



APEXMINES

APEX MINING CO., INC.

May 17, 2010

PHIL. STOCK EXCHANGE

Disclosure Department
PSE Centre, Exchange Road
Ortigas Centre, Pasig City

Attention: **MS. JANET ENCARNACION**
Head – Disclosure Department

Dear Ms. Encarnacion:

We are submitting herewith SEC FORM 17-Q for the period ended March 31, 2010.

Thank you.

Very truly yours,

ROSANNA A. PARICA
Asst. Corporate Information Officer

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

For the quarterly period ended: **March 31, 2010**

Commission Identification Number: **40621** 3. BIR Tax Identification No. **000-284-138**

Exact Name of Registrant as specified in its charter: **APEX MINING CO., INC.**

Province, country or other jurisdiction of incorporation or organization : **PHILIPPINES**

Industry Classification Code : (SEC Use Only)

Address of registrant's principal office: **U1704 17th Flr, Prestige Tower Cond., F. Ortigas Jr. Road, Ortigas Center, Pasig City**

Postal Code: **1605**

Telephone number, including area code: Tel # **706-2805** Fax # **706-2804**

Former name, former address and former fiscal year, if changed since last report. **NA**

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 if Common Stock Outstanding or amount of Debt Outstanding
CLASS A	458,981,818
CLASS B	295,731,885

Are any or all registrant's securities listed on the Phil. Stock Exchange?

Yes No Phil. Stock Exchange - listed 759,531,841 million shares (P1.00) par value

Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 11 of the Revised Securities Act (RSA) and RSA Rule 11(a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 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 90 days

Yes No

PART I FINANCIAL INFORMATION

Item 1. Financial Statements

Please see attached Unaudited Financial Statements for the period ended March 31, 2010.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Operations

Development during the 1st quarter of 2010 continued with the ore drives at Masara vein at levels 545 and 530 and bringing down the ramp no.2 from Level 560 to L530. Priority infrastructure development was to connect the L530 drainage drive to Masarita tunnel for gravity drainage that would eliminate the costly pumping up to Level 590 portal. The drainage tunnel was completed in April 13, 2010. Meanwhile the vertical access raise using Arkbro machine from L530 to surface for secondary egress to the mine was initiated and eight (8) meters remaining to hole out to surface.

Similarly in the Malumon area, ore drifting at Sandy vein continued in Levels 845, 830 and 815 towards the eastern boundary limit while an incline ramp from L870 to surface is being developed to block reserve above L870 of the Sandy vein.

The decline to access the Maria Inez further south of the Sandy vein was designed and developed from L800 of the existing Sandy main decline ramp to target the identified good grade ore shoot of Maria Inez vein at level 785. Additional development crosscut at Level 830 to access the Jessie vein that was previously intercepted by underground drilling was completed and started drifting the vein towards east. It was envisaged that the development of these additional vein systems would replace the reserves being mined at Bonanza and Sandy.

A total of 1,354 meters of development were achieved in the 1st quarter of 2010 compared to the budget of 1,844 meters. Forty-nine percent (49%) of the development advances of 659 meters were in waste development and 51% or 695 meters were advanced in the ore drives.

Ore production during the period amounted to 41,199tons with an average grade of 5.2g/t Au or an average of 13,740tons per month or 458 tpd. Forty-five percent (45%) of these came from the stope ore production from both Bonanza vein and Sandy vein and the remaining fifty-five percent aggregated from the ore drives.

Below is the comparative table showing the distribution of the development meters advanced and ore produced 1st quarter 2010 against the budget:

COMPARATIVE TABLE

PARAMETERS	ACTUAL	BUDGET
Development, m		
On Vein Drives	695	873
Waste development	659	971
TOTAL	1,354	1,844
Ore Production, t		
Stope Ore	18,642 @ 5.5 Au g/t	19,025 @ 5.7 Au g/t
Dev't ore	22,557 @ 4.7 Au g/t	20,238 @ 5.7 Au g/t

2010 1st Quarter Review – Mill

Period	Tonnes Milled	Grade		% Recovery	
		Au	Ag	Au	Ag
Jan-10	12,192	5.60	35.21	84.24	65.33
Feb-10	13,669	4.28	27.86	84.45	64.19
Mar-10	16,215	4.47	29.38	82.17	57.23
1Q 2010	42,076	4.74	30.58	83.51	61.84
4Q 2009	44,154	4.94	35.24	84.10	61.82

Table 1. 1Q 2010 vs. 4Q 2009 Mill Production Data

Maco processing plant is still operating at an optimum rate of 500 tonnes per day. Major projects to attain 700 tonnes per day have been partially completed this quarter.

The fine ore bin (FOB) was commissioned last January. This greatly improved grinding operating hours because the mills can now continue to run up to 8 hours even though maintenance works are being done on the crushing section. Tailings pipeline number 3 was also completed and tested last February but is still under going fine-tuning. Conversion of former detoxification tanks to CIL and raising of the tanks are on-going. Additional CIL tankage will be realized 3Q 2010.

Financials

The Company grossed a P304.4 million sales first quarter of 2010. However, it still posted a net loss of P85.6 million as of the end of the quarter. As compared to last quarter of 2009, the net loss for the first quarter is much bigger because of the increase in the general and administrative expenses.

As of first quarter of 2009, total current assets of the Company amounted to P439.2 million which has a 5.3% decline than the P464 million balance as of the beginning of the year. The decrease was primarily because of the decrease in the receivables. Current liabilities increased by P246,516 thousand from P2,983,133,691 as of the end of December 31, 2008 to P2,982,887,175 as of the end of March 31, 2010.

Net cash used for operating activities for the quarter ended 2010 amounted to P5.8 million compared to last year's first quarter amounting to P24.0 million. The decrease is primarily due to the increase in Prepayments, increases in Inventory and Receivables, and the decrease in Accounts Payable and Accrued Expenses. Net cash used in investing activities which includes additions on Property, Plant and Equipment, Non-Current Assets and Exploration Expenditures were higher at P15,068,225 for the quarter of 2010 as compared to invested last year's quarter amounting to a negative of P13,802,434.

Net cash used in investing activities, principally the addition to PPE, amounted to P11.2 million for the first quarter of 2010 compared to first quarter of 2009 amounting to P11.5 million.

Net cash provided by financing activities also posted a decrease at P32,206,427 this 2010 compared to P36,932,261 in 2009.

Material Changes for the First Quarter of 2010 vs. December 31, 2009

Apex Mining Co., Inc.

Comparative Balance Sheets

As at March 31, 2010

(all in Phillipine Pesos)

	as at	as at	Change		Narratives
	31-Mar-10	31-Dec-09	Amount	%	
Current Assets					
Cash	58,278,786	16,836,351	41,442,435	246.15%	Sales collection for the quarter
Receivables	72,901,346	177,053,157	(104,151,811)	-58.83%	cash receipts on sales & advances clearings
Inventories	209,487,525	194,539,059	14,948,466	7.68%	purchases and advances clearings
Prepayments	98,577,531	75,573,198	23,004,333	30.44%	input taxes on purchases for the quarter
Total current assets	439,245,188	464,001,765	(24,756,577)		
Property and Equipment - Net					
Land and Land Improvements	35,515,000	35,515,000	0	0.00%	
Buildings & Structures	138,173,153	133,569,798	4,603,355	3.45%	Maligaya Mine Office & Fine Ore Bin Construction
Mining Equipment	196,172,356	196,172,356	0	0.00%	
Mill Machineries & Equipment	541,454,195	540,954,195	500,000	0.09%	2U Motor, Induction, 75Kw, 3 Phase, 440V, 60Hz, Coppe
Dams and Diversions	306,982,635	306,982,635	0	0.00%	
Roads & Bridges	88,597,829	88,597,829	0	0.00%	
Transportation	5,142,494	5,332,369	(189,875)	-3.56%	Reclassified to mining cost
Power Generator/Electrical Equipment	87,035,764	87,035,763	1	0.00%	
Drilling Equipment		52,362	(52,362)	-100.00%	Reclassified to mining cost
Heavy Mobile Equipment	369,427,735	369,427,734	1	0.00%	
Pumps & Motors	13,606,156	13,083,891	522,265	3.99%	2 Units pump, Mono, 3Hp, 3Phase, 440V, 420 Cu.M/Hr, 60Hz, 50% dp for radwin 2000, wireless P2P bridge system
Communication Equipment	1,347,164	241,545	1,105,619	457.73%	purchases of office tables, chairs, aircon, typewriters & staffhouse furnitures
Furniture & Office Equipment	173,914,034	173,734,309	179,725	0.10%	2U Asus Comp, Laptop, UI80Ag-Wx005R, Intel Ulv Proc
Computer Equipment	801,023	693,786	107,237	15.46%	
Small tools & equipment	10,783	4	10,779	269464.25%	purchase of Shovels
Mine ventilation equipment	25,889,930	25,889,930	0	0.00%	
Property Plant & Equipment - ARO	848,559	848,559	0	0.00%	
PPE in Progress	12,199,501	7,696,606	4,502,896	58.50%	various constructions for the quarter
PPE at Cost	1,997,118,310	1,985,828,669	11,289,641		
Accumulated Depreciation	1,591,290,134	1,545,247,606	46,042,528	2.98%	depreciation for the quarter
Deferred Mine Explo & Dev't Costs	23,233,231	18,801,876	4,431,355	23.57%	Sagaysagay, L720 & L510 development for the quarter
Mine & Mine Properties	1,100,346,008	1,139,067,336	(38,721,328)	100.00%	depletion charges for the quarter
Other Assets	58,698,526	50,766,418	7,932,108	15.62%	
Assets Held for Sale			0		

Idle Assets, net	37,644,823	37,644,823	0	0.00%	
Others	21,053,703	13,121,595	7,932,108	60.45%	Gemcom Software purchase & Licences
Total Assets	2,027,351,128	2,113,218,459	(85,867,331)		
Current Liabilities	2,982,887,175	2,983,133,691	(246,515)		
Accounts Payable & Accrued Liabilities	95,640,942	128,093,885	(32,452,943)	-25.34%	payment to suppliers and reversal of accruals
Due (to) CGC		(0)	0		
Due (to) Mapula	941,772,896	941,894,588	(121,692)	-0.01%	2009 Tax compliance & review - SGV Receivable, fund , inventory and marketing transfer to Teresa
Due from (to) Teresa	1,218,319,650	1,186,074,289	32,245,361	2.72%	
Due from (to) PJS			0		
Due from (to) Mindanao Gold	727,153,687	727,070,929	82,758	0.01%	Forex net effect on cash remittance for the quarter
Non-Current Liabilities	95,703,419	95,703,419	0		
Deferred Tax Liability	50,397,386	50,397,386	0	0.00%	
Asset Retirement Obligation	23,038,716	23,038,716	0	0.00%	
Accrued Retirement Payable	22,267,317	22,267,317	0	0.00%	
Total Liabilities	3,078,590,594	3,078,837,109	(246,515)		
Total Capital Stock	864,193,968	864,193,968	0		
Capital Stock	756,682,170	756,682,170	0	0.00%	
Capital in excess of par value & Revaluation increment	4,224,410	4,224,410	0	0.00%	
Retained Earnings(Deficit)	(1,915,433,434)	(1,829,812,619)	(85,620,816)	4.68%	Losses for the quarter
At beginning of the year	(1,829,812,618)	(1,829,812,619)	(0)	0.00%	
For the year	(85,620,815)		(85,620,815)	100.00%	Losses for the quarter
Total capital deficiency	(1,051,239,466)	(965,618,651)	(85,620,816)		
Total Liabilities and Equity	2,027,351,128	2,113,218,459	(85,867,331)		

Top Five (5) Key Performance Indicators

1. Tonnes Milled and Ore Grade – tonnage, ore grade and metal recovery determine production and sales volume. The higher the tonner, grade of ore and recovery, the more metals are produced and sold.

For the quarter ending March 31, 2010, the mill plant processed a total of 42,076 with mill heads of 4.7 gpt Au and 30.58 grams per tonne silver, with average calculated metal recovery of 83.51% and 61.84% respectively for gold and silver.

2. Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) – EBITDA is an indication of the company's ability to generate cash from its operations to support its working capital requirements and immediate capital expenditure requirements. Positive EBITDA represents positive cash profit from operations.

Despite the capital deficiency, the company earned a positive EBITDA of P48 million (excluding unusual non-cash items) during its initial year of operations.

The Company has no off-balance sheet transactions, arrangements, obligations, and other relationships of the Company with unconsolidated entities or other persons created during the first quarter of 2009.

The Company does not know any trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.

The Company has no significant seasonality or cyclicity in its business operations that would have a material effect on the financial condition or results of operations.

There are no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidents.

There are no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

There are no issuances, repurchases, and repayments of debt and equity securities this interim period.

Segment reporting is not applicable to the Company.

There are no material events subsequent to the end of the interim period that have not been reflected in the unaudited financial statements for the interim period.

There's no effect in changes in the composition of the issuer during the interim period, including business combinations, acquisitions or disposal of subsidiaries and long-term investments, restructurings, and discounting operations.

There are no changes in contingent liabilities or contingent assets since the last annual balance sheet.

There are no material contingencies and any other events or transactions that are material to an understanding of the current interim period.

There are no material commitments, events or uncertainties that will have a material impact on the Company's liquidity.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no seasonal aspects that had a material effect on the financial condition or results of operations.

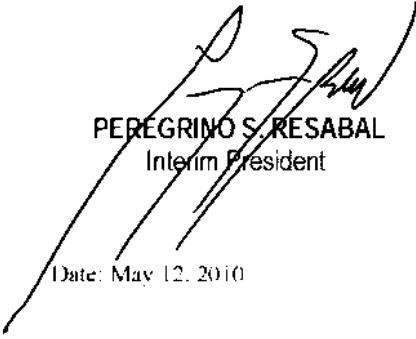
PART II - OTHER INFORMATION

There are no other information for this interim period not previously reported in a report on SEC Form 17-C.

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.

APEX MINING CO., INC.
Registrant



PEREGRINO S. RESABAL
Interim President



RODOLFO G. BRAVO
Treasurer

Date: May 12, 2010

APEX MINING CO., INC.
BALANCE SHEETS

	March 31, 2010 (UNAUDITED)	December 31, 2009 (AUDITED)
ASSETS		
Current Assets		
Cash	58,278,786	16,836,351
Receivables	72,901,346	177,053,157
Inventories	209,487,525	194,559,059
Prepayments	98,577,531	75,573,198
Total current assets	439,245,188	464,001,764
Non-current Assets		
Property, plant and equipment, net	405,828,176	440,581,063
Other non-current assets	1,182,277,766	1,208,635,630
Total Non-current assets	1,588,105,942	1,649,216,693
TOTAL ASSETS	2,027,351,130	2,113,218,458
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	95,640,942	128,093,885
Advances from stockholders and affiliates	2,887,246,233	2,855,039,806
Due to PJS Investments Corporation		
Total current liabilities	2,982,887,175	2,983,133,691
Non-Current Liabilities		
Deferred Tax Liability	50,397,386	50,397,386
Asset Retirement Obligation	23,038,716	23,038,716
Accrued Retirement Payable	22,267,317	22,267,317
	95,703,419	95,703,419
Total Liabilities	3,078,590,594	3,078,837,110
Stockholders' Equity		
Capital Stock	756,682,170	756,682,170
Capital in excess of par value	4,224,410	4,224,410
Revaluation surplus	103,287,388	103,287,388
Deficit	(1,915,433,432)	(1,829,812,620)
Total stockholders' Equity	(1,051,239,464)	(965,618,652)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	2,027,351,130	2,113,218,458

APEX MINING CO., INC.
UNAUDITED STATEMENT OF OPERATIONS

	Three Months Ended March 31	
	2010	2009
Sale of Gold	283,904,575	147,752,312
Sale of Silver	20,581,347	5,082,623
Total	304,485,922	152,834,935
Cost of Sales		
Mining Cost	(200,867,208)	(122,472,222)
Milling Costs	(87,187,649)	(30,645,394)
Marketing Expenses	(2,052,105)	
Total	(290,106,962)	(153,117,616)
Gross Income	14,378,960	(282,681)
General and Administrative Costs		
Salaries, wages and benefits	25,368,049	21,738,056
Depreciation and Amortization	1,974,960	980,448
Rentals	5,199,230	1,326,483
Utilities	1,155,889	1,018,620
Travel and transportation	484,579	629,620
Communications	1,404,116	2,235,734
Advertising and Promotion	14,400	0
Representation and Entertainment	2,471,613	1,823,145
Taxes and licenses	14,658,696	3,561,356
Dues and Subscription	56,316	59,126
Office Supplies & Other Consumables	1,261,670	453,499
Freight, Handling & Delivery	2,141,620	1,132,588
Professional & Contractor fees	26,067,805	9,113,890
Repairs and Maintenance	1,632,623	225,852
Insurance Expense	361,340	289,928
Other Materials & Consumables	7,418,901	6,275,518
Bank charges	68,219	8,297
Royalties	3,224,267	0
Staffhouse/Staffmess Supplies	658,631	1,432,125
Miscellaneous Expenses	424,880	431,061
Damaged Crops		124,009
Total	96,047,805	52,859,355
LOSS FROM OPERATIONS	(81,668,844)	(53,142,036)
Other (Income) Charges		
Realized FOREX Gain/(Loss)	(4,484,946)	2,003,895
Unrealized Exchange (Gain)Loss		
(Gain) Loss on Sale		
Provision for Final Tax		928
Loss from Assignment		
Interest income on bank deposit	13,594	(8,539)
Loss on damaged properties		3,350,394
Other income/(charges) - net	519,381	(134,778)
Total	(3,951,971)	5,211,900
NET (INCOME) LOSS FOR THE PERIOD	(85,620,815)	(47,930,137)
EARNINGS/(LOSS) PER SHARE	(0.113)	(0.063)

APEX MINING CO., INC.
UNAUDITED STATEMENT OF CHANGES IN EQUITY

	Three Months Ended March 31 2010	
	2010	2009
CAPITAL STOCK - P1 PAR VALUE	756,682,170	756,682,170
ADDITIONAL PAID-IN CAPITAL	4,224,410	4,224,410
REVALUATION INCREMENT	103,287,388	54,440,362
DEFICIT		
Beginning of period	(1,829,812,618)	(1,240,402,584)
Net loss for the period	(85,620,815)	(58,353,935)
End of period	(1,915,433,435)	(1,298,756,519)
TOTAL EQUITY	(1,051,239,467)	(483,409,578)

APEX MINING CO., INC.
UNAUDITED STATEMENT OF CASH FLOW

	Three Months Ended March 31	
	2010	2009
CASH FLOW FROM OPERATING ACTIVITIES		
Net loss	(85,620,815)	(58,353,935)
Depreciation & Amortization	46,042,528	34,650,350
Operating loss before changes in working capital	(39,578,287)	(23,703,585)
Increase in receivables and advances	104,151,811	2,358,961
Increase in inventory	(14,948,465)	9,679,926
Increase (decrease) in accounts payable and accrued expenses	(32,452,943)	(2,254,002)
Increase in prepayments	(23,004,333)	(10,167,743)
Net cash used in operating activities	(5,832,216)	(24,086,443)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(11,289,641)	(11,549,999)
Increase in deferred mine exploration costs	(4,431,355)	(2,546,591)
Increase in other noncurrent assets	30,789,220	294,156
Net cash used in investing activities	15,068,225	(13,802,434)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in amounts of advances from affiliates	32,206,427	36,932,261
Increase (decrease) in advances from stockholders	0	0
Net cash provided by financing activities	32,206,427	36,932,261
NET INCREASE IN CASH	41,442,436	(956,616)
CASH AT BEGINNING OF PERIOD	16,838,351	27,304,116
CASH AT END OF PERIOD	58,278,786	26,347,500

APEX MINING CO., INC.
 Aging of Accounts Receivable
 As of March 31, 2010

1) Aging of Accounts Receivable

Type of Accounts Receivable	Total	1 Month	2-3 Mos	4-6 Mos	7 Mos to 1 Year	1-3 Years	3-5 Years	5 Years Above	Fast due accounts & items in litigation
a) Trade Receivables Less: Allow. For Doubtful Acct. Net Trade Receivable	14,226,512	14,226,512	0	0	0	0	0	0	0
b) Non-Trade Receivables i) Advances - Temp. Accom. Less: Allow. For Doubtful Acct. Net Non-Trade Receivables	61,004,704 (2,329,870)	31,101,549	8,142,202	11,807,354	2,704,894	7,248,705			
Net Receivables (a + b)	58,674,834	31,101,549	8,142,202	11,807,354	2,704,894	7,248,705	0	0	0

2) Accounts Receivable Description

Type of Receivable	Nature/Description	Collection Period
a) Accounts Receivable	receivable from customers/government	
b) Accounts Receivable-Others	cash advance to suppliers, officers and employees/SSS Claims	

3) Normal Operating Cycle

1 year

APEX MINING CO., INC.

NOTES TO UNAUDITED FINANCIAL STATEMENTS

March 31, 2010

1. Significant accounting policies

The accompanying unaudited financial statements as of March 31, 2010 have been prepared in accordance with generally accepted accounting principles in the Philippines under the historical cost convention, consistent with the accounting policies adopted in the Company's audited financial statements for the year ended December 31, 2009, the accompanying notes to which may also apply and can be referred to for further information on these financial statements.

2. Current Assets

1.1 Cash

Cash as at March 31, 2010 consist of cash on hand, cash equivalents and cash in banks of P58,278,786.00

1.2. Receivables

Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less provision for impairment. as of March 31, 2010, the account includes advances to suppliers and contractors, advances to officers and employees and other receivables amounting to P72,901,346.00.

1.3. Inventories

Inventories consist parts and supplies use in on-going development of the mine. As of March 31, 2010 cost of the inventories are recognized at expense amounting to P 209,487,525.00.

1.4 Prepayments

Prepayments as at March 31, 2010 consist of input tax receivable and prepaid health and property insurance amounting to P98,577,531.00.

3. Property, Plant and Equipment

The company's property, plant and equipment at revalued amounts, except for the construction in progress which is carried at cost.

4. Other Non-Current Assets

Other non-current assets as at March 31, 2010 includes Deferred Mine Exploration and Deferred Cost amounting to P23,233,231, Mine and mining properties amounting to P1,100,346,008 and Other assets totaling to P58,698,526.

6. Accounts Payable and Accrued Expenses

Accounts payable and accrued liabilities are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established. These are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

7. Due to Affiliates

Shareholders and affiliates provide continuous advances to finance the Company's rehabilitation and refurbishing of the mine project and commercial activities. These advances are non-interest bearing and considered payable on demand.

Due to affiliates as at March 31, 2010 and December 31, 2009 are as follows:

	Relationship	March 31, 2010	December 31, 2009
Mindanao Gold	Shareholder	727,070,929	727,070,929
Mapula	Shareholder	941,772,896	941,894,588
Teresa	Affiliate	1,218,319,650	1,186,074,289
Total		P2,887,246,233	P2,855,039,806