
Item 4	Submission of Matters to a Vote of Security Holders	3

### **PART II - OPERATIONAL AND FINANCIAL INFORMATION**

Item 5	Market for Registrants Common Equity and Related Stockholder Matters	4
Item 6	Management's Discussion and Analysis or Plan of Operation	6
Item 7	Financial Statements	11
Item 8	Changes in and Disagreements with Accountants and Financial Disclosure	11
Item 9	Independent Public Accountant and Audit Related Fees	11

### **PART III - CONTROL AND COMPENSATION INFORMATION**

Item 10	Directors and Executive Officers of Registrant	13
Item 11	Executive Compensation	17
Item 12	Security Ownership of Certain Beneficial Owners and Management	19
Item 13	Certain Relationships and Related Transactions	20

### **PART IV - EXHIBITS AND SCHEDULES**

Item 14	Exhibits and Reports on SEC Form 17-C	21
---------	---------------------------------------	----

### **SIGNATURES**

### **INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES**

## PART I - BUSINESS AND GENERAL INFORMATION

### Item 1. Business

Oriental Petroleum and Minerals Corporation (OPMC) is a Philippine corporation incorporated on December 22, 1969 with the purpose of exploring, developing and producing petroleum and mineral resources in the Philippines. As an exploration company, OPMC's operational activities depend principally on its Service Contracts with the government.

The Company, together with other oil exploration companies (collectively referred to as "a or the Contractor"), entered into a Service Contract (SC) with the Philippine Government, through the Department of Energy (DOE), for the exploration, development and exploitation of certain contract areas situated in offshore Palawan where oil discoveries were made. The Company's petroleum revenues and production and related expenses are derived from SC 14 Contract Area. SC 14 is composed of four Blocks, Block - A (Nido), Block - B (Matinloc), Block - C (Galoc & West Linapacan) and Block - D. Of these areas, only West Linapacan and Block - D are the non-producing areas; West Linapacan is currently under evaluation for re-activation after it was shut-in in 1991 due to water intrusion. Block - D, on the other hand, is designated as the Retention Block.

#### Production Data for 2016 and 2015

Area	Volume (in bbls.)		Average Selling Price (in US\$/bbl.)	
	2016	2015	2016	2015
Nido / Matinloc	135,619	150,131	42.59	47.31
Galoc	1,728,647	2,438,428	43.35	54.00

Nido and Matinloc oilfields' combined production were sold and delivered to Pilipinas Shell while production from Galoc were sold and delivered to various customers. Sale is effected through physical transfer of crude oil from offshore production site from storage and processing ship to oil tanker of the buyer. Galoc crude oil can be sold at a higher price as compared to Nido/Matinloc crude oil due to volume.

SCs and Geophysical Survey and Exploration Contracts (GSECs) are the principal properties of the Company and owned by the State.

The contractors are bound to comply in the work obligations provided in the contract with the DOE. They should provide at their own risk the financing, technology and services needed in the performance of their obligations. Failure to comply with their work obligations means that they should pay the government the amount they should have spent had they pushed through with their undertaking. Operating agreement among the participating companies governs their rights and obligations under the contract.

For the year ended December 31, 2016, the Company recorded total revenue from petroleum operations of US\$8.67 million. The main source of this revenue was from Galoc operations which contributed a total of US\$7.72 million. In 2015, the Company recorded petroleum revenue of US\$9.91 million; US\$8.87 million came from its share in the Galoc operation.

As of December 31, 2016, OPMC has fourteen (14) employees, eleven (11) executives and three (3) rank and file personnel. The Company is not expecting any change in the number

of employees it presently employs. The Company has not entered into any Collective Bargaining Agreements (CBA).

It is a common knowledge in the industry that the major risk involved in the business of oil exploration, such as OPMC, is in the success of exploration ventures. The ratio of successful exploration is estimated to be 1 out of every 400 wells explored. The Company together with its partners in the various SCs, conduct technical studies and evaluation of the areas believed to have oil reserves.

Another risk involved in the business of oil exploration and production is the risk that accidents may occur during operations. The Company together with its partners in various SCs, continue to take precautionary measures to mitigate accidents, like oil spill. Platform personnel regularly attend safety trainings and seminars. Likewise, platforms are supplied with equipments like oil spill boom, in case oil spill happens. The Consortia, in which the Company is part of, maintain sufficient funds to cover emergencies and accidents, apart from the insurance coverage of each operation/platform.

The Company organized three (3) wholly-owned subsidiaries:

**a) ORIENTAL MAHOGANY WOODWORKS, INC. (OMWI)**

The Company was incorporated and started commercial operations on May 2, 1988 with the principal objective of supplying overseas manufacturers, importers and designers with high quality furniture.

On March 31, 1994, the Board of Directors approved the cessation of the Company's manufacturing operations effective May 1, 1994 due to continued operating losses. The management has no definite future plans for the Company's operations.

**b) LINAPACAN OIL GAS AND POWER CORPORATION (LOGPOCOR)**

The Company was incorporated on January 19, 1993 to engage in energy project and carry on and conduct the business relative to the exploration, extraction, production, transporting, marketing, utilization, conservation, stockpiling of any forms of energy products and resources. OPMC continues to recognize revenues arising from the operations of the assigned working interest. However, all related capitalizable expenses on such working interest continue to be capitalized to the Company's assigned costs of such working interest. On the other hand, depletion of such costs is transferred to OPMC and shown as a reduction of the assigned costs.

**c) ORIENTAL LAND CORPORATION (OLC)**

The Company was incorporated on February 24, 1989 as realty arm of OPMC. It has remained dormant since incorporation.

## Item 2. Properties

The principal properties of the Company consist of petroleum exploration areas in the Philippines, onshore and offshore.

Listed below are OPMC's exploration undertakings through a consortium effort with the DOE.

CONTRACT	LOCATION	Expiration Date	OPMC Share (%)
SC 6B (Bonita)	NW Palawan	February 28, 2024	14.063
SC 14A (Nido)	NW Palawan	December 17, 2025	42.940
SC 14B (Matinloc)	NW Palawan	December 17, 2025	17.703
SC 14B1 (N. Matinloc)	NW Palawan	December 17, 2025	27.772
SC14C (West Linapacan)	NW Palawan	December 17, 2025	30.288
SC14C (Galoc)	NW Palawan	December 17, 2025	7.785
SC 14D	NW Palawan	December 17, 2025	20.829

## Item 3. Legal Proceedings

None.

## Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this report.

## PART II – OPERATIONAL AND FINANCIAL INFORMATION

### Item 5. Market for Registrant’s Common Equity and Related Stockholder Matters

#### *Market Information*

The principal market for OPMC's common equity is the Philippine Stock Exchange. Stock prices of the common stock are as follow:

STOCK PRICES (in pesos)	CLASS A		CLASS B	
	High	Low	High	Low
2017				
First Quarter	.0130	.0100	.0130	.0110
2016				
First Quarter	.0110	.0090	.0100	.0090
Second Quarter	.0110	.0092	.0120	.0090
Third Quarter	.0130	.0100	.0140	.0100
Fourth Quarter	.0120	.0100	.0130	.0100
2015				
First Quarter	.0150	.0120	.0160	.0130
Second Quarter	.0130	.0100	.0140	.0120
Third Quarter	.0120	.0080	.0130	.0090
Fourth Quarter	.0110	.0084	.0110	.0086

VOLUME (in billion shares)	CLASS A		CLASS B	
2017				
First Quarter		2.066		0.468
2016				
First Quarter		0.631		0.082
Second Quarter		1.367		0.177
Third Quarter		2.535		0.135
Fourth Quarter		1.569		0.326
2015				
First Quarter		1.496		0.521
Second Quarter		1.283		0.300
Third Quarter		1.496		0.466
Fourth Quarter		1.414		0.043

As of December 31, 2016, there are approximately **11,827** stockholders both for Class "A" and "B" shares.



**List of Top 20 Stockholders of Record**  
**December 31, 2016**

<b>Name of Stockholders</b>	<b>Number of Shares Held</b>	<b>Percent to Total Outstanding</b>
1. PCD NOMINEE CORPORATION	79,229,550,012	39.61
2. CONSOLIDATED ROBINA CAPITAL CORP.	37,051,952,896	18.53
3. R. COYIUTO SECURITIES, INC.	23,757,529,554	11.88
4. PRUDENTIAL GUARANTEE & ASSURANCE, INC.	13,341,635,799	6.67
5. PCD NOMINEE CORPORATION (NON-FILIPINO)	5,946,009,679	2.97
6. J.G. SUMMIT HOLDINGS, INC.	1,756,248,841	0.88
7. F & J PRINCE HOLDINGS CORP.	1,260,888,642	0.63
8. PHIL. OVERSEAS TELECOMMUNICATIONS CORPORATION	1,129,545,907	0.56
9. PHIL. COMMUNICATIONS SATELLITE CORP.	1,111,496,010	0.56
10. PAULINO G. PE	935,000,000	0.47
11. GIBRALTAR INTERNATIONAL HOLDINGS, INC.	832,833,547	0.42
12. DAVID GO SECURITIES CORP.	698,258,201	0.35
13. MARGARET S. CHUA CHIACO	663,400,000	0.33
14. TIONG KENG CHING	622,512,998	0.31
15. VICTORIA DUCA	611,236,533	0.31
16. ROBERT COYIUTO, JR.	565,664,986	0.28
17. JAMES UY, INC.	471,843,600	0.24
18. ERNESSON S. CHUA CHIACO	441,600,000	0.22
19. GENEVIEVE S. CHUA CHIACO	441,600,000	0.22
20. F. YAP SECURITIES, INC.	394,026,036	0.20
	<hr/>	
	171,262,833,241	85.63
OTHERS	28,737,166,759	14.37
<b>TOTAL</b>	<b>200,000,000,000</b>	<b>100.00</b>

*Description of Registrant's Securities*

Common Stock - all shares of stock of the Company enjoy the same rights and privileges, except that Class A shares shall be issued solely to Filipino citizens, whereas Class B shares can be issued to Filipino citizens or foreigners.

*Recent Sales of Unregistered or Exempt Securities Including Recent Issuance of Securities Constituting an Exempt Transaction*

There are no recent sales of unregistered or exempt securities including recent issuance of securities constituting an exempt transaction. All shares of the Company are listed on the Philippine Stock Exchange.

*Dividends*

The Company has not declared any cash or stock dividends in the last two (2) years (2016 and 2015).

## **Item 6. Management's Discussion and Analysis or Plan of Operation**

The combined crude oil production from the Nido, Matinloc and North Matinloc Fields in 2016 totaled 135,619 barrels which was 10% lower than the fields' combined output of 150,131 barrels in 2015. On the other hand, Galoc Field's production for 2016 summed 1,728,647 barrels which was 29% lower than the total production of 2,438,428 barrels in 2015. The decrease in production in both operations was mainly due to the normal depletion of oil.

The Company has no plans to purchase or to sell any plant and / or significant equipment nor does it expect any significant change in the number of its employees for the next twelve (12) months.

### ***Results of Operations***

#### **2016 vs. 2015**

Revenue from petroleum operations in 2016, which amounted to US\$8.67 million, dropped by US\$1.24 million or 4% from US\$9.91 million in 2015. Petroleum revenue from the Galoc operations, which comprised 89% of the total revenue, declined by US\$1.16 million or 13%. Revenue from Nido/Matinloc operations, representing the remaining 11% of the total revenue, amounted to US\$0.95 million in 2016 as compared to US\$1.02 million in 2015.

The decline in petroleum revenue was brought mainly by the decrease in average crude oil prices and crude oil production volume. The average price per barrel decreased to \$43.35 in 2016 as compared to \$54.00 in 2015 for Galoc operations while \$42.59 in 2016 as compared to \$47.31 in 2015 for Nido/Matinloc operations. Further, total crude oil production volume decreased by 28% from 2.59 million barrels in 2015 to 1.86 million barrels in 2016.

Petroleum production costs in 2016, which totaled US\$4.68 million, decreased by 24% or US\$1.46 million. These costs mainly include floating, production, storage and offloading (FPSO) charges, field/platform operation costs, management and technical fees.

Depletion, depreciation and amortization increased by 10% mainly due to higher depletion rate caused by lower remaining crude oil reserves of the Galoc Field as assessed by an independent audit firm as of December 31, 2015.

Other income mainly consists of dividend and interest incomes. Dividend income is derived from the Company's investment in preferred shares. Meanwhile, interest income is normally earned from cash in banks and short-term and long-term deposits. Increase in dividend and interest incomes was mainly attributable to higher range of interest rates for 2016 as compared to 2015.

#### **2015 vs. 2014**

At the end of 2015, the Company recorded Petroleum Revenues of US\$9.91 million, 56% lower than US\$22.56 million in 2014. The main cause of this significant decrease was due to lower crude oil prices.

The Company's main source of Petroleum Revenues is from its share in the Galoc operations. The price of Galoc oil went down from an average of US\$101.52 per barrel in 2014 to an average of US\$54.00 per barrel in 2015. This resulted to a revenue of US\$8.87 million, around 57% lower than last year's revenue of US\$20.58 million.

Likewise, revenue from Nido/Matinloc operations went down by around 47% from 2014 due to lower crude oil prices. In 2015, revenue reached US\$1.04 million as against US\$1.98 million in 2014.

Petroleum production costs reached US\$6.15 million, slightly lower than US\$6.30 million in 2014. These costs include among others, FPSO rentals, helicopter services, insurance expenses, marketing fees, repairs and maintenance and other general and administrative expenses of the consortia.

Depletion and depreciation expense totaled US\$1.13 million in 2015, a decrease of around 91% from US\$12.54 million in 2014. The decrease was mainly due to increased oil reserves based on an updated third-party report.

Interest and other income (expenses)-net totaled US\$2.23 million in 2015, about 58% higher than last year's US\$1.41 million. The increase was mainly due to a one-time reimbursement of previously expensed research and development cost.

#### **2014 vs. 2013**

Petroleum Revenues reached US\$22.56 million at the end of 2014, around 43% higher than last year's US\$15.83 million.

The Company's petroleum revenues were mainly from Galoc operations, which contributed around US\$20.58 million in petroleum revenues. This year's oil production in the Galoc oilfield reached 2.86 million barrels, an increase of around 66% from last year's 1.72 million barrels. This increase was, however, countered by the decrease in the average crude oil price from US\$109.46/bbl. in 2013 to US\$101.52/bbl. in 2014.

Nido/Matinloc operations contributed US\$1.98 million in petroleum revenues, slightly lower than last year's US\$2.31 million; due to the decrease in oil production and average crude oil price.

At the end of 2014, Petroleum production costs amounted to US\$6.30 million, slightly lower than US\$6.81 million in 2013. These costs include among others, FPSO rentals, helicopter services, insurance expenses, marketing fees, repairs and maintenance and other general and administrative expenses of the consortia.

Depletion and depreciation expense totaled US\$12.54 million in 2014, an increase of around US\$8.42 million from 2013 million mainly due to the increase in crude oil production from Galoc operations as well as an increase in capitalization cost of PPE investments.

Research and development expenses pertain to studies made by the Company as part of the Company's continuing search for new projects.

Other income (expenses)-net totaled US\$1.42 million in 2014 as against US\$1.45 million in 2013. The decrease of around 2% was mainly due to lower interest rates earned from deposits and placements.

## ***Financial Position***

### **2016**

The Company's consolidated assets at the end of 2016, which amounted to US\$90.75 million, is 4% higher than last year's US\$87.04 million due to the following movements:

Cash and cash equivalents consist of cash on hand, cash in banks and money market placements with original maturities of not more than three months. In 2016, cash and cash equivalents account amounted to US\$11.20 million, as compared to US\$51.01 million in 2015. The decrease of 78% was mainly attributable to US\$40.00 million placements in a three-year U.S. Dollar time deposit with a local bank which was classified as non-current assets under long-term investments.

Receivable at the end of 2016 totaled US\$1.33 million, a decrease of 21% from last year's US\$1.68 million. This account mainly represents the Company's share in the funds from crude oil sale held in trust by the operators, The Philodrill Corporation and Galoc Production Company for the SC 14A & B and SC 14C Consortia, respectively. Also, this account consists of accrued interest and dividend receivable.

Crude oil inventory amounted to US\$1.21 million, a decrease of 24% from last year's US\$1.59 million. This represents the Company's share in the crude oil already produced and in storage but has yet to be delivered to the customers. The decrease was mainly due to lower crude oil volume in tank and storage in 2016 as compared to 2015.

In 2016, the Company's short-term investments amounting to US\$4.87 million are placements in time deposits and other money market instruments with original maturities of more than three months but less than one year while long-term investments amounting to US\$40.00 million are placements in three-year U.S. dollar time deposits with a local bank.

Available-for-sale investments reached US\$13.67 million at the end of 2016, slightly higher than last year's US\$13.16 million attributable to additional investments made by the Company during the year.

Consolidated property and equipment at the end of 2016 amounted to US\$14.58 million. The decrease of about 7% is mainly due to depletion and depreciation expenses.

As of December 31, 2016, deferred exploration cost amounted to US\$0.66 million. A partial increase from last year represents the Company's share in SC-6 Bonita expenses.

In 2016, accounts and other payables account amounted to US\$0.62 million.

## **2015**

The Total Assets of the Company at the end of 2015 reached US\$87.04 million, 5% higher than US\$83.17 million in 2014.

Cash and cash equivalents totaled US\$51.01 million, higher by 17% than last year's US\$43.57 million. A short-term investment of around US\$4.97 million that was previously part of current assets as a separate account was reclassified as cash equivalents in relation to its less than 3-months investment term.

Accounts Receivable amounted to US\$1.68 million which represents the Company's share in the funds from crude oil sale held in trust by the operators, The Philodrill Corporation and Galoc Production Company for the SC 14A & B and SC 14C Consortia, respectively.

Crude oil inventory at year-end totaled US\$1.59 million represents the Company's share in crude oil produced but not yet delivered as of year-end.

Available-for-sale equity securities reached US\$13.16 million at the end of 2015, slightly lower than last year's US\$13.31 million mainly due to foreign currency translation adjustment.

Property and Equipment at the end of 2015 decreased from US\$16.64 million to US\$15.69 million mainly pertain to recognized depletion and depreciation for the year.

Accounts Payable and Accrued Expenses at the end of the year amounted to US\$0.67 million, a slight decrease from US\$0.68 million in 2014.

## **2014**

The Company's total assets at the end of 2014 reached US\$83.17 million, 4.55% higher than 2013 total assets of US\$79.55 million.

Cash and cash equivalents totaled US\$43.57 million at the end of 2014, higher by 24% than last year's US\$35.04 million. The increase was due to the Company's share in the cash distribution from the Galoc operations.

Short-term investments amounting to US\$4.97 million represent money market placements with various banks with terms longer than 90 days.

Accounts Receivable amounted to US\$2.27 million which represents the Company's share in the funds from crude oil sale held in trust by the operators, The Philodrill Corporation and Galoc Production Company for the SC 14A & B and SC 14C Consortia, respectively.

Crude oil inventory at year-end totaled US\$1.81 million represents the Company's share in crude oil produced but not yet delivered as of year-end.

Available-for-sale equity Securities reached US\$13.31 million at the end of 2014, 47% higher than last year's US\$9.04 million due to additional investments made by the Company during the year.

Property and Equipment at the end of 2014 decreased from US\$27.70 million to US\$16.64 million mainly due to recognized depletion and depreciation for the year.

Accounts Payable and Accrued Expenses at the end of the year amounted to US\$0.68 million, an increase of around 4% from 2013 balance due to the accrual of various expenses.

The causes for material changes of December 31, 2016 figures as compared to December 31, 2015 figures of the following accounts are:

Accounts	December 31, 2016	December 31, 2015	Change	%	Remarks
<b>Financial Position</b>					
Cash and cash equivalents	\$11,195,437	\$51,005,539	(\$39,810,102)	(78%)	Decrease was mainly due to the US\$40.00 million placements in a three-year U.S. Dollar time deposit with a local bank which was classified as non-current assets under long-term investments.
Short-term investments	4,872,757	—	4,872,757	100%	Increase was attributable to placements in time deposits and other money market instruments with original maturities of more than three months but less than one year.
Receivables	1,329,305	1,681,078	(351,773)	(21%)	Decrease was due to the timing of delivery to customers and lower average prices of crude oil and production volume.
Crude oil inventory	1,206,922	1,594,795	(387,873)	(24%)	Decrease was mainly due to lower crude oil volume in tank and storage in 2016 as compared to 2015.
Available-for-sale investments	13,674,115	13,156,393	517,722	4%	Increase was a result from an additional investments made by the Company.
Long-term investments	40,000,000	—	40,000,000	100%	Long-term investments refer to placements in three-year U.S. Dollar time deposit with a local bank.
Property and equipment	14,581,103	15,686,318	(1,105,215)	(7%)	Decrease was mainly due to depletion and depreciation expense.

### ***Key Performance Indicators***

	2016	2015	2014
Current Ratio	<b>14.45</b>	80.84	77.32
Net Working Capital Ratio	<b>0.19</b>	0.62	0.62
Return on Assets	<b>2.03%</b>	2.39%	4.75%
Return on Equity	<b>3.22%</b>	4.85%	5.53%
Ratio of Debt-to-Equity	<b>0.04</b>	0.03	0.03

*Figures are based on Audited Financial Statements*

*Current ratios are computed by dividing current assets over current liabilities. Net working capital ratios are derived at by getting the difference of current assets and current liabilities divided by total assets. Return on assets percentage pertains to operating income (loss) over average total assets while return on equity percentage is computed by dividing net income (loss) over average stockholder's equity. Percentage of debt to equity resulted from dividing total borrowings (short-term & long-term borrowings) over stockholder's equity.*

- I. The Company has no knowledge of any events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.
- II. There are no material off-balance sheet transactions, arrangements, obligations and other relationships of the company with unconsolidated entities or other persons created during the reporting period.
- III. There are no significant Capital expenditures during the reporting period.
- IV. There are no significant elements of income or loss that did not arise from the Company's continuing operations.
- V. There are no seasonal aspects that had a material effect on the Company's financial condition or results of operation.

### **Item 7. Financial Statements**

The Audited Consolidated Financial Statements and Schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this Form 17-A.

### **Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None.

### **Item 9. Independent Public Accountant and Audit Related Fees**

The Company's independent public accountant is the accounting firm of Sycip Gorres Velayo & Co. The current handling partner of SGV & Co. has been engaged by the Company in 2016 and is expected to be rotated every five (5) years.

## External Audit Fees and Services

### a. Audit and Audit-Related Fees

Our external auditor, SGV & Co. has billed the Company a total audit fee of US\$18,046 for the last two (2) fiscal years, 2016 and 2015, for the audit of the Company's annual financial statements in connection with statutory and regulatory filings for the last two (2) fiscal years.

Aside from the abovementioned service by the external auditor, there had been no other services that was requested from and performed by the external auditor.

### b. Tax Fees

The Company had not contracted the external auditor for services related to tax accounting, compliance, advice, planning and any other form of tax services for the last two (2) fiscal years.

### c. All Other Fees

The Company had not contracted the external auditor for product and services other than the services reported under items (a) and (b) above for the last two (2) fiscal years.

### d. The audit committee's approval policies and procedures for the above services

The stockholders of the Company elect the external auditor during the Annual Stockholders Meeting. The audit committee evaluates and approves audit plans, programs, scope and frequency submitted by the external auditor.



## PART III – CONTROL AND COMPENSATION INFORMATION

### Item 10. Directors and Executive Officers of the Registrant

The names and ages of directors and executive officers of the Company are as follows:

#### Directors

<i>Directors</i>	<i>Names</i>	<i>Age</i>	<i>Citizenship</i>
Director, Chairman and Chief Executive Officer	James L. Go	77	Filipino
Director, President and Chief Operating Officer	Robert Coyiuto, Jr.	65	Filipino
Director	John Gokongwei, Jr.	90	Filipino
Director	Lance Y. Gokongwei	50	Filipino
Director	Antonio Go	76	Filipino
Director	Benedicto Coyiuto	38	Filipino
Director	Josephine Barcelon	57	Filipino
Director	James Coyiuto	63	Filipino
Director	Ricardo Balbido, Jr.	66	Filipino
Director, Assistant Corporate Secretary	Perry L. Pe	56	Filipino

#### Executive Officers

SVP - Operations and Administration	Apollo P. Madrid	76	Filipino
SVP - Legal and Corporate Secretary	Ethelwoldo E. Fernandez	89	Filipino
Finance Adviser	Aldrich T. Javellana	43	Filipino
CFO and Compliance Officer	Ma. Riana Infante	37	Filipino
Treasurer	Teresita H. Vasay	62	Filipino

The Directors of the Company are elected at the annual stockholders' meeting to hold office until the next succeeding annual meeting and until their respective successors have been elected and qualified.

Officers are appointed or elected annually by the Board of Directors at its first meeting following the Annual Meeting of the Stockholders, each to hold office until the corresponding meeting of the Board of Directors in the next year or until successor shall have been elected, appointed or shall have qualified.

The following directors of the Corporation are expected to be nominated by management for re-election / election this year.

The independent directors of the Company are elected according to SRC Rule 38 – *Independent Directors*.

A brief discussion of the directors' and executive officers' business experience and other directorships held in other reporting companies are as follows:

**James L. Go, 77**, is the Chairman and Chief Executive of Officer of OPMC. He is likewise the Chairman and CEO of JG Summit Holdings, Inc. He is the Chairman of Universal Robina Corporation, Robinsons Land Corporation (RLC), JG Summit Petrochemical Corporation, and JG Summit Olefins Corporation. He is the Vice Chairman of Robinsons Retail Holdings, Inc. and a director of Cebu Air, Inc., Marina Center Holdings Private Limited, United Industrial Corporation Limited and Hotel Marina City Private Limited. He is also the President and Trustee of the Gokongwei Brothers Foundation, Inc. He has been a director of the Philippine Long Distance Telephone Company (PLDT) since November 3, 2011. He is a member of the Technology Strategy Committee and Advisor of the Audit Committee of the Board of Directors of PLDT. He was elected a director of Manila Electric Company on December 16, 2013. Mr. Go received his Bachelor of Science Degree and Master of Science Degree in Chemical Engineering from Massachusetts Institute of Technology, USA. Mr. James L. Go is a brother of Mr. John L. Gokongwei, Jr.

**Robert Coyiuto, Jr., 65**, is a Director of the Company since 1982 and had been Chairman of the Board and President from 1991 to 1993; and President & Chief Operating Officer of the company since 1994. He is the Chairman of the Board and Chief Executive Officer of Prudential Guarantee & Assurance, Inc. and of PGA Sompo Japan Insurance, Inc. He is also Chairman of PGA Cars, Inc., Pioneer Tours Corporation and Coyiuto Foundation. He is the Chairman and President of Calaca High Power Corporation and Pacifica 21 Holdings, Inc. He is Vice Chairman and Director of National Grid Corporation of the Philippines and First Life Financial Co., Inc. He is a director of Universal Robina Corporation, Petrogen Insurance Corporation, and Canon (Philippines) Inc. He is a member of the Philippine Stock Exchange and a Member of the Board of Trustees of San Beda College.

**John L. Gokongwei, Jr., 90**, is a Director of the Company. He founded RLC in 1980 and has been the Chairman Emeritus of RLC effective January 1, 2002. He continues to be a member of RLC's Board and is the Chairman Emeritus of JG Summit Holdings, Inc. and certain of its subsidiaries. He also continues to be a member of the Executive Committee of JG Summit Holdings, Inc. He is currently the Chairman of the Gokongwei Brothers Foundation, Inc., Deputy Chairman and Director of United Industrial Corporation Limited and a director of Cebu Air, Inc. and Robinsons Retail Holdings, Inc. He was elected a director of Manila Electric Company on March 31, 2014. He is also a non-executive director of A. Soriano Corporation.

Mr. Gokongwei received a Master's Degree in Business Administration from the De La Salle University and attended the Advanced Management Program at Harvard Business School.

**Lance Y. Gokongwei**, 49, has been a Director of the Company since 1994. He is the Vice-Chairman and Chief Executive Officer of RLC. He is the President and Chief Operating Officer of JG Summit Holdings, Inc. He is the Chairman and Chief Executive Officer of Robinsons Retail Holdings, Inc. He is the President and Chief Executive Officer of Universal Robina Corporation and Cebu Air, Inc. He is the Chief Executive Officer of JG Summit Petrochemical Corporation and JG Summit Olefins Corporation. He is the Chairman of Robinsons Bank Corporation, and a Director of United Industrial Corporation Limited. He is a Director and Vice Chairman of Manila Electric Company. He is also a trustee and secretary of the Gokongwei Brothers Foundation, Inc. He received a Bachelor of Science Degree in Finance and a Bachelor of Science Degree in Applied Science from the University of Pennsylvania. Mr. Lance Y. Gokongwei is the son of Mr. John L. Gokongwei, Jr.

**Antonio L. Go**, 76, was elected as an Independent Director of the Company since 2007. He also currently serves as Director and President of Equitable Computer Services, Inc. and is Chairman of Equicom Savings Bank and ALGO Leasing and Finance Inc. He is also a Director of Medilink Network, Inc., Maxicare Healthcare Corporation, Equicom Manila Holdings, Equicom Inc., Equitable Development Corporation, United Industrial Corporation Limited, T32 Dental Centre Singapore, Dental Implant and Maxillofacial Centre Hong Kong, Cebu Air Inc., Pin-An Holdings, Inc., Equicom Information Technology, Robinsons Retail Holdings, Inc. and Steel Asia Manufacturing Corporation. He is also a trustee of Go Kim Pah Foundation, Equitable Foundation, Inc., and Gokongwei Brothers Foundation, Inc. He graduated from Youngstown University, United States with a Bachelor of Science degree in Business Administration. He attended the International Advanced Management program at the International Management Institute, Geneva, Switzerland as well as the Financial Planning/Control program at the ABA National School of Bankcard Management, Northwestern University, United States.

**Benedicto Coyiuto**, 38, was elected Director of the Company during the last Annual Stockholders' Meeting held on June 27, 2013. He is also a Director of PGA Cars, Inc. and PGA Automobile, Inc. He is the Assistant to the Chairman of PGA Sompo Japan Insurance, Inc. He is the son of Mr. Robert Coyiuto, Jr.

**Josephine V. Barcelon**, 57, was elected Director during the meeting of June\_2014. She is the President / Nominee of J.M. Barcelon & Co., Inc., Stockbroker, Member: Philippine Stock Exchange and CEO of the Barcelon Group of Companies.

**James Coyiuto**, 63, was elected as Director of the Company since 2005. He is also the Director of Prudential Guarantee and Assurance, Inc., Guarantee Development Corporation and PGA, Sompo Japan Insurance Inc.

**Ricardo Balbido, Jr.**, 66, has been elected as an Independent Director of the Company in 2005. He is presently the Chairman of the Board of Trustees of Silliman University. Currently, he is

doing financial consultancy after retirement from his various banking stint as former President and CEO of Philippine Veterans Bank, former President and COO of Dao Heng Bank, Inc., former Senior Vice President of Bank of the Philippine Islands. He was also former President of the Philippine Clearing House Corporation, and Director of Bankers Association of the Philippines. Mr. Balbido received his degree in Bachelor of Science in Business Administration Major in Accounting from Silliman University and is a Certified Public Accountant. He earned full academics in Master in Business Administration from Ateneo de Manila University.

**Perry L. Pe**, 56, has been the Assistant Corporate Secretary of the Company since 1994. He has been a Director since 1995. He is also the Corporate Secretary of SIAEP and A-Plus; Senior Partner of Romulo, Mabanta, Buenaventura, Sayoc, and Delos Angeles Law Office; Director of Delphi Group, Ace Saatchi Saatchi, AG & P Philippines, Inc., Island Quarry and Aggregate Corporation, Apo Land and Quarry Corporation. Honorary Consul General of Denmark to the Philippines. Atty. Perry L. Pe is the son-in-law of Mr. John Gokongwei, Jr.

**Apollo P. Madrid**, 76, has been the Senior Vice President - Operations and Administration of the Company since 1990.

**Ethelwoldo E. Fernandez**, 89, has been the Corporate Secretary of the Company since 1995. He had been Senior Vice President-Legal of the Company since 1992. He had been counsel to the Law firm of Sycip, Salazar, Hernandez and Gatmaitan until 2003. He is also the Corporate Secretary of Prudential Guarantee and Assurance, Inc.

**Aldrich T. Javellana**, 43, was appointed Finance Adviser of the Company in February 16, 2016. He had been the Chief Financial Officer and Compliance Officer of the Company from October 1, 2014 to February 15, 2016. He is the Vice President and Treasurer of JG Summit Holdings, Inc. Prior to joining JGSHI in 2003, he worked in Corporate Finance with CLSA Exchange Capital. He graduated from De La Salle University with a degree in BS Accountancy and is a Certified Public Accountant.

**Ma. Riana C. Infante**, 37, was appointed Chief Financial Officer and Compliance Officer of the Company effective February 16, 2016. She joined OPMC in 2004 as an Accounting Manager. She is a Certified Public Accountant.

**Teresita Vasay**, 62, was appointed Treasurer of the Company effective October 1, 2014. She is also the Treasurer of the Summit Media Group and a Director of various condominium corporations for RLC projects. Ms. Vasay is a Certified Public Accountant and a Licensed Real Estate Broker. She was formerly the Treasurer of Robinsons Land Corporation and the Vice President-Controller of the Robinsons Retail Group. She had experience in consumer financing from Filinvest Credit Corporation and practiced public accounting with SGV & Co. prior to joining the Gokongwei group of companies.

The Company's independent directors are Messrs. Ricardo Balbido, Jr. and Antonio Go. They have possessed the qualifications of independent directors as set forth in the SRC Rule 38 – Independent Director, since the time of their initial election.

### **Involvement in Certain Legal Proceedings of Directors and Executive Officers**

None of the directors and officers has been involved in any bankruptcy proceeding in the past five (5) years nor have they been convicted by final judgment in any criminal proceeding, or been subject to any order, judgment or decree of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limited 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.

### **Significant Employees**

There are no persons who are not executive officers of the Corporation who are expected by the Corporation to make significant contribution to the business.

### **Item 11. Executive Compensation**

The following tables list the names of the Corporation's Chief Executive Officers and the four (4) most highly compensated executive officers for the two (2) most recent fiscal years and the ensuing year:

Name	Position	Projected - Year 2017 (in '000 US\$)		
		Salary	Other Compensation & Bonus	Total
a) CEO & Four (4) most highly compensated executive officers		US\$245.16	US\$-	US\$245.16
James L. Go	Chairman and CEO			
Robert Coyiuto, Jr.	President and COO			
Aldrich T. Javellana	Finance Adviser			
Ma. Riana C. Infante	CFO / Compliance Officer			
Teresita H. Vasay	Treasurer			
b) All officers as a group		US\$348.56	US\$-	US\$348.56

Name	Position	Actual - Year 2016 (in '000 US\$)		
		Salary	Other Compensation & Bonus	Total
a) CEO & Four (4) most highly compensated executive officers		US\$234.80	US\$-	US\$234.80
James L. Go	Chairman and CEO			
Robert Coyiuto, Jr.	President and COO			
Aldrich T. Javellana	Finance Adviser			
Ma. Riana Infante	CFO / Compliance Officer			
Teresita H. Vasay	Treasurer			
b) All officers as a group		US\$333.84	US\$-	US\$333.84

Name	Position	Actual Year 2015 (in '000 US\$)		
		Salary	Other Compensation & Bonus	Total
a) CEO & Four (4) most highly compensated executive officers		US\$213.63	US\$-	US\$213.63
James L. Go	Chairman and CEO			
Robert Coyiuto, Jr.	President and COO			
Apollo P. Madrid	SVP - Operations & Admin.			
Aldrich T. Javellana	CFO			
Teresita H. Vasay	Treasurer			
b) All officers as a group		US\$252.53	US\$-	US\$252.53

### *Compensation of Directors*

For 2016, the Company paid a total of US\$19,165.26 to its Directors.

### *Standard Arrangements*

There are no standard arrangements pursuant to which directors of the Company are compensated, or are to be compensated, directly or indirectly, for any services provided as director for the last completed fiscal year and ensuing year.

### *Other Arrangements*

There are no other arrangements pursuant to which directors of the Company are compensated, or are to be compensated, directly or indirectly, for any services provided as director for the last completed fiscal year and ensuing year.

### *Employment Contracts and Termination of Employment and Change-in-Control Arrangement*

There are no employment contracts between the registrant and any of its executive officer.

There are no compensatory plan or arrangement, including payments to be received from the registrant, with respect to any executive officer, if such plan or arrangement results or will result from the resignation, retirement or any other termination of such executive officer's employment with the registrant and its subsidiaries or from a change in control of the registrant or a change in any executive officer's responsibilities following a change in control and the amount involved, including all periodic payments or installments, which exceeds P2,500,000.

## Item 12. Security Ownership of Certain Record and Beneficial Owners

Owners of more than 5% of the Company's securities as of December 31, 2016 were as follows:

Class	Name and Address Record/ Beneficial Owner	Amount and Nature of Ownership (Record and/or beneficial ownership)	Citizenship	% to Total	
Common	PCD Nominee Corporation <sup>a</sup> Old Makati Stock Exchange Bldg. Ayala Avenue, Makati City	<u>79,229,550,012</u>	Record	Filipino	<u>39.61%</u>
Common	Consolidated Robina Capital Corp. <sup>b</sup> CFC Bldg., E. Rodriguez Avenue Bagong Ilog, Pasig City	<u>37,051,952,896</u>	Record	Filipino	<u>18.53%</u>
Common	R. Coyiuto Securities, Inc. <sup>c</sup> 5th Flr., Corinthian Plaza Paseo de Roxas, Makati City	<u>23,757,529,554</u>	Record	Filipino	<u>11.88%</u>
Common	Prudential Guarantee & Assurance Inc. <sup>d</sup> 119C Palanca St. Legaspi Village, Makati City	<u>13,341,635,799</u>	Record	Filipino	<u>6.67%</u>

### Notes:

- a. PCD Nominee Corporation, a wholly owned subsidiary of Philippine Central Depository, Inc. ("PCDI"), is the registered owner of the shares in the books of the Company's transfer agents in the Philippines. The beneficial owners of such shares are PCDI's participants, who hold the shares on their behalf, and their clients. PCDI is a private company organized by the major institutions actively participating in the Philippine capital markets to implement an automated book-entry system of handling securities transactions in the Philippines.
- b. Consolidated Robina Capital Corporation is a 100% subsidiary of JG Summit Holdings, Inc. OPMC and JGSHI share the following common directors: Mr. John Gokongwei, Jr., Mr. James L. Go and Mr. Lance Gokongwei.
  - Any one of the following directors of the Company is authorized to vote: Messrs., John Gokongwei, Jr., James Go, Lance Gokongwei.
  - Indirect ownership of Mr. John Gokongwei, Jr. is 1 share, Mr. James Go is 2 shares and Mr. Lance Gokongwei is 3 shares.
- c. R. Coyiuto Securities, Inc. is majority-owned by Mrs. Rosie Coyiuto, wife of Mr. Robert Coyiuto, Jr. Mr. Coyiuto is the President and COO of OPMC.
  - Any one of the following is authorized to vote: Ms. Rosie Coyiuto, Messrs. Philip K. Rico, Samuel Coyiuto, and James Coyiuto.
  - There are no participants in the above corporation who hold more than 5% of OPMC's outstanding capital stock.
- d. Prudential Guarantee & Assurance, Inc. is majority-owned by Coyiuto Brothers.
  - Mr. Robert Coyiuto, Jr. is authorized to vote.
  - Indirect ownership of Mr. Robert Coyiuto, Jr. is 1,316,729 shares and Mr. James Coyiuto is 413,012 shares.

## Security Ownership of Management as of December 31, 2016

Class	Name of Beneficial Owner	Position	Amount and Nature of Beneficial Ownership (Direct)			% to Total	Citizenship
			Class A	Class B	Total		
A. Named Executive Officers [1]							
Common	James L. Go*	Chairman and CEO	339,000,001	–	339,000,001	0.1695%	Filipino
Common	Robert R. Coyiuto, Jr.*	Director, President and COO	423,977,301	141,687,685	565,664,986	0.2828%	Filipino
Common	Apollo P. Madrid*	SVP for Operations / Administration	1,711,971	100,795	1,812,766	0.0009%	Filipino
Common	Ethelwoldo E. Fernandez*	SVP for Legal / Corporate Secretary	604,787	–	604,787	0.0003%	Filipino
		Sub-total	765,294,060	141,788,480	907,082,540	0.4535%	
B. Other Directors and Executive Officers							
Common	John L. Gokongwei, Jr.	Director	107,001	–	107,001	0.0001%	Filipino
Common	Josephine Barcelon	Director	100,000	–	100,000	0.0001%	Filipino
Common	Antonio Go	Director	1	–	1	**	Filipino
Common	Benedicto Coyiuto	Director	10,000	–	10,000	**	Filipino
Common	Lance Y. Gokongwei	Director	1	–	1	**	Filipino
Common	Perry L. Pe*	Director and Asst. Corporate Secretary	513,621	–	513,621	0.0003%	Filipino
Common	Ricardo Balbido, Jr.	Director	100,000	–	100,000	0.0001%	Filipino
Common	James Coyiuto	Director	1	–	1	**	Filipino
		Sub-total	830,625	–	830,625	0.0006%	
C. All directors and executive officers as a group unnamed			766,124,685	141,788,480	907,913,165	0.4541%	

[1] Chief Executive Officer and three (3) among the four (4) most highly compensated executive officers as of December 31, 2016.

\*Company's executive officers: \*\*less than 0.0001%

## Voting Trust holders of 5% or More

There are no persons holding more than 5% or a class under a voting trust or similar agreement.

## Changes in Control

There has been no change in the control of the registrant since the beginning of its calendar year.

## Item 13. Certain Relationships and Related Transactions

There had been no material transactions during the last two years, nor is any material transaction presently proposed, to which the Company was or is to be a party, in which any director or executive officer of the Company or owner of more than 10% of the Company's voting securities, any relative or spouse of any such director or officer who shares the home of such director or executive officer or owner or more than 10% of the Company's voting securities, is involved.



Related Party Transactions as disclosed in the Annual Audited Financial Statements as follow:

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions; and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Affiliates are related entities of the companies by virtue of common ownership and representation to management where significant influence is apparent.

At the end of 2016, the company had Cash and Cash equivalents maintained at various banks including an affiliated bank. The Company likewise, leases an office space from an affiliate that is renewable annually.

#### **PART IV. EXHIBITS AND SCHEDULES**

##### **Item 14. Exhibits and Reports on SEC Form 17-C**

###### **(a) Exhibits**

None.

###### **(b) Reports on SEC Form 17-C**

The following report on SEC Form 17-C was filed during the last six months period covering this report:

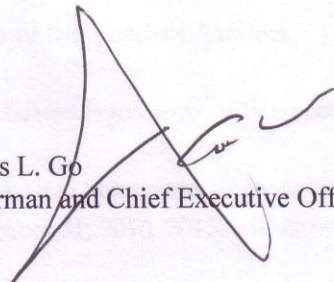
##### **Item 9: Other Matters**


1. Disclosure on the Result of Annual Stockholders' Meeting as of June 30, 2016 dated July 1, 2016.

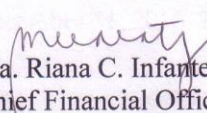
## SIGNATURES

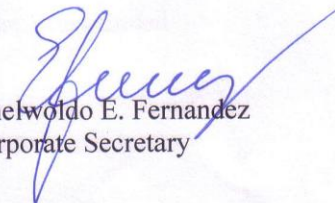
Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of PASIG CITY April 17, 2017.

By:

  
James L. Go  
Chairman and Chief Executive Officer

  
Robert Coyiuto, Jr.  
President and Chief Operating Officer


  
Ma. Riana C. Infante  
Chief Financial Officer

  
Ethelwoldo E. Fernandez  
Corporate Secretary

Subscribed and sworn to before this 17<sup>th</sup> day of April 2017, affiants executed to me their CTC / government issued IDs as follows:

Name	CTC / Government ID No.	Date of Issue	Place of Issue
James L. Go	07435043	30 January 2017	Pasig City
Robert Coyiuto, Jr.	25024086	12 January 2017	Makati City
Ma. Riana C. Infante	EB6828268	26 November 2012	DFA NCR Central
Ethelwoldo E. Fernandez	EB6340675	14 September 2012	DFA Manila

Doc. No. 218;  
Page No. 45;  
Book No. 3;  
Series of 2017

  
**ATTY. PATRICK ARNOLD P. TETANGCO**  
Notary Public for Pasig City  
Commission No. 207 (2016-2017)  
40th Flr., Robinsons Equitable Tower,  
Ortigas Center, Pasig City  
IBP No. 012638; Quezon City Chapter  
Roll No. 63825; 05/08/2014  
PTR No. 2241402; 01/11/2016; Q.C.  
MCLE No. V-0014374, 02/01/2016

**ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES**  
**INDEX TO FINANCIAL STATEMENTS**

**FORM 17-A, ITEM 7**

	Page No.
<b>Consolidated Financial Statements</b>	
Statement of Management's Responsibility	25
Report of Independent Auditors	27-31
Consolidated Statements of Financial Position as of December 31, 2016 and 2015	32
Consolidated Statements of Income for the Years Ended December 31, 2016, 2015, and 2014	33
Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2016, 2015, and 2014	34
Consolidated Statements of Changes in Stockholders' Equity December 31, 2016, 2015, and 2014	35
Consolidated Statements of Cash Flows for the Years Ended December 31, 2016, 2015, and 2014	36
Notes to Consolidated Financial Statements	37-80
Report of Independent Auditors on Supplementary Schedules	81
Index to Consolidated Financial Statements and Supplementary Schedules	93



**CERTIFICATE ON THE COMPILATION SERVICES FOR THE PREPARATION OF THE  
FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS**

I hereby certify that I am the Certified Public Accountant (CPA) who performed the compilation services related to the preparation and presentation of financial information of an entity in accordance with an applicable financial reporting framework and reports as required by accounting and auditing standards for **Oriental Petroleum and Minerals Corporation** for the period ending **December 31, 2016**.

In discharging this responsibility, I hereby declare that (check one (1)):


  √   I, am the Controller of Oriental Petroleum and Minerals Corporation.

       I, am the (position) of (name of organization/person) and was contracted to perform this service.

Furthermore, in my compilation services for the preparation of the Financial Statements and Notes to the Financial Statements, I was not assisted by or did not avail of the services of SyCip, Gorres, Velayo & Co. who/which is the external auditor who rendered the audit opinion for the said Financial Statements and Notes to the Financial Statements.

I hereby declare, under penalties of perjury and violation of Republic Act No. 9298, that my statements are true and correct.

SIGNATURE OVER PRINTED NAME:

  
JANE AGNES S. PAZZIBUGAN

PROFESSIONAL IDENTIFICATION CARD NO.

155298

VALID UNTIL:

January 21, 2019

ACCREDITATION NUMBER:


CPA accreditation filed on

VALID UNTIL:

December 20, 2016 still in process.

Doc. No. 216  
Page No. 45  
Book No. 3  
Series of 201 7

NOTARY PUBLIC

  
**ATTY. PATRICK ARNOLD P. TETANGCO**  
Notary Public for Pasig City  
Commission No. 207 (2016-2017)  
40th Flr., Robinsons Equitable Tower,  
Ortigas Center, Pasig City  
IBP No. 012638; Quezon City Chapter  
Roll No. 63825; 05/08/2014  
PTR No. 2241402; 01/11/2016; Q.C.  
MCLE No. V-0014374, 02/01/2016.



## ORIENTAL PETROLEUM AND MINERALS CORPORATION

34th Floor, c/o JG Summit, Robinsons PCI Tower, ADB Avenue, Ortigas Center, Pasig City, Philippines  
Tel. No.: 637-1670/633-7631 Ext. 277/278/279/280/281 • Fax No.: 395-2586

SECURITIES AND EXCHANGE COMMISSION  
SEC Building, EDSA Greenhills  
Mandaluyong, Metro Manila

### STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

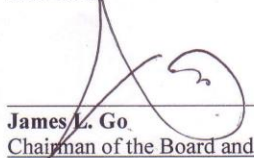
The management of **Oriental Petroleum and Minerals Corporation and Subsidiaries** is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2016 and 2015, in accordance with the prescribed 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.

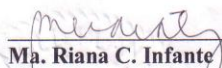
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

Signed this 17 day of April 2017  
Doc. No. 217  
Page No. 45  
Book No. 3  
Series of 2017

  
**ATTY. PATRICK ARNOLD P. TETANGCO**  
Notary Public for Pasig City  
Commission No. 207 (2016-2017)  
40th Flr., Robinsons Equitable Tower,  
Ortigas Center, Pasig City  
IBP No. 012638; Quezon City Chapter  
Roll No. 63825; 05/08/2014  
PTR No. 2241402; 01/11/2016; Q.C.  
MCLF No. M-0014374, 02/01/2016.