

COVER SHEET

4 4 2 9

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

Month

3 1

Day

Fiscal Year

1 7 - Q

FORM TYPE

Month

Day

Annual Meeting

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

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: **March 31, 2012**
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:

**20th 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: |
|---------------------|---|
| Class "A" | 121,246,277,583 |
| Class "B" | 80,773,583,773 |

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

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 : May 15, 2012

Signature : 

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

Date : May 15, 2012

MANILA MINING CORPORATION

CONSOLIDATED QUARTERLY INCOME STATEMENT
 FOR THE FIRST QUARTER OF 2012
 (WITH COMPARATIVE FIGURES FOR THE FIRST QUARTER OF 2011)

| | M A R C H | |
|--|-----------------------------|-----------------------------|
| | <u>2012</u> | <u>2011</u> |
| REVENUE | | |
| Copper | P - | P - |
| Gold | - | - |
| Silver | - | - |
| Interest and Other income | 720,692 | 4,674 |
| | <u>720,692</u> | <u>4,674</u> |
| COST AND EXPENSES | | |
| Mining, milling, refining and other related charges and administrative expenses including depreciation, depletion and amortizations | 3,781,667 | 2,428,418 |
| | <u>3,781,667</u> | <u>2,428,418</u> |
| NET INCOME BEFORE INCOME TAX | <u>(3,060,975)</u> | <u>(2,423,744)</u> |
| PROVISION FOR INCOME TAX | | |
| Current | | |
| Deferred | | |
| NET INCOME (LOSS) FOR THE PERIOD | P <u><u>(3,060,975)</u></u> | P <u><u>(2,423,744)</u></u> |
| EARNINGS (LOSS) PER SHARE | P <u><u>(0.000015)</u></u> | P <u><u>(0.000012)</u></u> |
| Formula: | | |
| Net Loss | (3,060,975) | (2,423,744) |
| divided by Total shares subscribed, issued and outstanding | 201,718,116,257 | 201,478,536,412 |
| | <u><u>(0.000015)</u></u> | <u><u>(0.000012)</u></u> |

MANILA MINING CORPORATION
 CONSOLIDATED BALANCE SHEET
 March 31, 2012
 (With Comparative Figures for December 2011)

| A S S E T S | | | | LIABILITIES AND STOCKHOLDERS' EQUITY | | | |
|-------------------------------------|---|-----------------------------|-------------------------------|---|---|-----------------------------|-------------------------------|
| | | **March 2012 | *December 2011 | | | **March 2012 | *December 2011 |
| CURRENT ASSETS | | | | CURRENT LIABILITIES | | | |
| Cash and cash equivalents | P | 453,961,267 | P 527,306,881 | Accounts payable and accruals | P | 148,744,101 | 165,188,977 |
| Receivables | | | | Dividends payable | | 573,097 | 573,097 |
| Trade | | - | - | Non-trade payables | | 766,769 | 1,964,091 |
| Non-trade (net) | | 4,169,875 | 5,864,957 | | | <u>150,083,966</u> | <u>167,726,165</u> |
| Inventories | | | | NON-CURRENT LIABILITIES: | | | |
| Supplies (net) | | 25,235,895 | 22,764,840 | Deferred Tax Liability | | 66,568,083 | 66,568,083 |
| Prepayments | | 58,248,784 | 53,075,277 | Pension Liability | | 9,549,649 | 9,549,649 |
| | | <u>541,615,820</u> | <u>609,011,955</u> | | | <u>76,117,732</u> | <u>76,117,732</u> |
| NON-CURRENT ASSETS | | | | STOCKHOLDERS' EQUITY | | | |
| Property, Plant and Equipment (net) | | 2,087,932,464 | 2,041,648,845 | Capital Stock | | | |
| Other assets (net) | | 9,252,182 | 8,842,841 | Authorized - 260,000,000,000 shares divided into 156,000,000,000 shares of Class "A" and 104,000,000,000 shares of Class "B" at P0.01 par value each - P2,600,000,000 | | | |
| Available for sale Financial assets | | 109,598,500 | 109,598,500 | Issued and outstanding-201,718,116,257 shares December 2010-201,321,086,412 | | 2,017,306,163 | 2,017,306,163 |
| | | <u>2,206,783,146</u> | <u>2,180,090,186</u> | Subscribed capital stock - 301,774,944 shares December 2010-58,774,944 subscriptions receivable of P366,405 | | 2,641,343 | 2,651,045 |
| TOTAL ASSETS | P | <u>2,748,398,966</u> | <u>P 2,769,102,140</u> | Share Premium | | 502,183,429 | 502,173,727 |
| | | | | Deposit for Future Subscription | | <u>0</u> | <u>0</u> |
| | | | | | | <u>2,522,130,935</u> | <u>2,522,130,935</u> |
| | | | | Fair Value Reserve | | <u>42,056,508</u> | <u>42,056,508</u> |
| | | | | Deficit | | (996,611,450) | (993,550,474) |
| | | | | Effects of changes with non-controlling interest | | 954,621,275 | 954,621,275 |
| | | | | Net stockholders' equity | | <u>2,522,197,268</u> | <u>2,525,258,244</u> |
| | | | | LIABILITIES & STOCKHOLDERS' EQUITY | P | <u>2,748,398,966</u> | <u>P 2,769,102,140</u> |

** - UNAUDITED

* - AUDITED

MANILA MINING CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2012
(WITH COMPARATIVE FIGURES FOR THE THREE MONTHS ENDED MARCH 31, 2011)

| | MARCH 31 | |
|---|---------------------------|-------------------------|
| | 2012 | 2011 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net income/(loss) for the period | (3,060,975) | (2,423,744) |
| Add/(deduct) year-to-date adjustments | <u>(3,060,975)</u> | <u>(2,423,744)</u> |
| Adjustment to reconcile net income to net cash provided by operating activities: | | |
| Depreciation | 1,063,158 | 1,052,560 |
| | <u>(1,997,817)</u> | <u>(1,371,184)</u> |
| Changes in assets and liabilities | | |
| (Increase) decrease in receivables | 1,695,082 | (3,443,502) |
| (Increase) decrease in inventories | (2,471,055) | (18,868) |
| (Increase) decrease in prepayments/marketable securities | (5,173,507) | (2,114,289) |
| Increase (decrease) in accounts payable & accruals | (16,444,876) | 11,800,757 |
| Net cash provided by operating activities | <u>(24,392,172)</u> | <u>4,852,915</u> |
| CASH USED IN INVESTING ACTIVITIES: | | |
| (Increase) decrease of property, plant and eqpt | (47,346,779) | (38,420,939) |
| (Increase) decrease in other assets | (409,342) | (137,544) |
| Net cash used in investing activities | <u>(47,756,121)</u> | <u>(38,558,482)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Increase (decrease) in subscribed capital stock | (9,702) | 4,825,500 |
| Increase (decrease) in share premium | 9,702 | 1,574,500 |
| Deposit for future subscriptions | | |
| Receipts from (payment to) related parties | (1,197,323) | 25,799,517 |
| Net cash provided by (used in) financing activities | <u>(1,197,322)</u> | <u>32,199,517</u> |
| NET INCREASE (DECREASE) IN CASH FOR THE YEAR | (73,345,614) | (1,506,050) |
| CASH | | |
| Beginning of the period | <u>527,306,881</u> | <u>7,145,383</u> |
| End of the period | <u><u>453,961,267</u></u> | <u><u>5,639,332</u></u> |

MANILA MINING CORPORATION
 CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
 FOR THE PERIOD ENDED MARCH 31, 2012 AND 2011

| | MARCH 31 | |
|--|------------------------|------------------------|
| | 2012 | 2011 |
| STOCKHOLDERS' EQUITY | | |
| Capital Stock | | |
| Authorized - 260B shares @ P.01 par value each (P 2,600,000,000) | | |
| Issued and outstanding | 2,017,306,183 | 2,014,785,364 |
| Subscribed capital stock (net of subscriptions receivable) | 2,641,343 | 218,276 |
| Share premium | 502,183,429 | 497,348,227 |
| Deposit for Future Subscription | 0 | 0 |
| Deficit | | |
| Operations | | |
| Beginning balance | (993,550,475) | (998,071,463) |
| Net income (loss) for the period | (3,060,975) | (2,423,744) |
| | (996,611,450) | (1,000,495,206) |
| Fair Value Reserve | 42,056,508 | - |
| Effects of changes with non-controlling interest | 954,621,275 | - |
| TOTAL STOCKHOLDERS' EQUITY | P 2,522,197,268 | P 1,511,856,661 |

MANILA MINING CORPORATION
NOTES TO FINANCIAL STATEMENTS

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

Manila Mining Corporation (the parent company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on May 20, 1949, primarily to carry on the business of mining, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging and otherwise producing and dealing in precious and semi-precious metals, ores, minerals and their by-products. The parent company's shares are listed and traded on the Philippine Stock Exchange (PSE). On April 16, 1999, the SEC approved the extension of the Parent Company's corporate term for another fifty (50) years upon expiration of its original term on May 30, 1999. Lepanto Consolidated Mining Company (LCMC), a publicly listed Company, and its subsidiaries, has 20.12% equity interest in the Company.

The principal office of the Parent Company is located at the 20th Floor, Lepanto Building, 8747 Paseo de Roxas, 1226 Makati City.

The parent company had a total of 64 regular employees as of 31 March 2012.

On May 11, 2011, the Parent Company, KCGRI and Philex Mining Corporation (Philex), finalized an agreement for the exploration and joint development of the Kalaya-an Project located in Placer, Surigao del Norte. The Kalaya-an Project, which is registered under KCGRI, is covered by EP No. XIII-014B.

The renewal of the EP was granted in April 2010, and is valid until April 2012, renewable for another two (2) years. It is the same EP covered by the terminated agreement with Anglo.

Pursuant to the agreement, the Parent Company sold to Philex a total of 125,000 shares of stock of KCGRI, representing a 5% interest in KCGRI, for a consideration of US\$25 million. Philex shall earn an additional 55% interest in KCGRI by sole-funding all pre-development expenses including a final feasibility study for the Project. The development of the Project shall be undertaken jointly by the Parent Company and Philex.

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

Adoption of PFRS 9

After consideration of the result of its impact evaluation and the postponement of the effectivity of PFRS 9 to annual periods beginning on or after January 2015, the Company has decided not to early adopt PFRS 9 for its 2012 annual financial statement.

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 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:

| | 1st qtr 2012 | 1st qtr 2011 |
|--|-----------------|-----------------|
| Numerator: | | |
| Net (loss) income for The quarter | P (3,060,975) | P (2,423,744) |
| Denominator: | | |
| Weighted average Total shares subscribed, issued and outstanding | 201,718,116,257 | 201,478,536,412 |

MANILA MINING CORPORATION

AGING OF ACCOUNTS RECEIVABLE TRADE

As of March 31, 2012

NONE

p -00-

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

As of 31 March 2012

The company earned a modest interest income of P720,692 for the 1st quarter 2012 compared with P4,673 of 1st quarter 2011. Administration and Depreciation costs totaled P3.78 million compared with P2.43 million last year. Administration costs increased to P2.718 million mainly due to the higher annual listing fee paid to the Philippine Stock Exchange, amounting to P1.2 million. Net loss for the period amounted to P3.061 million compared with P2.4 million of the same period last year.

Cash and Cash Equivalents amounted to P453.96 million, 13.91% lower than the end-2011 level due to continuing exploration activities. Receivables decreased by 28.90% to P4.17 million due to collection of receivables mostly in relation to the employees' stock options. Prepayments increased by 9.75% amounting to 5.173 million on account of the recognition of input VAT on exploration activities. Non-trade payables decreased to P0 .77 million due to settlement of accounts with related parties.. Accounts payables and accruals decreased by 9.96% to P148.7 million mainly due to partial payment of accounts.

Subject to the completion of the feasibility study and pursuant thereto, the company may purchase equipment and hire additional employees this year for the Placer Project.

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 P109.59 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

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

MANILA MINING CORPORATION AND SUBSIDIARY
FINANCIAL RATIOS
PURSUANT TO SRC RULE 68, AS AMENDED
(With Comparative Annual Figures for 2011)

| | 1ST QUARTER | YEAR END |
|---------------------------------------|--------------------|----------------------|
| | March 2012 | December 2011 |
| Profitability Ratios: | | |
| Return on assets | -0.11% | 0.16% |
| Return on equity | -0.15% | 0.22% |
| Net Profit Margin | n/a | n/a |
| Solvency and liquidity ratios: | | |
| Current Ratio | 3.61:1 | 3.63:1 |
| Debt to equity | 0.09:1 | 0.10:1 |
| Quick Ratio | 3.03:1 | 3.15:1 |
| Financial Leverage ratio: | | |
| Asset to equity | 1.09:1 | 1.10:1 |
| Debt to Asset ratio | .08:1 | 0.09:1 |
| Interest rate coverage ratio | n/a | n/a |