

# COVER SHEET

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S.E.C. Registration Number

M A N I L A M I N I N G C O R P O R A T I O N

(Company's Full Name)

2 0 T H F L O O R L E P A N T O B U I L D I N G  
8 7 4 7 P A S E O D E R O X A S  
M A K A T I C I T Y

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

ODETTE A. JAVIER

Contact Person

815-9447

Company Telephone Number

Not later than April 30

1 2 3 1

Month

Day

Fiscal Year

2 Q - 0 9

FORM TYPE

Month Day

Annual Meeting

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Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total no. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = please use black ink for scanning purposes

SEC No. 4429

MANILA MINING CORPORATION

*20<sup>th</sup> Floor, Lepanto Building  
8747 Paseo de Roxas  
Makati City*

Tel. No. 815-9447  
Fax No. 812-0451

**QUARTERLY REPORT  
(SEC Form 17-Q)**

(For the Period Ended June 30, 2009)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES  
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended: **June 30, 2009**
2. Commission identification number: **4429**      3. BIR Tax Identification No.: **000-164-442**
4. Exact name of issuer as specified in its charter:

**MANILA MINING CORPORATION**

5. Province, country or other jurisdiction of incorporation or organization:  
**Makati City, Philippines**

6. Industry Classification Code:  (SEC Use Only)

7. Address of issuer's principal office:

**20<sup>th</sup> Floor, Lepanto Building  
8747 Paseo de Roxas, Makati City, Philippines**

8. Issuer's telephone number, including area code:

**(632) – 815-9447**

9. Former name, former address and former fiscal year, if changed since last report: **N/A**

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:
<b>Class "A"</b>	<b>107,433,136,003</b>
<b>Class "B"</b>	<b>71,571,185,202</b>

Amount of Debt Outstanding: **Please refer to the attached Balance Sheet (Annex "B")**

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

Yes [x]                      No [ ]

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

**Philippine Stock Exchange**

**Classes "A" and "B"**

12. Indicate by check mark whether the registrant:

(a) has filed all 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  No

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes  No

### PART 1- FINANCIAL INFORMATION

**Item 1. Financial Statements:** *Income Statement* - **Annex "A"**  
*Balance Sheet* - **Annex "B"**  
*Statement of Cash Flow* - **Annex "C"**  
*Stockholders' Equity* - **Annex "D"**  
*Notes to Financial Statements* - **Annex "E"**  
*Aging of Accounts Receivable-Trade* - **Annex "F"**

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations** - **Annex "G"**

**Item 3. Impact of Current Global Financial Condition** - **Annex "H"**

### PART II- OTHER INFORMATION (None)

### SIGNATURES


Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer : **Manila Mining Corporation**

Signature : 

Title : **MARIO L. LAVENTE**  
Controller

Date : August 14, 2009

Signature : 

Title : **ODETTE A. JAVIER**  
Assistant Corporate Secretary

Date : August 14, 2009

MANILA MINING CORPORATION  
 CONSOLIDATED QUARTERLY INCOME STATEMENT  
 FOR THE SECOND QUARTER OF 2009  
 (WITH COMPARATIVE FIGURES FOR THE SECOND QUARTER OF 2008)

	Second Quarter of 2009	Second Quarter of 2008	SIX MONTHS ENDED JUNE	
			2009	2008
<b>REVENUE</b>				
Copper	P -	P -	P -	P -
Gold	-	-	-	-
Silver	-	-	-	-
Interest and Other income	1,451,031	171,019	1,451,930	416,319
	<u>1,451,031</u>	<u>171,019</u>	<u>1,451,930</u>	<u>416,319</u>
<b>COST AND EXPENSES</b>				
Mining, milling, refining and other related charges and administrative expenses including depreciation, depletion and amortizations	1,993,979	3,854,431	3,545,020	7,320,549
	<u>1,993,979</u>	<u>3,854,431</u>	<u>3,545,020</u>	<u>7,320,549</u>
<b>NET INCOME BEFORE INCOME TAX</b>	<u>(542,948)</u>	<u>(3,683,412)</u>	<u>(2,093,090)</u>	<u>(6,904,230)</u>
<b>PROVISION FOR INCOME TAX</b>				
Current				
Deferred				
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	P <u>(542,948)</u> F	P <u>(3,683,412)</u> F	P <u>(2,093,090)</u> P	P <u>(6,904,230)</u> P
<b>EARNINGS (LOSS) PER SHARE</b>	P <u>0.000003</u> F	P <u>0.000021</u> F	P <u>0.000012</u> P	P <u>0.000039</u> P
<b>Formula:</b>				
Net Loss	542,948	3,683,412	2,093,090	6,904,230
divided by Total shares subscribed, issued and outstanding	178,956,383,833	178,956,383,833	178,956,383,833	178,956,383,833
	<u>0.000003</u>	<u>0.000021</u>	<u>0.000012</u>	<u>0.000039</u>

MANILA MINING CORPORATION  
 CONSOLIDATED BALANCE SHEET  
 As of June 30, 2009  
 (With Comparative Figure for December 31, 2008)

A S S E T S		LIABILITIES AND STOCKHOLDERS' EQUITY			
	**June 2009	*December 2008		**June 2009	*December 2008
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
Cash & cash equivalent	P 707,364	P 1,813,976	Accounts payable and accruals	P 274,898,407	P 282,853,987
Short-term investments			Dividends payable	573,097	573,097
Receivables			Non-trade payables	139,234,145	139,311,139
Trade	-		Notes Payable	-	-
Non-trade ( net )	335,967	306,942		<u>414,705,649</u>	<u>422,738,222</u>
Subscription Receivables	-		<b>NON-CURRENT LIABILITIES</b>		
Inventories			Notes Payable		
Bullion	-		Deferred Tax Liability	71,527,937	71,527,937
Copper concentrate	-		Pension Liability	5,438,973	5,438,973
Gold in process - CIP	-		Provision for mine rehabilitation & decomn	-	-
Ore	-			<u>76,966,910</u>	<u>76,966,910</u>
Materials and supplies (net)	31,764,542	33,789,194	<b>STOCKHOLDERS' EQUITY</b>		
Prepayments	27,766,383	27,523,672	Capital Stock		
	<u>60,574,255</u>	<u>63,433,784</u>	Authorized - 180,000,000,000 shares divided into 108,000,000,000 shares of Class "A" and 72,000,000,000 shares of Class "B" at P0.01 par value each - P1,800,000,000		
			Issued and outstanding-178,956,383,833 shares (Dec. 2008- 178,956,383,833 shares)	1,789,563,838	1,789,563,838
<b>NON-CURRENT ASSETS</b>			Subscribed capital stock - 47,937,372 shares (May 2009 - 47,937,372 shares), net of subscriptions receivable of P 301,289.89	178,084	178,084
Property, Plant and Equipment (net)	1,598,050,728	1,604,663,204	Share Premium	388,801,666	388,801,666
Other Assets (net)	6,802,845	6,881,503	Deposit for future subscriptions	-	-
Available For Sale Financial Assets	12,090,571	12,665,571		<u>2,178,543,588</u>	<u>2,178,543,588</u>
Investment in Subs. & Affiliate	-		Fair Value Reserve	(17,903,000)	(17,903,000)
	<u>1,616,944,144</u>	<u>1,624,210,279</u>	Retained earnings, beginning	(972,701,657)	(972,701,657)
			Add: Net income (loss) for the period	(2,093,090)	
<b>TOTAL ASSETS</b>	<b>P 1,677,518,400</b>	<b>P 1,687,644,063</b>	Retained earnings, end	<u>(974,794,747)</u>	<u>(972,701,657)</u>
			Net stockholders' equity	<u>1,185,845,841</u>	<u>1,187,938,931</u>
			<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>P 1,677,518,400</b>	<b>P 1,687,644,063</b>

\*\* - UNAUDITED

\* - AUDITED

MANILA MINING CORPORATION  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED JUNE 30, 2009  
(WITH COMPARATIVE FIGURES FOR THE SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 2008)

	SECOND QUARTER		SIX MONTHS ENDED JUNE	
	2009	2008	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net income/(loss) for the period	(542,948)	(3,683,412)	821,631	(1,250,499)
Add/(deduct) year-to-date adjustments	-	-	-	-
	<u>(542,948)</u>	<u>(3,683,412)</u>	<u>821,631</u>	<u>(1,250,499)</u>
<b>Adjustment to reconcile net income to net cash provided by operating activities:</b>				
Depreciation	1,025,802	2,132,133	341,310	777,326
Impairment loss	-	-	-	-
	<u>482,854</u>	<u>(1,551,279)</u>	<u>1,162,941</u>	<u>(473,173)</u>
<b>Changes in assets and liabilities</b>				
(Increase) decrease in receivables	946,217	(120,490)	(86,278)	(48,006)
(Increase) decrease in inventories	680,896	1,328,902	5,777	17,531
(Increase) decrease in prepayments	(126,468)	(2,903,645)	(32,694)	(1,876,336)
Increase (decrease) in accounts payable & accruals	2,014,442	26,027,037	(392,470)	17,392,439
Increase (decrease) in notes payable/dividends payable	-	-	-	(9,110,030)
Net cash provided by operating activities	<u>3,997,941</u>	<u>22,780,525</u>	<u>657,275</u>	<u>5,902,423</u>
<b>CASH USED IN INVESTING ACTIVITIES:</b>				
(Increase) decrease of property, plant and eqpt	(4,092,148)	(74,529,552)	(1,361,806)	(13,735,318)
(Increase) decrease in investments available for sale	575,000	-	575,000	-
(Increase) decrease in other assets	79,944	(1,170)	1,944	(1,170)
Net cash used in investing activities	<u>(3,437,204)</u>	<u>(74,530,722)</u>	<u>(784,862)</u>	<u>(13,736,488)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Increase (decrease) in subscribed capital stock	-	-	-	-
Increase (decrease) in share premium	-	-	-	-
Increase (decrease) in borrowings ( contract payable )	-	-	-	-
Increase (decrease) in pension liability	-	-	-	-
Receipts from ( payment to ) related parties	(76,993)	188,718	121,074	-
Increase (decrease) in deferred tax liability	-	-	-	-
Provision for mine rehabilitation & decommissioning	-	20,419,442	-	-
Net cash provided by (used in) financing activities	<u>(76,993)</u>	<u>20,608,160</u>	<u>121,074</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH FOR THE YEAR</b>	<b>483,744</b>	<b>(31,142,038)</b>	<b>(6,514)</b>	<b>(7,834,065)</b>
<b>CASH</b>				
Beginning of the period	<u>223,620</u>	<u>98,843,865</u>	<u>713,877</u>	<u>75,535,892</u>
End of the period	<u><u>707,364</u></u>	<u><u>67,701,827</u></u>	<u><u>707,364</u></u>	<u><u>67,701,827</u></u>

MANILA MINING CORPORATION  
 CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY  
 FOR THE PERIOD ENDED JUNE 30, 2009 AND 2008

	JUNE 30	
	<u>2009</u>	<u>2008</u>
<b>STOCKHOLDERS' EQUITY</b>		
Capital Stock		
Authorized - 180B shares @ P.01 par value each (P 1,800,000,000)		
Issued and outstanding	1,789,563,838	1,789,563,838
Subscribed capital stock (net of subscriptions receivable)	178,084	178,084
Share premium	388,801,666	388,801,666
Deficit		
Operations		
Beginning balance	(972,701,657)	(972,701,657)
Net income (loss) for the period	(2,093,090)	
	<u>(974,794,747)</u>	<u>(972,701,657)</u>
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>P <u>1,203,748,841</u></b>	<b>P <u>1,205,841,931</u></b>



**MANILA MINING CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1 - Operations; registration with the Board of Investments (BOI)**

Manila Mining Corporation (the "Company") had a total of 552 regular employees as of December 31, 2008 and 540 regular employees of June 30, 2009, but 502 have been on forced leave due to the temporary shutdown.

Due to the temporary cessation of operations since July 2001, the BOI certificates of registration of the Company have been cancelled.

**Note 2 – Compliance with generally accepted accounting principles and basis of financial statement presentation**

The financial statements of the Company have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS), Philippine Accounting Standards (PAS), International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC) Interpretations.

The policies set out below have been consistently applied to all the months presented. The Company's financial statements were prepared in accordance with generally accepted accounting principles in the Philippines (GAAP) and in conformity with PFRS

The preparation of financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed properly.

**Adoption of new accounting standards**

The ASC approved the issuance of new and revised accounting standards which are based on revised International Accounting Standards (IAS) and new International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) which are effective for annual periods beginning on or after January 1, 2005.

These new Standards have been renamed PASs to correspond to adopted IASs while the PFRSs correspond to adopted IFRSs. The Company adopted the applicable PASs and PFRSs effective January 1, 2005:

PAS - PAS 1, 2, 8, 10, 16, 17, 19, 21, 24, 32, 33, 36, 37, 38 & 39

PFRS - PFRS 1 & 2

**Note 3 – Receivables**

This consists of Advances to officers and employees and other receivables.

**Note 4 – Pre-payments and Deposits**

This account represents Prepaid royalties & Miscellaneous deposit in relation to drilling contract.

**Note 5 – Property, Plant and Equipment**

Property, plant and equipment are carried at cost less accumulated depletion, depreciation and impairment in value, if any. This includes exploration cost.

**Note 6 – Other Assets**

This account consists mainly of Deposit receivable / Advances to suppliers and Idle equipment.

**Note 7 – Accounts Payable and Accrual**

This represents payables to suppliers and advances from shareholders.

**Note 8 – Non-trade Payables**

This account represents payables to affiliates.

**Note 9 – Pension Benefits**

Pension cost and obligation are computed in accordance with Republic Act No. 7641, Retirement Pay Law, which is similar to that computed under a defined benefit pension plan. A defined benefit plan is a retirement plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on certain factors such as age, years of credited service and salary.

The liability recognized in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with any adjustments for unrecognized gains or losses and past service costs. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity which approximates the terms of the related pension liability. The

defined benefit obligation is calculated on a regular periodic basis by an independent actuary using the "Projected Unit Credit Cost" method.

**Note 10 - Earnings (loss) per share**

Following are the basis for the computation of earnings (loss) per share:

	2nd qtr 2009	2nd qtr 2008
Numerator:		
Net (loss) income for The quarter	P (542,948)	P (3,683,412)
Denominator:		
Weighted average Total shares subscribed, issued and outstanding	178,956,383,833	178,956,383,833

MANILA MINING CORPORATION

AGING OF ACCOUNTS RECEIVABLE TRADE

As of June 30, 2009

NONE

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## Management's Discussion and Analysis of Financial Condition and Results of Operations

As of June 30, 2009

The company made a modest income in the 2<sup>nd</sup> quarter of P1.45 million from interest and from the sale of some shares of stock. Income for the same period last year amounted to P171,019 coming solely from interest on deposits. Expenses for the 2<sup>nd</sup> quarter amounted to P1.99 million, consisting mainly of administrative and depreciation expenses, compared with last year's administrative and depreciation expenses of P3.85 million. The drop in Administrative expenses by 43% reflects the completion of the Company's exploration program late last year. Depreciation expense dropped by 53% on account of the retirement last year of certain assets. Net loss for the period amounted to P542,948 compared with P3,683,412 last year.

There were 31 active employees during the quarter compared with 33 last year.

For the six months ended June 30 2009, income amounted to P1.45 million (first quarter interest income was negligible). Administrative and Depreciation expenses fell to P3.54 million from P7.32 million last year, also because of the completion last year of the exploration program and the retirement of certain assets. Net loss was P2.09 million compared with P6.90 million last year.

Cash and Cash equivalents as of June 2009 amounting to P707,364.00 was 61% lower compared with the P1,813,976 balance of December 2008 due to the partial retirement of accounts. Receivables increased by 9.5% to P335,967 due to advances made to officers involved in exploration activities. Materials and supplies inventories decreased by 6% due to material withdrawals chargeable to exploration activities. Available for Sale Securities decreased by 5% due to partial disposal of shares.

The Geology team continues to work on converting the company's resource into reserve to justify the re-opening of the Placer mine. Funds for this will be internally generated. To raise funds for further studies and the said mine re-opening, the Company will at the appropriate time increase its authorized capital stock in accordance with the approvals obtained from the shareholders at the annual meeting in April this year.

**Manila Mining Company**  
Impact of Current Global Financial Condition

**Credit Risk**

Not applicable

**Market Risk**

The value of financial instruments may change as a result of changes in interest rates, foreign currency exchange rates and equity prices. The Company has 'Available For Sale Financial Assets' in the amount of P12.66 million which is subject to fluctuations in market prices.

**Foreign Exchange Risk**

Not applicable

**Interest Rate Risk**

Not applicable as the Company has no interest-bearing payables.

**Liquidity Risk**

Not applicable, as the Company is not operating.

**Fair Values**

The methods and assumptions used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

*Cash, Receivables, Trade Payables and Accrued Expenses*

The carrying amounts of cash, receivables, trade payables and accrued expenses are all subject to normal trade credit terms and are short term in nature, approximate their fair values.

*AFS Investments*

Fair values of investments are estimated by reference to their quoted market values made during the balance sheet date as of the end of last year. Unquoted equity securities are carried at cost net of impairment in value, since fair value of these AFS securities cannot be reliably determined as these securities are not listed and have no available bid price. The Company has no investments in foreign securities.

*Loans Payable and Borrowings*

Not applicable