

SECURITIES AND EXCHANGE COMMISSIONS  
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, 2014**
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>121,630,277,957</b>
<b>Class "B"</b>	<b>81,029,583,399</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       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

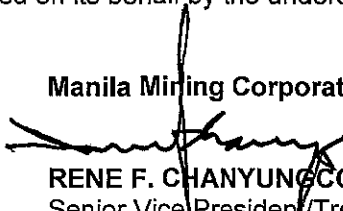
- Item 1. Financial Statements:** *Income Statement* - Annex "A"  
*Balance Sheet* - Annex "B"  
*Statement of Cash Flow* - Annex "C"  
*Stockholders' Equity* - Annex "D"  
*Notes to Financial Statements* - Annex "E"  
*Aging of Accounts Receivable-Trade* - Annex "F"
- Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations** - Annex "G"
- Item 3. Impact of Current Global Financial Condition** - Annex "H"
- Item 4. Financial Ratios** - Annex "I"

### PART II- OTHER INFORMATION (None)

#### SIGNATURES

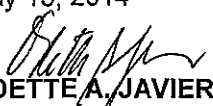
Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer : **Manila Mining Corporation**

Signature :   
**RENE F. CHANYUNGO**

Title : Senior Vice President/Treasurer

Date : May 15, 2014

Signature :   
**ODETTE A. JAVIER**

Title : Assistant Corporate Secretary

Date : May 15, 2014

MANILA MINING CORPORATION  
CONSOLIDATED QUARTERLY INCOME STATEMENT  
FOR THE FIRST QUARTER OF 2014  
(WITH COMPARATIVE FIGURES FOR THE FIRST QUARTER OF 2013)

ANNEX "A"

		MARCH 31	
		2014	2013
<b>REVENUE</b>			
Copper	P	-	P -
Gold		-	-
Silver		-	-
Interest and Other income		10,638	646,376
		<u>10,638</u>	<u>646,376</u>
<b>COST AND EXPENSES</b>			
Mining, milling, refining and other related charges and administrative expenses including depreciation, depletion and amortizations		3,353,569	3,820,431
		<u>3,353,569</u>	<u>3,820,431</u>
<b>NET INCOME BEFORE INCOME TAX</b>		<u>(3,342,931)</u>	<u>(3,174,055)</u>
<b>PROVISION FOR INCOME TAX</b>			
Current			
Deferred			
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	P	<u>(3,342,931)</u>	P <u>(3,174,055)</u>
<b>EARNINGS (LOSS) PER SHARE</b>	P	<u>(0.000017)</u>	P <u>(0.000016)</u>
<b>Formula:</b>			
Net Loss		(3,342,931)	(3,174,055)
divided by Total shares subscribed, issued and outstanding		202,121,116,257	201,983,116,257
		<u>(0.000017)</u>	<u>(0.000016)</u>

MANILA MINING CORPORATION  
CONSOLIDATED BALANCE SHEET  
As of March 31, 2014  
(With Comparative Figure for December 31, 2013)

ANNEX "B"

A S S E T S				LIABILITIES AND STOCKHOLDERS' EQUITY			
		March 2014	*December 2013			March 2014	*December 2013
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
Cash & cash equivalents:	P	6,046,760	P 6,571,015	Accounts payable and accruals	P	408,857,915	P 387,248,922
Short-term investments				Dividends payable		-	-
Receivables				Non-trade payables		1,726,618	1,730,577
Trade		-	-	Notes Payable			
Non-trade ( net )		13,040,219	12,783,506			<u>410,584,534</u>	<u>388,979,499</u>
Subscription Receivables		-	-	<b>NON-CURRENT LIABILITIES</b>			
Inventories				Notes Payable			
Bullion		-	-	Deferred Tax Liability		65,822,880	65,822,880
Copper concentrate		-	-	Pension Liability		13,131,936	13,131,936
Gold in process - CIP		-	-	Provision for mine rehabilitation & decommissioning			
Ore		-	-			<u>78,954,816</u>	<u>78,954,816</u>
Materials and supplies (net)		28,037,475	26,834,212	<b>STOCKHOLDERS' EQUITY</b>			
Prepayments		97,557,396	97,093,047	Capital Stock			
		<u>144,681,850</u>	<u>143,281,781</u>	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			
				Issued and outstanding-202,121,116,257 shares			
				- December 2013-202,121,116,257 shares		2,021,336,163	2,021,336,163
				Subscribed capital stock - 538,745,099 shares			
				- December 2013- 538,745,099)			
				subscriptions receivable of P366,405		5,021,046	5,021,046
				Share Premium		508,636,853	508,636,853
				Deposit for future subscriptions		0	0
						<u>2,534,994,062</u>	<u>2,534,994,062</u>
				Fair Value Reserve		(39,622,292)	(39,622,292)
				Retained earnings, beginning		(1,014,135,849)	(1,001,831,961)
				Add: Net income (loss) for the period		(3,342,931)	(12,303,888)
				Retained earnings, end		<u>(1,017,478,780)</u>	<u>(1,014,135,849)</u>
				Gain/Loss on RBO Remeasurement		111,724	111,724
				Effects of changes with non-controlling int		954,621,275	954,621,275
				Net stockholders' equity		<u>2,432,625,988</u>	<u>2,435,968,919</u>
				<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<b>TOTAL ASSETS</b>	<b>P</b>	<u><b>2,922,165,337</b></u>	<u><b>P 2,903,903,234</b></u>	<b>P</b>	<u><b>2,922,165,338</b></u>	<u><b>2,903,903,235</b></u>	

\*\* - UNAUDITED

\* - AUDITED

MANILA MINING CORPORATION  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THREE MONTHS ENDED MARCH 31, 2014

ANNEX "C"

(WITH COMPARATIVE FIGURES FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED MARCH 31)

	MARCH 31	
	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income/(loss) for the period	(1,593,293)	(3,174,055)
Add/(deduct) year-to-date adjustments	-	-
	<u>(1,593,293)</u>	<u>(3,174,055)</u>
<b>Adjustment to reconcile net income to net cash provided by operating activities:</b>		
Depreciation	350,983	1,085,437
Impairment loss	-	-
	<u>(1,242,310)</u>	<u>(2,088,618)</u>
<b>Changes in assets and liabilities</b>		
(Increase) decrease in receivables	18,512	(21,530,645)
(Increase) decrease in inventories	(46,467)	(7,906,317)
(Increase) decrease in prepayments	(41,129)	(3,901,186)
Increase (decrease) in accounts payable & accruals	(3,462,912)	(16,208,016)
Increase (decrease) in notes payable/dividends payable	-	-
Net cash provided by operating activities	<u>(4,774,306)</u>	<u>(51,634,782)</u>
<b>CASH USED IN INVESTING ACTIVITIES:</b>		
(Increase) decrease of property, plant and eqpt	(6,379,466)	(63,383,918)
(Increase) decrease in investments available for sale	-	-
(Increase) decrease in other assets	(2,482)	(16,928)
Net cash used in investing activities	<u>(6,381,948)</u>	<u>(63,400,846)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Increase (decrease) in subscribed capital stock	-	-
Increase (decrease) in Share Premium	-	220,000.00
Increase (decrease) in Deposit for Future Subscription	-	380,000.00
Increase (decrease) in Fair Value Reserve	-	-
Receipts from ( payment to ) related parties	(3,959)	494,514
Increase (decrease) in deferred tax liability	-	-
Increase (decrease) gain/loss on Rbo remeasurement	-	-
Net cash provided by (used in) financing activities	<u>(3,959)</u>	<u>1,094,514</u>
<b>NET INCREASE (DECREASE) IN CASH FOR THE YEAR</b>	<b>(11,160,213)</b>	<b>(113,941,114)</b>
<b>CASH</b>		
Beginning of the period	<u>17,206,973</u>	<u>147,056,636</u>
End of the period	<u><u>6,046,760</u></u>	<u><u>33,115,522</u></u>

MANILA MINING CORPORATION  
 CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY  
 FOR THE PERIOD ENDED MARCH 31, 2014

ANNEX "D"

	MARCH 31	
	2014	2013
<b>STOCKHOLDERS' EQUITY</b>		
Capital Stock		
Authorized - 260B shares @ P.01 par value each (P 2,600,000,000)		
Issued and outstanding	2,021,336,163	2,019,956,163
Subscribed capital stock (net of subscriptions receivable)	5,021,046	211,420
Share premium	508,636,853	502,563,353
Deficit		
Operations		
Beginning balance	(1,014,135,849)	(1,002,600,424)
Net income (loss) for the period	(3,342,931)	(3,174,055)
	(1,017,478,780)	(1,005,774,478)
Fair Value Reserve	(39,622,292)	5,828,008
Gain/Loss on RBO Remeasurement	111,724	
Effects of changes with non-controlling interest	954,621,275	954,621,275
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>P 2,432,625,988</b>	<b>P 2,477,405,739</b>

**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 79 regular employees as of 31 March 2014.

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.

Prior to its expiration, or on 18 April 2012, an application for another renewal was filed by KCGRI for the purpose of conducting a more in-depth and detailed exploration in the area and to complete the feasibility study.

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.

The accounting policies adopted in the preparation of the financial statements are consistent with the most recent annual financial statements.

**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 2013 annual financial statement.

**Note 3 – Standards under SEC Memorandum Circular No. 6 (SEC MC-6)**

The company adopts the following standards and interpretations that took effect on January 1, 2013 and are covered under the SEC Memorandum Circular No.-6:

Title	Subject	Applicable
PAS 27 (Amended)	Separate Financial Statements	Yes
PAS 28 (Amended)	Investments in Associates and Joint Ventures	Yes
Amendment of PFRS 1	Government Loans	N/A*
Amendment of PFRS 7	Disclosures-Offsetting Financial Assets and Financial Liabilities	N/A*
PFRS 10	Consolidated Financial Statements	Yes
PFRS 11	Joint Arrangement	N/A*
PFRS 12	Disclosures of Interests in Other Entities	Yes
PFRS 13	Fair Value Measurement	Yes



N/A\*-not applicable

The company does not expect the adoption of these new and amended PFRS and PAS to have a significant impact on its financial statements and on the audited figures as of December 31, 2013.

**Note 4– Cash and cash equivalents**

These include cash on hand and in banks. Cash in banks earn regular bank deposit interest. Money placements earn an interest at slightly higher rates. All placements are for fixed short term tenor and subject to pre termination at the option of the company without penalty.

**Note 5– Receivables**

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

**Note 6– Pre-payments and Deposits**

This account represents prepaid royalties & miscellaneous deposit in relation to drilling contract.

**Note 7– 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 8 – Other Assets**

This account consists mainly of Deposit receivable and idle equipment.

**Note 9 – Available for sale investments**

These include quoted and unquoted equity instruments. Quoted instruments (listed shares) and unquoted equity instruments (shares not listed) are carried at fair market value as of December 31 2013 as determined. Unquoted or investments not listed have no fixed maturity date or coupon rate, and they have no available bid price.

Unrealized loss on the movement in fair value of these investments amounting to P39.6 million is recognized as separate component in the statement in changes in equity under Fair Value Reserve.

**Note 10– Accounts Payable and Accrual**

This represents payables to suppliers and advances from shareholders.

**Note 11 – Non-trade Payables**

This account represents payables to affiliates.

**Note 12 – 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 13 - Earnings (loss) per share**

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

	1st qtr 2014	1st qtr 2013
Numerator:		
Net (loss) income for The quarter	P(3,342,931)	P (3,174,055)
Denominator:		
Weighted average Total shares subscribed, issued and outstanding	202,121,116,257	201,983,116,257

MANILA MINING CORPORATION

AGING OF ACCOUNTS RECEIVABLE TRADE

As of March 31, 2014

NONE

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

As of 31 March 2014

Interest income for the 1<sup>st</sup> quarter of 2014 amounted to only P10,638 compared with P0.65 million for the same quarter last year while expenses, consisting of depreciation and administration costs, totaled to P3.35 million, compared with P3.82 million last year. Consequently, Net loss for the 1<sup>st</sup> quarter of 2014 amounted to P3.34 million, compared with P3.17 million last year.

Cash and Cash Equivalents amounted to P6.046 million, 8% lower than the year-end 2013 level as disbursements were made to suppliers and employees. Assay materials and supplies increased by 4.5% to P28.04 million.

Account payables and accruals increased by 5.58% to P408.86 million on account of exploration and pre-development activities undertaken by contractors.

Exploration drilling, resource/ reserve estimation continue at/for the Placer project, Exploration also continues at the Kalayaan Project, pursuant to a Farm-In Agreement among Manila Mining Corporation, Philex Mining Corporation and Kalayaan Copper-Gold Resources, Inc.

The Company is undertaking a 1:3.56 stock rights offering in June 2014 that should raise P683 million to fund the Company's exploration projects and working capital and for the payment of suppliers, contractors and other debts.

**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 P27.92 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 2013)

ANNEX "I"

	1ST QUARTER	YEAR END
	March 2014	December 2013
<b>Profitability Ratios:</b>		
Return on assets	-0.11%	-0.31%
Return on equity	-0.17%	-0.50%
Net Profit Margin	n/a	n/a
<b>Solvency and liquidity ratios:</b>		
Current Ratio	0.35:1	0.37:1
Debt to equity	0.20:1	0.19:1
Quick Ratio	0.01:1	0.02:1
<b>Financial Leverage ratio:</b>		
Asset to equity	1.20:1	1.19:1
Debt to Asset ratio	0.17:1	0.16:1
Interest rate coverage ratio	n/a	n/a