

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, 2007**
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"	107,433,136,003
Class "B"	71,571,185,202

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"

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, 2007

Signature : 

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

Date : August 14, 2007

MANILA MINING CORPORATION

QUARTERLY INCOME STATEMENT

SIX MONTHS ENDED JUNE 30, 2007

(WITH COMPARATIVE FIGURES FOR THE SIX MONTHS ENDED JUNE 30, 2006)

	<u>Second Quarter of 2007</u>	<u>Second Quarter of 2006</u>	<u>SIX MONTHS ENDED JUNE 30</u>	
			<u>2007</u>	<u>2006</u>
REVENUE				
Copper	P	P		P
Gold				
Silver				
Interest and Other income			1,053,090	4,192
			<u>932,033</u>	<u>2,218</u>
			<u>932,033</u>	<u>2,218</u>
COST AND EXPENSES				
Mining, milling, refining and other related charges and administrative expenses including depreciation, depletion and amortizations			8,815,303	45,403,075
			<u>4,440,078</u>	<u>23,226,158</u>
			<u>4,440,078</u>	<u>23,226,158</u>
NET INCOME (LOSS) BEFORE INCOME TAX PROVISION FOR INCOME TAX			<u>(7,762,213)</u>	<u>(45,398,883)</u>
Current				
Deferred				
NET INCOME (LOSS) FOR THE PERIOD	P	P	<u><u>(7,762,213)</u></u>	<u><u>(45,398,883)</u></u>
EARNINGS (LOSS) PER SHARE	P	P	<u><u>(0.000043)</u></u>	<u><u>(0.000380)</u></u>
			<small>(-3, 508, 046 / 179,004,321,205 shs)</small>	<small>(-23,223,940 / 119,336,214,137 shs)</small>
			<small>(-7, 762, 213 / 179, 004, 321, 205 shs)</small>	<small>(-45,398,883 / 119,336,214,137 shs)</small>
Formula:				
			(7,762,213.30)	(45,398,882.84)
Net Loss			(7,762,213.30)	(45,398,882.84)
divided by Total shares subscribed,			179,004,321,205	119,336,214,137
issued and outstanding			<u><u>179,004,321,205</u></u>	<u><u>119,336,214,137</u></u>
			<u><u>(0.000020)</u></u>	<u><u>(0.000195)</u></u>
			<u><u>(0.000043)</u></u>	<u><u>(0.000380)</u></u>

MANILA MINING CORPORATION

BALANCE SHEET

June 30, 2007

(With Comparative Figures for December 31, 2006)

A S S E T S				LIABILITIES AND STOCKHOLDERS' EQUITY					
	**	June 2007	*	December 2006		**	June 2007	*	DECEMBER 2006
CURRENT ASSETS					CURRENT LIABILITIES				
Cash	P	3,356,415	P	8,350,302	Accounts payable and Accruals	P	202,771,193	P	278,593,422
Short-Term Investments		322,733,524		110,000,000	Contract Payable		337,556,610		
Receivables					Dividends Payable		573,097		573,097
Non-trade (net)		6,906,987		6,021,808			<u>540,900,900</u>		<u>279,166,519</u>
Inventories					NON-CURRENT LIABILITIES:				
Bullion		-		-	Non-trade Payables		298,270,049		315,966,685
Copper concentrate		-		-	Deferred Tax Liability		151,509,780		151,509,780
Gold in process - CIP		-		-	Pension Liability		<u>4,161,588</u>		<u>4,161,588</u>
Ore		-		-			<u>453,941,417</u>		<u>471,638,053</u>
Materials and supplies (net)		43,278,243		40,374,355					
Prepayments		<u>52,013,638</u>		<u>41,098,751</u>					
		<u>428,288,807</u>		<u>205,845,217</u>	STOCKHOLDERS' EQUITY				
					Capital Stock				
					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				
NON-CURRENT ASSETS:					Issued and outstanding-178,955,851,998sh: (May 2007 - 178,099,175,589shs)		1,789,558,520		1,780,991,756
Property, Plant and Equipment (net)		1,468,341,041		1,454,749,270	Subscribed capital stock - 48,469,207 shs (May 2007 - 905,145,616shs), net c subscriptions receivable		298,979		8,946,746
Other Assets (net)		6,762,322		6,641,102	Share Premium		<u>296,730,871</u>		<u>296,768,818</u>
Deferred Income Tax assets		45,132,246		45,132,246			<u>2,086,588,371</u>		<u>2,086,707,320</u>
Available For Sale Financial Assets		<u>7,875,000</u>		<u>7,875,000</u>	Retained earnings, beginning		(1,117,644,057)		(1,004,946,309)
		<u>1,528,110,609</u>		<u>1,514,397,618</u>	Add: Net income (loss) for the period		<u>(7,762,213)</u>		<u>(112,697,748)</u>
TOTAL ASSETS	P	<u>1,956,399,417</u>	P	<u>1,720,242,835</u>	Retained earnings, end		<u>(1,125,406,271)</u>		<u>(1,117,644,057)</u>
					Net stockholders' equity		<u>961,182,100</u>		<u>969,063,263</u>
					Fair Value Reserve		<u>375,000</u>		<u>375,000</u>
					TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	P	<u>1,956,399,417</u>	P	<u>1,720,242,835</u>

* Audited

** Unaudited

MANILA MINING CORPORATION

STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2007

(WITH COMPARATIVE FIGURES FOR THE SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 2006)

	SECOND QUARTER		SIX MONTHS ENDED JUNE 30	
	2007	2006	2007	2006
Net income/(loss) for the period	(3,508,046)	(23,223,940)	(7,762,213)	(45,398,883)
Add/(deduct) year-to-date adjustments	(3,508,046)	(23,223,940)	(7,762,213)	(45,398,883)
Adjustment to reconcile net income to net cash provided by operating activities:				
Depreciation	2,490,946	8,224,127	4,981,893	16,446,495
Depletion & amortization of pre-stripping costs		5,377,481		10,754,961
	(1,017,099)	(9,622,332)	(2,780,321)	(18,197,427)
Changes in assets and liabilities				
(Increase) decrease in receivables	(1,082,697)	33,398	(1,070,892)	(57,480)
(Increase) decrease in inventories	(2,504,912)	502,323	(2,903,888)	502,323
(Increase) decrease in prepayments/marketable securities	(8,620,078)	(134,411)	(10,914,886)	(225,043)
Increase (decrease) in accounts payable & accruals	(55,728,902)	9,670,748	(76,322,229)	18,451,412
Increase (decrease) in notes payable		(82)		(82)
Net cash provided by operating activities	(68,953,688)	449,643	(93,992,216)	473,702
CASH USED IN INVESTING ACTIVITIES:				
(Increase) decrease of property, plant and eqpt	(13,041,176)	(303,596)	(18,073,664)	(303,596)
(Increase) decrease in other assets	176	43,212	(121,220)	76,284
Net cash used in investing activities	(13,041,001)	(260,384)	(18,194,884)	(227,312)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Increase (decrease) in subscribed capital stock				
Increase (decrease) in share premium			66,764	
Increase (decrease) in borrowings (contract payable)	196,904		337,556,610	
Payment to related parties	(2,670,649)		(17,696,636)	
Net cash provided by (used in) financing activities	(2,473,745)	-	319,926,738	-
NET INCREASE (DECREASE) IN CASH FOR THE YEAR	(84,468,433)	189,259	207,739,637	246,390
CASH				
Beginning of the period	410,558,372	520,224	118,350,302	463,092
End of the period	326,089,939	709,483	326,089,939	709,483

MANILA MINING CORPORATION

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE PERIOD ENDED JUNE 30, 2007 AND JUNE 30, 2006

	<u>JUNE 30</u> <u>2007</u>	<u>JUNE 30</u> <u>2006</u>
STOCKHOLDERS' EQUITY		
Capital Stock		
Authorized - 180B shares @ P.01 par value each (P 1,800,000,000)		
Issued and outstanding	1,789,558,520	1,193,160,189
Subscribed capital stock (net of subscriptions receivable)	298,979	71,125
Capital in Excess of par value	296,730,871	4,230,174
Retained earnings		
Operations		
Beginning balance	(1,117,644,057)	(936,543,157)
Net income (loss) for the period	(7,762,213)	(45,398,883)
Forex loss		
	(1,125,406,271)	(981,942,040)
TOTAL STOCKHOLDERS' EQUITY	P <u>961,182,100</u>	P <u>215,519,448</u>

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 both as of December 31, 2006 and June 30, 2007, but 521 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 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 1 – Receivables

This consists of Prepaid royalties and Other receivables.

Note 2 – Pre-payments and Deposits

This account represents Prepaid income tax & Miscellaneous deposit in relation to drilling contract

Note 3 – Property, Plant and Equipment

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

Note 4 – Other Assets

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

Note 5 – Accounts Payable and Accrual

This represents payables to suppliers and advances from shareholders.

Note 6 – Non-trade Payables

This account represents payable to affiliates.

Note 7– Contract Payable and Loans Payable

The amount of P337.6 million in June 2007 represents the equivalent peso value of the US\$7 million deposit received from Anglo from Anglo American Investment by in relation to the joint venture in the Kalayaan Project.

Note 8 – 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 9 - Earnings (loss) per share

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

	2 nd qtr 2007	2 nd qtr 2006
Numerator:		
Net (loss) income for The quarter	P (7,762,213)	P (45,398,883)
Denominator:		
Weighted average Total shares subscribed, issued and outstanding	179,004,321,205	119,336,214,137

MANILA MINING CORPORATION

AGING OF ACCOUNTS RECEIVABLE TRADE

As of June 30, 2007

NONE

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Management's Discussion and Analysis of Financial Condition
and Results of Operations
As of 30 June 2007

The Company continued the Exploration Program that was commenced in the first quarter. There were no mining operations.

A modest income of P1,053,090.00 was made in the first half, representing interest earned on the deposit received of US\$7 million from Anglo American Investments by in relation to the joint venture on the Kalayaan Project. Interest income in the same period last year amounted to only P4,192. Total expenses during the first half, consisting mainly of depreciation and administrative expenses, totaled P8,815,303, compared with P45,403,075 in the first half of 2006, for a net loss this year of P 7,762,213 compared with P45,398,883.00 last year.

For the second quarter, interest income amounted to P932,033; total expenses reached P4,440,078, resulting in a net loss of P3,508,046. Last year, interest income was negligible while depreciation and administrative expenses totaled P23,226,158, for a net loss of P23,223,940.

The depreciation expense/amortisation of the tailings pond dropped by 81% (second quarter 2007 vs. 2006 and first half 2007 vs. 2006) because some equipment and the tailings dam had been fully depreciated as of last year. The administrative expenses this year of P3.005 million includes professional fees (audit and legal) and the PSE listing fee.

There were 33 active employees as at the end of the semester compared with 31 active employees last year.

Cash & Cash equivalents decreased by P4.9 million vs. end-2006 due to payments made to suppliers. Receivables increased by 15% from P6.0 million in to P6.9 million on account of the advance payments made to claim owners. Prepayments increased by P10.9 million or about 27% due to deposits made in connection with a drilling contract.

Accounts payable & accruals decreased by P75.8 million while Non-trade payables fell by P17.6 million due to settlement of accounts. The Contract Payable represents the sum received from Anglo American, as discussed above.

Retained earnings further decreased by 15% due to the net loss during the first half of 2007.