
ANNUAL REPORT

For the Fiscal Year Ended December 31, 2012



ABOT MINING CO.

Idaho

(State or other jurisdiction of incorporation)

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(Phone)

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**ABOT MINING CO.
BALANCE SHEETS
(UNAUDITED)**

	December 31, 2012	December 31, 2011
Assets:		
Current Assets		
Cash and Cash Equivalents	\$ 1,636	\$ 25
Accounts Receivable	-	275,000
Investment	1,185,000	1,500,000
Total Current Assets	1,186,636	1,775,025
Total Assets	\$ 1,186,636	\$ 1,775,025
Liabilities and Stockholders' Deficit:		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 47,764	\$ 50,100
Note Payable	100,000	450,000
Total Current Liabilities	147,764	500,100
Long Term Debt-Related Party	21,598	-
Total Liabilities	169,362	500,100
Stockholders' Equity:		
Common Stock Yet to be Issued	1,000,000	1,000,000
Preferred Stock, Par Value \$0.0001 1 share authorized 1 share issued and outstanding respectively,	-	-
Common Stock, \$.0001 par value, 995,000,000 shares authorized, 924,337,078 and 991,837,078 shares issued and outstanding respectively,	92,434	99,184
Common Stock Subscribed	-	(83,500)
Additional Paid in Capital	1,541,050	285,000
Accumulated Deficit	(1,616,210)	(25,759)
Total Stockholders' Equity	1,017,274	1,274,925
Total Liabilities and Stockholders' Equity	\$ 1,186,636	\$ 1,775,025

The accompanying notes are an integral part of these financial statements.

**ABOT MINING CO.
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31,
(UNAUDITED)**

	2012	2011
Revenues	\$ -	\$ 150,000
Costs of Services	-	-
Gross Margin	-	150,000
Operating expenses:		
Consulting	-	150,000
Payroll Expenses	105,000	-
Stock for Services	1,170,000	-
General and Administrative	314,822	75
Operating Expenses	1,589,822	150,075
Operating Income (Loss)	(1,589,822)	(75)
Other Income (Expense)		
Interest Expense	(629)	-
Net Loss Before Taxes	(1,590,451)	(75)
Income and Franchise Tax	-	-
Net Loss	\$ (1,590,451)	\$ (75)
Loss per Share, Basic &		
Diluted	\$ (0.00)	\$ (0.00)
Weighted Average Shares Outstanding	923,837,073	418,597,188

The accompanying notes are an integral part of these financial statements.

ABOT MINING CO.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss for the Period	\$ (1,590,451)	\$ (75)
Shares Issued	1,170,000	150,000
Adjustments to reconcile net loss to net cash provided by operating activities:		
Common stock issued for investment	-	1,000,000
Contributed Services	-	150,000
Changes in Operating Assets and Liabilities		
Increase in Security Deposits, receivables	275,000	(150,000)
Increase (Decrease) in Accrued Expenses	(2,336)	50,100
Net Cash Used in Operating Activities	<u>(147,787)</u>	<u>1,200,025</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investment	(25,000)	(1,500,000)
Net cash provided by Investing Activities	<u>(25,000)</u>	<u>(1,500,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash Received for Common Stock	132,500	-
Proceeds from Related Party and Forgiveness	51,898	300,000
Reduction of Debt	(10,000)	-
Net Cash Provided by Financing Activities	<u>174,398</u>	<u>300,000</u>
Net (Decrease) Increase in Cash	1,611	25
Cash at Beginning of Period	25	-
Cash at End of Period	<u>\$ 1,636</u>	<u>\$ 25</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	\$ -	\$ -
Franchise and Income Taxes	\$ -	\$ -
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Accounts Payable Satisfied through Contributed Capital and Property and Equipment	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

ABOT MINING CO.
STATEMENT OF STOCKHOLDERS' EQUITY
JANUARY 1, 2011 TO DECEMBER 31, 2012
(UNAUDITED)

	Common Shares	Common Stock	Series A Preferred Shares	Series A Preferred Stock	Additional Paid in Capital	Retained Deficit	Stock Yet to be Issued	Common Stock Subscribed	Total
Balance January 1, 2011	6,837,087	\$ 684	1	\$ -	\$ -	\$ (25,684)	\$ -	\$ -	\$ (25,000)
Shares issued for Debt	150,000,000	15,000	-	-	135,000	-	-	-	150,000
Services Contributed	-	-	-	-	150,000	-	-	-	150,000
Shares issued for Cash	835,000,000	83,500	-	-	-	-	-	(83,500)	-
Shares yet to be issued	-	-	-	-	-	-	1,000,000	-	1,000,000
Net loss for the year	-	-	-	-	-	(75)	-	-	(75)
Balance December 31, 2011	991,837,087	99,184	1	-	285,000	(25,759)	1,000,000	(83,500)	1,274,925
Shares Redeemed	(185,000,000)	(18,500)	-	-	-	-	-	18,500	-
Shares issued for Cash	117,500,000	11,750	-	-	120,750	-	-	-	132,500
Shares Transferred	-	-	-	-	1,105,000	-	-	65,000	1,170,000
Related Party Forgiveness	-	-	-	-	30,300	-	-	-	30,300
Net loss for the year	-	-	-	-	-	(1,590,451)	-	-	(1,590,451)
Balance December 31, 2012	924,337,087	\$ 92,434	1	\$ -	\$1,541,050	\$ (1,616,210)	\$1,000,000	\$ -	\$1,017,274

The accompanying notes are an integral part of these financial statements.

**ABOT MINING CO.
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
DECEMBER 31, 2012 AND 2011**

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Abot Mining Co. (the "Company") was incorporated under the laws of the state of Idaho in 1957. The Company is an independent exploration company with a primary focus on acquiring, developing and participating in semi-precious mineral properties.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management further acknowledges that it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company's system of internal accounting control is designed to assure, among other items, that 1) recorded transactions are valid; 2) valid transactions are recorded; and 3) transactions are recorded in the proper period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the Company for the respective periods being presented

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the estimated useful lives of property and equipment. Actual results could differ from those estimates.

Cash equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Fair value of financial instruments

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America (U.S. GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or

liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

Level 1 Quoted market prices available in active markets for identical assets or liabilities as of the

Level 2 Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3 Pricing inputs that are generally observable inputs and not corroborated by market data.

The carrying amount of the Company's financial assets and liabilities, such as cash, prepaid expenses and accrued expenses approximate their fair value because of the short maturity of those instruments. The Company's notes payable approximate the fair value of such instruments based upon management's best estimate of interest rates that would be available to the Company for similar financial arrangements at December 31, 2012.

The Company does not have any assets or liabilities measured at fair value on a recurring or a non-recurring basis.

Equipment

Equipment is recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation of equipment is computed by the straight-line method (after taking into account their respective estimated residual values) over the assets estimated useful life of three (3) or seven (7) years. Upon sale or retirement of equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in statements of operations.

Impairment of long-lived assets

The Company follows paragraph 360-10-05-4 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived assets, which includes computer equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives.

The Company determined that there were no impairments of long-lived assets as of December 31, 2012.

Commitments and contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

Revenue recognition

The Company follows paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company will recognize revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

Income taxes

The Company follows Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income and Comprehensive Income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25") with regards to uncertainty income taxes. Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

Net income (loss) per common share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period. The weighted average number of common shares outstanding and potentially outstanding common shares assumes that the Company incorporated as of the beginning of the first period presented.

There were no potentially dilutive shares outstanding as of December 31, 2012.

Cash flows reporting

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past

operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

Advertising Costs

The Company expenses the cost of advertising and promotional materials when incurred. Total Advertising costs were \$0 for 2012 and 2011.

Subsequent events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them on EDGAR.

Recently issued accounting pronouncements

The following accounting standards were issued as of December 26, 2011:

ASU 2010-06, Fair Value Measurements and Disclosures (Topic 820) – Improving Disclosures about Fair Value Measurements.

This ASU affects all entities that are required to make disclosures about recurring and nonrecurring fair value measurements under FASB ASC Topic 820, originally issued as FASB Statement No. 157, *Fair Value Measurements*. The ASU requires certain new disclosures and clarifies two existing disclosure requirements. The new disclosures and clarifications of existing disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years.

ASU 2011-04, Fair Value Measurement (Topic 820) – Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs

This ASU supersedes most of the guidance in Topic 820, although many of the changes are clarifications of existing guidance or wording changes to align with IFRS 13. In addition, certain amendments in ASU 2011-04 change a particular principle or requirement for measuring fair value or disclosing information about fair value measurements. The amendments in ASU 2011-04 are effective for public entities for interim and annual periods beginning after December 15, 2011.

NOTE 3 – GOING CONCERN

As reflected in the accompanying financial statements, the Company had an accumulated deficit of \$1,616,210 at December 31, 2012 and had a net loss of \$1,590,451 for the year then ended.

While the Company is attempting to commence operations and generate revenues, the Company's cash position may not be significant enough to support the Company's daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the

opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate revenues.

The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 4 – INVESTMENT

The Company has entered into an agreement described in note 8 below, and has valued its investment at the market price of its stock to be issued on the date of the agreement which was December 6, 2011 or 20,000,000 shares at the closing price of .05 cents or \$1,000,000. The balance of the investment of \$500,000 is a combination of a note payable of \$440,000 and cash which was paid of \$60,000. The Company has evaluated this investment and has determined that no impairment is warranted at this time. In December 2012 the parties amended the agreement which provided for a reduction in the amount due from \$440,000 to \$100,000 and hence the investment was reduced by \$340,000 to correspond to the payable reduction.

The Company has also invested \$25,000 in cash, in the fourth quarter of 2012, for the rights to receive profits on reprocessing of silver tailings and grounded ore from previous production runs. The Company has evaluated this investment and similarly determined that no impairment is warranted at December 31, 2012.

NOTE 5 – NOTE PAYABLE

The company is obligated under the option agreement described in note 9 to pay \$440,000 by July 1, 2012 for its interest in the Mexican property. This option has now been extended to June 30, 2013. In December 2012 the parties amended the agreement which provided for a reduction in the amount due from \$440,000 to \$100,000 and hence the investment was reduced by \$340,000 to correspond to the payable reduction.

NOTE 6- RELATED PARTY TRANSACTIONS

The Company has the following related party transactions:

At December 31, 2012 the Company is obligated under amounts advance termed Long Term Debt for \$21,598 including imputed interest at 6% of \$629 to shareholders. Terms indicate repayment in over 2014.

Included in Accounts Payable and Accrued Expenses is an amount owed to its officer of \$48,764 and the Statement of Operations includes \$90,000 for officer salary, labeled payroll expenses, for the year ended December 31, 2012,

In September 2012 a shareholder transferred his shares of 650,000,000 to the officer of the company.

In 2011 the officer of the Company contributed services deemed to be \$150,000 for consultation, rent and other professional services. The Company recognized this expense in the statement of operations with a corresponding credit to capital.

Free office space from its majority stockholder and Chief Executive Officer

The Company has been provided office space by its majority stockholder and Chief Executive Officer at no cost. The management determined that such cost is nominal and did not recognize the rent expense in its financial statements.

Employment Agreements

In April 2012 the Company entered into two employment agreements. The first, between its President and the Company, which provides for a salary of \$10,000 per month with increases each succeeding year should the agreement be approved annually by the company. There are also provisions for bonuses based on profits.

The Company also entered into a consulting agreement with a former shareholder and director for consulting services based on \$2,500 per month for one year.

NOTE 7 – STOCKHOLDERS' EQUITY

Preferred Stock

The Company had authorized and issued 1 share of stock, which was cancelled in September 2012.

Common Stock

At December 31, 2010 the Company had issued 6,837,078 of stock as founders shares upon formation valued at par. The Company has authorized 995,000,000 million shares at a par value of .0001.

In May of 2011 the Company issued 185,000,000 shares for cash of \$18,500. In June of 2012 the shares were redeemed.

In May of 2011 the Company issued 150,000,000 shares of stock for debt reduction of \$150,000.

In September 2011 the Company issued 650,000,000 shares of stock for cash of \$65,000. The Cash has yet to be received and is reflected on the Balance Sheet as Common Stock Subscribed.

In December of 2011 the Company entered into an agreement to issued 20,000,000 shares for an investment described in note 4. These shares have yet to be issued and are shown in the equity section of the balance sheet as Common Stock to be issued for \$1,000,000 the amount derived by the shares to be issued times the market price at December 6, 2011.

In December 2011 the officer of the company contributed services of \$150,000.

In June 2012 the Company issued 7,500,000 shares for an investment of \$25,000.

During the quarter ended September 30, 2012 the Company issued 82,500,000 shares for cash of \$87,500.

In November 2012 the Company issued 27,500,000 shares for cash of \$20,000.

On September 10, 2012 the Company transferred 650,000,000 shares to its officer from a party who was to contribute \$65,000. The Company recognized the transfer as stock for services to its officer of \$1,170,000, which represented the market price of the stock at the date of transfer. The \$65,000 owed on subscribed stock was negated.

In the quarter ended September 30, 2012 the company revised an employment agreement which resulted in a forgiveness of debt from a shareholder of \$30,300 and this amount has been recognized as paid in capital.

NOTE 8 – OPTION AGREEMENT

On December 6, 2011 the Company entered into an agreement with Rising Star Mining whereby Rising Star granted an option to the Company to acquire a 50% interest certain mineral claims in Mexico. The

agreement's terms indicated a payment of \$150,000 within 45 days of December 6, 2011 plus \$300,000 within 90 days of the agreement plus the issuance of 20,000,000 shares of the Company's common stock. The Company has advanced \$60,000 of the money, terms and has stock to be issued of 20,000,000 shares.

The parties extended the agreement and terms to July 1, 2012 and have now extended it to June 30, 2013 with a payment modification resulting in a liability now owing of \$100,000 on the note.

NOTE 9 – INCOME TAX

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Net deferred tax assets consist of the following components as of December 31, 2012 and 2011:

	December 31, 2012	December 31, 2011
Deferred Tax Assets – Non-current:		
NOL Carryover	\$ 395,446	\$25,759
Less valuation allowance	(395,446)	(\$25,759)
Deferred tax assets, net of valuation allowance	\$ -	\$ -

The income tax provision differs from the amount of income tax determined by applying the U.S. federal income tax rate to pretax income from continuing operations for the period ended December 31, 2012 and 2011 due to the following:

	2012	2011
Book Loss	\$(1,590,451)	\$(75)
Meals and Entertainment	2,000	-
Stock for Services	1,170,000	-
Accrued Payroll	48,764	-
Valuation allowance	369,687	75
	<u>\$ -</u>	<u>\$ -</u>

At December 31, 2012, the Company had net operating loss carry forwards of approximately \$395,446 that may be offset against future taxable income from the year 2012 to 2032. No tax benefit has been reported in the December 31, 2012 financial statements since the potential tax benefit is offset by a valuation allowance of the same amount.

NOTE 10 – SUBSEQUENT EVENTS

The Company has evaluated all events that occurred after the balance sheet date through the date when the financial statements were issued to determine if they must be reported. The Management of the Company determined that there was one reportable subsequent event to be disclosed as follows:

1. In January of 2013 the Company received \$20,000 in an investment for stock issued of 23,000,000 shares.