

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-KSB

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2006

OR

☐ TRANSACTION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transaction period from _____ to _____

Commission file number 1-316

INDEPENDENCE LEAD MINES COMPANY

(Name of small business issuer in its charter)

ARIZONA
(State or other jurisdiction
of incorporation)

82-0131980
(IRS Employer Identification No.)

**P O BOX 717
WALLACE, IDAHO 83873**

(Address of principal executive offices)

Issuer's telephone number: **(208) 753-2525**

Securities registered pursuant to Section 12 (b) of the Act: None

Securities registered under Section 12 (g) of the Exchange Act:

Common Stock,
Par Value \$0.10 per Share
Title of each class

Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. ☐

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)
Yes ☒ No ☐

State issuer's revenues for its most recent fiscal year. None

As of March 22, 2007, the aggregate market value of the voting stock held by non-affiliates of the registrant was \$4,010,164.

The number of shares of common stock outstanding as of March 22, 2007 was 5,075,793.

Transitional Small Business Disclosure Format (check one): Yes ☐ No ☒

**INDEPENDENCE LEAD MINES COMPANY ANNUAL REPORT
ON FORM 10-KSB FOR THE FISCAL YEAR
ENDED DECEMBER 31, 2006**

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**INDEPENDENCE LEAD MINES COMPANY ANNUAL REPORT
ON FORM 10-KSB FOR THE FISCAL YEAR
ENDED DECEMBER 31, 2006**

PART I

ITEM 1. DESCRIPTION OF BUSINESS.

BACKGROUND

Independence Lead Mines Company (the "Company") is a corporation organized under the laws of the State of Arizona on September 16, 1929. The Company is the owner of fifteen patented and seventeen unpatented mining claims. This claim group (the "property") is situated Northwest of Hecla Mining Company's Lucky Friday Mine in the Coeur d'Alene Mining District, Shoshone County Idaho. Adjacent is the community of Mullan and U.S. Interstate Highway 90.

Pursuant to the terms of an agreement dated February 8, 1968, among Hecla Mining Company ("Hecla"), Day Mines, Inc. ("Day"), Abot Mining Company ("Abot") and the Company (the "Unitization Agreement"), the Eastern portion of the Company's Property (approximately five-eighths of the total area of the Property) was unitized with certain adjoining and near-by properties owned by the Day and Abot into a unitized area, consisting of 55 claims, (known as the "DIA Area"). Under the terms of the Unitization Agreement, ores and minerals in place are owned by the parties thereto in the following percentages:

Day (now Hecla by merger)	47.70%
Independence	46.30%
Abot (now Hecla by purchase)	6.00%

By a second agreement also dated February 8, 1968, (the "Lease Agreement"), Hecla leased the DIA Area for a period of fifty (50) years, subject to a 30-year extension, for the purpose of conducting mineral exploration and development of the DIA Area and mining such commercial ore as may be discovered in the DIA Area by Hecla. In the seventies Hecla performed exploration from what is called the 4050 foot level. Hecla reentered this level in the early nineties performing additional exploration. This work led to a deeper exploration effort from the 4900 level. In mid 1995 a 4,500 foot tunnel was started from Hecla's Silver Shaft to the mineral zone. The DIA Project was divided into Phase I, II and III. By December 31, 1996 Phase I and II had been completed and a promising deposit had been identified. The total cost of the project from the time of its inception was less than \$16,000,000.

The Lease Agreement provides that all costs and expenses incurred in the exploration, development and operation of the DIA Area are to be paid by Hecla subject to the right of Hecla to be reimbursed for such costs and expenses, together with all advance royalties paid, out of any future net profits realized from the operation of the DIA Area. After recovery of Hecla's costs and expenses and amounts paid as advance royalties, and the establishment of a three-month working capital reserve, net profit royalties are to be paid to the Company and the other property owners as follows:

Day (now Hecla by Merger)	19.08%
Independence	18.52%
Abot now Hecla by purchase)	2.40%

Hecla, as the lessee, will retain the remaining sixty percent (60%) of any net profits realized. Under the terms of the Unitization Agreement, one-half of the first net profit/royalties received by the Company are to be paid over to Day (now Hecla) until Day recovers the sum of \$450,000. The relationship of the parties to the Agreement may, under certain circumstances, be converted to a joint venture at the option of the property owners, where after the property owners would become participating, non-operating working interest owners who would share profits and expenses in connection with the DIA Area in the same ratio as exists pursuant to lease arrangement with Hecla described above.

Until Hecla commences to pay net profit royalties and during such period as the Lease Agreement is in effect, Hecla is obligated to pay an advance royalty to the Company of \$750 per month subject to increase to \$1,500 when production for the DIA Area exceeds 2,000 tons per month.

Pursuant to the terms of the February 8, 1968, agreements, Hecla will be obligated to pay a royalty of 18.52 percent of defined net profits after Hecla has recouped its costs to explore and develop this property from the new discovery to Independence Lead Mines Company.

The Company has no patents, licenses, franchises or concessions, which are considered by the Company to be of importance. The business is not of a seasonal nature. Since the potential products are traded in the open market, the Company has no control over the competitive conditions in the industry. There is no backlog of orders.

There are numerous Federal and State laws and regulation related to environmental protection, which have direct application to mining and milling activities. The more significant of these laws deal with mined land reclamation and wastewater discharge from mines and milling operations. The Company does not believe that these laws and regulations as presently enacted will have a direct material adverse effect on its operations.

The western portion of the Company's property is not under the DIA Area agreement. West Independence, as it is called, consists of 10 patented mining claims of which four (4) claims are partly included in the DIA Area agreement. Patented acres owned are listed below.

West Independence Acres	81.362
East Independence Acres	<u>91.808</u>
Total Acres	173.170

Since June 30, 1999 the Company has experienced substantial differences with the Lessee. In January 1997 Hecla chose to go forward with the DIA Projects Phase III and by June 1, 1998 the Project reached full production. In the first year of full production the Project lost \$785,000 after mining and milling 257,605 tons. Independence requested Hecla to stop mining to prevent loss of the resource. Hecla's management has refused all requests to act with prudence, and continues to mine at this writing. Since Hecla chose to go forward with Phase III, through the end of 2004 there have been approximately 1,428,000 tons mined and milled and all development costs have been lost. Request for prudence over the years have failed. During 2003 Hecla mined and milled 151,991 tons containing 15.76 oz. silver per ton, 9.05% lead, and 2.18% zinc, and during 2004 164,624 tons were mined and milled assaying 13.17 oz. silver per ton, 7.78% lead, and 2.36% zinc. For the year 2003 the Project lost \$723,147 and for the year 2004 the Project lost \$3,000,605. The DIA Project total cost at December 31, 2004 was \$36,353,259, and as of December 2005 Hecla has reported mining and milling 1,723,510 tons over the life of the DIA Project. Total un-recouped project costs reached a new high of \$43,279,805. We believe the record indicates the DIA Project was not viable to undertake with the mining method chosen and the existing economic conditions, and did not justify the start-up of a large mining operation on the Lessor's property.

As of December 31, 2006 total un-recouped DIA Project Costs were \$30,617,542. This represents a reduction of \$12,577,900 for the year. There were 276,393 tons mined/milled during 2006; these tons had an average mill feed assay of 11.34 oz. per ton silver, 6.57% lead, and 3.34% zinc..

ITEM 2. DESCRIPTION OF PROPERTY

By an agreement dated February 8, 1968 among the Company and the owners of other adjacent or neighboring mining properties, the Company and the owners of the other properties entered into certain agreements, the general effect of which was to establish certain vertical boundaries between their respective properties and to waive certain existing or potential claims to extra-lateral rights to veins or ores found outside of the vertical boundaries of their respective properties. The property of the Company is subject to this agreement. Pursuant to existing law, the Company is required to pay \$125 per claim as a rental fee in order to maintain possessory title to such properties. This requirement has been performed by Hecla Mining Company under the terms of the February 8, 1968 agreements described in Item 1 of this report. Further information regarding the properties of the Company is set forth in this report under "Item 1. Business" and is incorporated herein by reference.

ITEM 3. LEGAL PROCEEDINGS

The Company is currently in litigation with Hecla Mining Company over Hecla's operation of the Lucky Friday Mine under the agreement covering the DIA Project. A nine-day trial was held between the Company and Hecla Mining Company from March 22nd through April 1st of 2004, and closing written arguments were submitted to the court by April 30th. Further, the court required the parties to submit to the court a written rebuttal to the other party's closing arguments by May 17, 2004. On July 19, 2004 the court ruled in favor of Hecla Mining Company. At the end of the trial Hecla's management had mined and milled a reported 1,350,680 tons of mineralized material, thus destroying its future potential to become ore. The first District Court chose not to hold Hecla's management accountable for their actions of waste by ruling in favor of Hecla, while at the same time, the court acknowledged that Hecla's management did not act in the interest of Independence.

The Company appealed the District Court's ruling to the Idaho Supreme Court. On February 6, 2006 Independence Lead Mines Company, in the case of Independence Lead Mines Company, (Plaintiff) vs. Hecla Mining Company (Defendant), Docket No. 31042 presented oral arguments before the Idaho Supreme Court in Boise. This is a continuation of the Company's assertion of a claim of breach of contract and waste, seeking declaratory and injunctive relief, relating to Hecla's operation on mining claims it leased from Independence. The Idaho Supreme Court ruled for Hecla. The Company then appealed to the court for a re-hearing and the court subsequently denied the Company's appeal.

The Company then filed a complaint against Hecla Mining Company on December 11, 2006 in the United States District Court for the District of Idaho. The complaint was subsequently amended to assert RICO. On January 5, 2007 the Company filed a Complaint for Rescission of Contract against Hecla Mining Company in the First Judicial District of the State of Idaho in and for the County of Shoshone. A hearing date of May 9, 2007 has been set.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

The Company's annual meeting of shareholders was held on September 23, 2005. The following items were submitted to a vote of the shareholders at the meeting and approved.

- a) Re-election of five directors to serve for terms ranging from one year to three years.
- b) Amendment of the Company's Articles of Incorporation to increase the capitalization from 5,000,000 shares of \$1.00 par value common stock to 10,000,000 shares of \$0.10 par value common stock.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's shares are traded on the over-the-counter "pink sheets" under the symbol "IDLM." The market price ranges of the Company's common stock during the years 2006 and 2005, respectively, were as follows:

		<u>2006</u>		<u>2005</u>
<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	
First Quarter	0.90	0.64	0.70	0.60
Second Quarter	1.85	0.85	0.58	0.47
Third Quarter	1.80	1.45	0.70	0.55
Fourth Quarter	3.50	1.50	0.80	0.54

These quotation reflect inter-dealer prices, without retail markup, markdown, or commissions, and may not represent actual transactions.

The closing price of the Common Stock as reported on March 22, 2007 was \$4.25 per share.

As of March 22, 2007, the Company had approximately 2,100 holders of record of its common stock, who collectively held 5,075,793 issued and outstanding shares of Common Stock.

(a) No dividends were paid by the Registrant in 2006 or 2005, and the Company has no plans to pay a dividend in the foreseeable future.

During the year ended December 31, 2006, the Company sold 100,000 shares of common stock at an average price of \$0.725 per share.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Cautionary Statement about Forward-Looking Statements

This Annual Report on Form 10-KSB includes certain statements that may be deemed to be "forward-looking statements." All statements, other than statements of historical facts, included in this Form 10-KSB that address activities, events or developments that our management expects, believes or anticipates will or may occur in the future are forward-looking statements. Such forward-looking statements include discussion of such matters as:

The amount and nature of future capital, development and exploration expenditures;

The timing of exploration activities;

Business strategies and development of our business plan; and

Forward-looking statements also typically include words such as "anticipate", "estimate", "expect", "potential", "could" or similar words suggesting future outcomes. These statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate in the circumstances. Such statements are subject to a number of assumptions, risks and uncertainties, including such factors as the volatility and level of metal prices, uncertainties in cash flow, expected acquisition benefits, exploration, mining and operating risks, competition, litigation, environmental matters, the potential impact of government

regulations, and other matters discussed under the caption “Risk Factors,” many of which are beyond our control. Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those expressed or implied in the forward-looking statements.

Plan of Operation

The Company’s plan of operation for the next twelve months, subject to maintaining sufficient funds, is to pursue litigation with Hecla Mining Company over the operation of the Lucky Friday Mine, as described in Item 3, Legal Proceedings.

In order to finance the legal costs associated with the litigation and appeal, the Company has raised capital by selling unregistered shares of its common stock in a private placement offering. The Company anticipates that the sale of additional shares of common stock will be required in the next twelve months to continue funding of its litigation. If the Company is unable to raise additional capital, it may have to cease operations. The Company’s operations have been funded solely by the receipt of advance royalties from Hecla Mining Company of \$1,500 per month, and from the occasional sale of the Company’s common stock in private placement. The Company has no other source of funds. The Company’s properties have been leased to Hecla since 1968 and capital improvements on the property are paid by Hecla in accordance with the terms of the lease. The Company has no long-term debt, and current assets consist almost entirely of cash.

Results of Operations

The Company had no operations in 2006 or 2005. General and administrative costs in 2006 decreased by \$56,159 over 2005, primarily due to a decrease of \$50,939 in legal expenses related to the litigation with Hecla Mining Company. The Company reported a net loss of \$25,486 in 2006, compared to a net loss of \$85,162 in 2005. General and administrative costs in 2005 decreased by \$180,323 over 2004, primarily due to a decrease in legal fees of \$152,051 and a decrease in consulting costs \$32,104, partially offset by an increase in accounting fees of \$9,245.

Liquidity and Capital Resources

During the year ended December 31, 2006 the Company sold 100,000 shares in private placement transactions at an average price of \$0.725 per share. The Company financed its obligations during the year ended December 31, 2006 by the sale of these shares and by the advance royalties of \$1,500 per month received from Hecla Mining Company.

Cash flows for the year ended December 31, 2006 were as follows:

During the twelve month period ended December 31, 2006, the Company’s cash position decreased by \$14,050. During this period the Company used \$58,450 in operating activities and realized \$72,500 from the sale of 100,000 shares of the Company’s common stock at an average price of \$0.725.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company’s financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Critical Accounting Policies

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make a variety of estimates and assumptions that affect (i) the reported amounts of assets and

liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and (ii) the reported amounts of revenues and expenses during the reporting periods covered by the financial statements.

Our management routinely makes judgments and estimates about the effect of matters that are inherently uncertain. As the number of variables and assumptions affecting the future resolution of the uncertainties increase, these judgments become even more subjective and complex. Although we believe that our estimates and assumptions are reasonable, actual results may differ significantly from these estimates. Changes in estimates and assumptions based upon actual results may have a material impact on our results of operation and/or financial condition. We have identified certain accounting policies that we believe are most important to the portrayal of our current financial condition and results of operations. Our significant accounting policies are disclosed in Note 2 to the financial statements included in this Annual Report on Form 10-KSB.

The Company recognizes the expected future tax benefit from deferred tax assets when the tax benefit is considered to be more likely than not of being realized. Assessing the recoverability of deferred tax assets requires management to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecasted cash flows and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize deferred tax assets could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the Company's ability to obtain the future tax benefits.

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

ITEM 7. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

**INDEPENDENCE LEAD MINES COMPANY
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The Company's financial statements are unaudited, pending completion of audits of prior year's financial statements and the resolution of accounting issues.

INDEPENDENCE LEAD MINES COMPANY

BALANCE SHEETS December 31, 2006 and 2005

A S S E T S

CURRENT ASSETS	2005 (Unaudited)	2004 (Unaudited)
Cash	187,572	173,522
Royalties receivable	1,500	1,500
Marketable securities	1,006	1,006
Prepaid expenses	50,000	472
Total current assets	<u>240,078</u>	<u>176,500</u>
PROPERTY AND EQUIPMENT, at cost		
Equipment	-	-
Less accumulated depreciation	<u>-</u>	<u>-</u>
Mining property	<u>-</u>	<u>-</u>
OTHER ASSETS		
Unrecovered exploration costs	<u>-</u>	<u>-</u>
Total Assets	<u>240,078</u>	<u>176,500</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
Accounts payable	4,546	5,982
Accrued Expenses	<u>0</u>	<u>0</u>
Total current liabilities	<u>4,546</u>	<u>5,982</u>
DEFERRED INCOME	<u>446,000</u>	<u>428,000</u>
STOCKHOLDERS' EQUITY		
Common stock, \$0.10 par value; authorized 10,000,000 shares; issued 5,075,793 shares at at 12/31/06 and 4,975,793 at 12/31/05	507,579	497,579
Additional Paid in Capital	<u>4,206,972</u>	<u>4,144,472</u>
	4,642,051	4,479,051
Less deficit accumulated	<u>(4,925,019)</u>	<u>(4,899,533)</u>
Total Stockholder's equity	<u>(210,468)</u>	<u>(257,482)</u>
Total Liabilities & Stockholders' equity	<u>240,078</u>	<u>176,500</u>

The accompanying notes are an integral part of these financial Statements.

INDEPENDENCE LEAD MINES COMPANY
STATEMENT OF OPERATIONS AND DEFICIT ACCUMULATED
For the years ended December 31, 2006 and 2005

	2006 <u>(Unaudited)</u>	2005 <u>(Unaudited)</u>
Revenue	\$ 0	\$ 0
Expenses		
Management and Director fees	0	0
Licenses and fees	126	178
Office and administration	785	1,722
Office services	600	600
Shareholder Relations	3,600	5,542
Consulting	1,598	7,077
Transportation	3,815	3,643
Accounting	10,095	7,080
Legal	8,529	59,468
Total Expenses	<u>29,151</u>	<u>85,310</u>
Loss from Operation	<u>(29,151)</u>	<u>(85,310)</u>
Other Income and (Expense)		
Interest, net	<u>3,665</u>	<u>148</u>
Total Other Income (Expense)	<u>3,665</u>	<u>148</u>
Loss before Income Taxes	(25,486)	(85,162)
Provision for income taxes	<u>0</u>	<u>0</u>
Net Loss	<u>\$(25,486)</u>	<u>\$(85,162)</u>
LOSS PER SHARE	\$(0.01)	\$(0.02)
Weighted average common Shares outstanding	5,055,793	4,805,793

The accompanying notes are an integral part of these financial statements.

INDEPENDENCE LEAD MINES COMPANY

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY Years Ended December 31, 2006 and 2005

	<u>Common Stock</u>		<u>Add'l</u>	<u>Accumulated</u>	
	<u>Number</u>	<u>Amount</u>	<u>Paid-In</u>	<u>Deficit</u>	<u>Total</u>
	<u>Of Shares</u>		<u>Capital</u>		
Balances, December 31, 2004	4,675,793	\$4,675,793	\$(196,742)	\$(4,814,371)	\$(335,320)
Adjustment of common Stock par value	0	(4,208,214)	4,208,214	0	0
Common stock sold	300,000	30,000	133,000	0	163,000
Net loss for year ended December 31, 2005	<u>0</u>	<u>0</u>	<u>0</u>	<u>(85,162)</u>	<u>(85,162)</u>
Balances, December 31, 2005	4,975,793	497,579	4,144,472	4,899,533	(257,482)
Common stock sold	100,000	10,000	62,500	0	72,500
Net loss for year ended December 31, 2006	<u>0</u>	<u>0</u>	<u>0</u>	<u>(25,486)</u>	<u>(25,486)</u>
Balances, December 31, 2006	5,075,793	\$507,579	\$4,206,972	\$(4,925,019)	\$(210,468)

INDEPENDENCE LEAD MINES COMPANY
STATEMENT OF CASH FLOWS
For the years ended December 31, 2006 and 2005

	2006 <u>(Unaudited)</u>	2005 <u>(Unaudited)</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net loss	(25,486)	(85,162)
Adjustment to reconcile net Loss to net cash provided by Operating Activities:		
Changes in operating assets and liabilities:		
Receivable	0	0
Prepaid expenses	(49,528)	19,528
Accounts Payable	(1,436)	3,491
Deferred income	<u>18,000</u>	<u>18,000</u>
Net cash used by Operating Activities	<u>(58,450)</u>	<u>(44,143)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Proceeds from sale of common stock	<u>72,500</u>	<u>163,000</u>
Net cash provided by financing activity	<u>72,500</u>	<u>163,000</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Net cash provided by investing activities	<u>0</u>	<u>0</u>
Net increase (decrease) in cash	14,050	118,857
CASH, beginning of year	<u>173,522</u>	<u>54,665</u>
CASH, end of year	187,572 =====	173,522 =====
Disclosure of Accounting Policy-		
For years ended December 31, 2006 and 2005,		
the company had no cash equivalents.		

SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION

	<u>2006</u>	<u>2005</u>
Interest paid	0	
Taxes paid – State of Idaho	30	30
Federal	0	0

The accompanying notes are an integral part of these financial statements.

INDEPENDENCE LEAD MINES COMPANY
NOTES TO FINANCIAL STATEMENTS
December 31, 2006 and 2005

NOTE 1 – ORGANIZATION AND DESCRIPTION OF BUSINESS

Independence Lead Mines Company (“the Company”) is a corporation organized under the laws of the State of Arizona on September 16, 1929. The Company is the owner of fifteen patented and fourteen unpatented mining claims. This claim group (the “property”) is situated northwest of Hecla Mining Company’s Lucky Friday Min in the Coeur d’Alene Mining district, Shoshone County, Idaho. The Company’s property is part of the “DIA Area” which is currently being developed and mined by Hecla Mining Company. The Company’s only recurring source of funds has been a monthly advance royalty from Hecla Mining Company of \$1,500.

The Company is currently in litigation with Hecla Mining Company over Hecla’s operation of the Lucky Friday Mine under the agreement covering the DIA Project. A nine-day trial was held from March 22nd through April 1st of 2004, and on July 19, 2004 the court ruled in favor of Hecla Mining Company. Independence appealed the District Court’s ruling to the Idaho Supreme Court, and on April 24, 2006 the court ruled against the Company. On May 26, 2006, the Company requested that the Court grant rehearing of the case, and the court again decided against Independence. The Company then filed a complaint against Hecla Mining Company on December 11, 2006 in the United States District Court for the District of Idaho, and on January 5, 2007 the Company filed a Complaint for Rescission of Contract against Hecla in the First Judicial District of the State of Idaho. A hearing date of May 9, 2007 has been set.

The Company’s exploration activities never developed any commercial ore deposits and, effectively in 1968 Management decided to abandon or sell its mineral properties and rights, and favorably position itself to seek other profitable business opportunities. Accordingly, the Company is not considered to be in the development stage.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Company’s management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the U.S. and have been consistently applied in the preparation of the financial statements

Accounting Method

The Company’s financial statements are prepared using the accrual method of accounting.

Accounts Receivable

The Company carries its receivables cost. On a periodic basis, the Company evaluates its receivables and determines if an allowance for doubtful accounts is necessary, based on a history of past write-offs and collections and current credit conditions

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all bank accounts, certificates of deposit, money market accounts and short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Concentration of Risk

The Company maintains its cash in two commercial depository accounts and 2 certificates of deposit. These accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$100,000. The balance in one account exceeds the \$100,000 limit by \$3,257 and consequently that amount is considered uninsured.

Derivative Instruments

The Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," (hereinafter "SFAS No. 133") as amended by SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities – Deferral of the Effective Date of FASB No. 133," and SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." These statements establish accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. They require that an entity recognize all derivatives as either assets or liabilities in the balance sheet and measure those instruments at fair value.

If certain conditions are met, a derivative may be specifically designated as a hedge, the objective of which is to match the timing of gain or loss recognition on the hedging derivative with the recognition of (i) the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk or (ii) the earnings effect of the hedged forecasted transaction. For a derivative not designated as a hedging instrument, the gain or loss is recognized in income in the period of change.

Historically, the Company has not entered into derivatives contracts to hedge existing risks or for speculative purposes.

During the years ended December 31, 2006 and 2005, the Company has not engaged in any transactions that would be considered derivative instruments or hedging activities.

Earnings per Share

The Company has adopted Statement of Financial Accounting Standards No. 128, which provides for calculation of "basic" and "diluted" earnings per share. Basic earnings per share includes no dilution and is computed by dividing net income available to common shareholders by the weighted average common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity similar to fully diluted earnings per share. The Company had no common stock equivalents outstanding as of December 31, 2006

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

The Company's financial instruments as defined by Statement of Financial Accounting Standards No. 107, "Disclosures about Fair Value of Financial Instruments," include cash and cash equivalents, receivables, accounts payable and accrued expenses. All instruments are accounted for on a historical cost basis, which, due to the short maturity of these financial instruments, approximates fair value at December 31, 2006 and 2005.

Going Concern

As shown in the accompanying financial statements, the Company has revenues of \$1,500 per month, has incurred a net loss of \$25,486 for the year ended December 31, 2006 and has an accumulated deficit of \$4,925,019. These factors raise the possibility that the Company may be unable to continue in existence. The financial statements do not include any adjustments related to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

The Company's management believes that significant and imminent private placements of stock and continuing contracted agreements will generate sufficient cash for the Company to continue to operate based on current expense projections. The Company is currently operating on the cash proceeds of a private placement and the continuing advance royalties of \$1,500 per month.

Provision for Taxes

Income taxes are provided based upon the liability method of accounting pursuant to Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (hereinafter "SFAS No. 109"). Under this approach, deferred income taxes are recorded to reflect the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. A valuation allowance is recorded against deferred tax assets if management does not believe the Company has met the "more likely than not" standard imposed by SFAS No. 109 to allow recognition of such an asset. As management of the Company cannot determine that it is more likely than not that the Company will realize the benefit of the net deferred tax asset, there is a valuation allowance equal to the net deferred tax asset.

Recent Accounting Pronouncements

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" (hereinafter "SFAS No. 157"), which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. Where applicable, SFAS No. 157 simplifies and codifies related guidance within GAAP and does not require any new fair value measurements. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Earlier adoption is encouraged. The Company does not expect the adoption of SFAS No. 157 to have a significant effect on its financial position or results of operation.

In June 2006, the Financial Accounting Standards Board issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109" (hereinafter "FIN 48"), which prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006. The Company does not expect the adoption of FIN 48 to have a material impact on its financial reporting, and the Company is currently evaluating the impact, if any, the adoption of FIN 48 will have on its disclosure requirements.

In March 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 156, "Accounting for Servicing of Financial Assets-an amendment of FASB Statement No. 140." This statement requires an entity to recognize a servicing asset or servicing liability each time it undertakes an obligation to service a financial asset by entering into a servicing contract in any of the following situations: a transfer of the servicer's financial assets that meets the requirements for sale accounting; a transfer of the servicer's financial assets to a qualifying special-purpose entity in a guaranteed mortgage securitization in which the transferor retains all of the resulting securities and classifies them as either available-for-sale securities or trading securities in accordance with FASB Statement No. 115; or an acquisition or assumption of an obligation to service a financial asset that does not relate to financial assets of the servicer or its consolidated affiliates. The statement also requires all separately recognized servicing assets and servicing liabilities to be initially measured at fair value, if practicable and permits an entity to choose either the amortization or fair value method for subsequent measurement of each class of servicing assets and liabilities. This statement is effective for fiscal years beginning after September 15, 2006 with early adoption permitted as of the beginning of an entity's fiscal year. Management believes the adoption of this statement will have no impact on the Company's financial condition or results of operations.

In February 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 155, "Accounting for Certain Hybrid Financial Instruments, an amendment of FASB Standards No. 133 and 140" (hereafter "SFAS No. 155"). This statement established the accounting for certain derivatives embedded in other instruments. It simplifies accounting for certain hybrid financial instruments by permitting fair value remeasurement

for any hybrid instrument that contains an embedded derivative that otherwise would require bifurcation under SFAS No. 133 as well as eliminating a restriction of the passive derivative instruments that a qualifying special-purpose entity ("SFE") may hold under SFAS No. 140. This statement allows a public entity to irrevocably elect to initially and subsequently measure a hybrid instrument that would be required to be separated into a host contract and derivative in its entirety at fair value (with changes in fair value recognized in earnings) so long as that instrument is not designated as a hedging instrument pursuant to the statement. SFAS No. 140 previously prohibited a qualifying special-purpose entity from holding a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. This statement is effective for fiscal years beginning after September 15, 2006, with early adoption permitted as of the beginning of an entity's fiscal year. Management believes the adoption of this statement will have no impact on the Company's financial condition or results of operations.

In May 2005, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 154 ("SFAS No. 154"), "Accounting Changes and Error Corrections." This statement requires entities that voluntarily make a change in accounting principle to apply that change retrospectively to prior periods' financial statements, unless this would be impracticable. SFAS No. 154 supersedes APB Opinion No. 20, "Accounting Changes," which previously required that most voluntary changes in accounting principle be recognized by including in the current period's net income the cumulative effect of changing to the new accounting principle. SFAS No. 154 also makes a distinction between "retrospective application" of an accounting principle and the "restatement" of financial statements to reflect the correction of an error. SFAS No. 154 applies to accounting changes and error corrections that are made in fiscal years beginning after December 15, 2005. Management believes the adoption of this statement will not have an immediate material impact on the financial statements of the Company.

NOTE 3 – PROPERTY

The Company has no depreciable property. The Company has 15 patented and 17 unpatented claims situated in the Hunter Mining District, Shoshone County, Idaho. On February 8, 1968, the Company entered into an agreement with Day Mines, Inc., Abot Mining Company and Hecla Mining Company whereby certain properties of the four companies were combined for purposes of exploration and development. These properties were referred to as the DIA Area. The DIA Area consists of 9 patented and 14 unpatented claims of Independence Lead Mines Company. Hecla Mining Company is the exploring and developing company. The DIA agreement allows Hecla Mining Company to recover all of its exploration and development cost, advance royalties paid, and to build a three months' reserve for working capital prior to splitting profits. Independence is to receive 18.52% of the profits, and under the terms of the DIA agreement the Company has been receiving an advance of \$1,500 for each month 2,000 tons of ore are mined.

NOTE 4 – INCOME TAXES

At December 31, 2006 and 2005, the Company had deferred tax assets of approximately \$173,900 and \$165,300, respectively, arising from net operating loss carryovers. Management has determined that it is more likely than not that these deferred tax assets will not be realized, and therefore a valuation allowance equal to the full amount of the deferred tax asset has been established at both December 31, 2006 and 2005. For the years ended December 31, 2006 and 2005, the income tax provisions differed from the expected amounts using current federal statutory rates because of the effects of the change in the deferred tax asset valuation allowance each year. At December 31, 2006, the Company has tax basis net operating loss carryovers totaling approximately \$511,600, which expire in the years 2022 through 2026.

NOTE 5 – RELATED PARTY TRANSACTIONS

During the year ended December 31, 2005, accounting fees of \$1,200 were paid or accrued to Wayne Schoonmaker, an officer, director and shareholder of the Company. There were no accounting fees paid or accrued during the year ended December 31, 2006. In addition, payments of \$600 were made in 2006 and 2005 to Mr. Schoonmaker for rental of office space for the corporate office.

NOTE 6 – COMMON STOCK

In September 1997 the capitalization of the Company was increased from 4,000,000 shares to 5,000,000 shares of \$1.00 par value common stock. In September 2005 the capitalization of the Company was increased from 5,000,000 shares of \$1.00 par value common stock to 10,000,000 shares of \$0.10 par value common stock. The common stock and additional paid-in capital accounts at December 31, 2004 were re-stated to reflect the change in capitalization.

During the year ended December 31, 2006 the Company sold 100,000 shares of common stock in private placement at an average of \$0.725 per share.

During the year ended December 31, 2005 the Company sold 300,000 shares of common stock in private placement at an average of \$0.54 per share.

During the year ended December 31, 2004 the Company sold 357,000 shares of common stock at an average of \$0.62 per share and issued 10,000 shares of common stock for services received. In addition, the Company sold 61,436 shares of treasury stock at an average price of \$0.88 per share.

NOTE 6 – STOCK OPTIONS AND WARRANTS

The Company has no stock options or warrants outstanding.

ITEM 8 CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE..

None

ITEM 8A. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures.

Based on an evaluation as of the end of the period covered by this annual report, the Company's principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) are effective for the purposes set forth in such definition.

The Company's management has also concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed in the Company's reports filed under the Exchange Act is accumulated and communicated to management, including the principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting.

There was no change in the Company's internal control over financial reporting that occurred during the fiscal period to which this report relates that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 8B. OTHER INFORMATION.

None

PART III

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT.

Management

Executive officers of the Company are elected by the Board of Directors and serve for a term of one year and until their successors have been elected and qualified or until their earlier resignation or removal by the Board of Directors. There are no family relationships among any of the directors and executive officers of the Company. None of the executive officers are currently involved in any legal proceedings.

The following table sets forth the names and ages of all executive officers and directors and the positions and offices that each person holds with the Company.

<u>Name of Executive Officers and Directors And Position Held</u>	<u>Age</u>	<u>Brief profile of Officers and Directors</u>
Bernard C. Lannen President and Director	70	Semi Retired Former Director of Lucky Friday Extension Mining Company
Wayne L. Schoonmaker Secretary/Treasurer and Director	69	Certified Public Accountant, Secretary/Treasurer of Metalline Mining Company
Gordon Berkhaug Director	72	Management of real estate investments With experience in the mining field
Robert Bunde Director	68	Semi retired farmer with investments in the mining field.

The Company's Board of Directors is responsible for the oversight and management of the Company. The Board does not have a separately-designated standing audit committee because the entire Board of Directors acts as the Company's audit committee. The Board has not designated an audit committee financial expert, as that term is defined in the Exchange Act rules promulgated by the SEC, because of the size of the Board.

Code of Ethics

The Company has not yet adopted a code of ethics that applies to the Company's principal executive officer, and principal financial officer because of the limited size of the Company and its management team.

ITEM 10. EXECUTIVE COMPENSATION

The directors and officers of this company are not considered employees. There was no remuneration paid to any of the directors and officers of this company during the fiscal year ended December 31, 2006. The directors do not receive any compensation for serving as members of the Board of Directors. There are no contractual arrangements with any member of the Board of Directors.

No retirement benefit, bonus, stock option or other remuneration plans are in effect with respect to the Company's officers and directors.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table sets forth as of March 22, 2007 the common stock ownership of each person known by the Company to be the beneficial owner of five percent or more of the Company's common stock, each director individually, and all officers and directors of the Company as a group. Each person has sole voting and investment power with respect to the shares of common stock shown, unless otherwise noted, and all ownership is of record and beneficial.

<u>Name</u>	<u>Shares of Common Stock Beneficially Owned</u>	<u>Approximate Percentage of Class</u>
R. Duff Gordon	274,470	5.41
U.S. Silver Corporation	258,855	5.10
Bernard C. Lannen	315,387	6.21
Wayne L. Schoonmaker	4,000	*
Gordon Berkhaug	(1) 159,711	3.15
Robert Bunde	(2) 190,000	3.74

All directors and executive officers of the Company as a group (4 persons in the group) own 669,098 shares or approximately 13.18 percent of the Company's outstanding voting securities.

* Less than 1.0%

(1) Includes 81,436 shares held by Mr. Berkhaug in the Damon Berkhaug Trust as trustee.

(2) Includes 72,000 shares held by Mr. Bunde as guardian for minors.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

PART IV

ITEM 13. EXHIBITS.

<u>Exhibit No.</u>	<u>Exhibits</u>
3.1	Articles of Incorporation of Independence Lead Mines Company, as amended, previously filed as Exhibit 3.1 to Form 10-K for 1983 and incorporated by reference herein.
3.2	Bylaws of Independence Lead Mines Company, as amended, previously filed as Exhibit 3.2 to Form 10-K for 1983 and incorporated by reference herein.
10.1	Unitization Agreement dated February 8, 1968 among Day Mines, Inc., Independence Lead Mines Company and Abot Mining Company, previously filed as Exhibit 10.1 to Form 10-K for 1983 and incorporated by reference herein
10.2	Agreement dated February 8, 1968 among Hecla Mining Company, Day Mines, Inc., Independence Lead Mines Company and Abot Mining Company, previously filed as Exhibit 10.2 to Form 10-K for 1983 and incorporated by reference herein.
10.3	Agreement dated February 8, 1968 among Independence Lead Mines Company, Day Mines, Inc., Abot Mining Company, Wall Street Mining Company, Hunter Creek Mining Company, Lucky Friday Extension Mining Company, Hecla Mining Company and the Bunker Hill Mining Company relating to extralateral and intralimital rights to mining claims, previously filed as Exhibit 10.7 to Form 10-K for 1983 and incorporated by reference herein.

ITEM 13 EXHIBITS (Continued)

Exhibit No.	Exhibit
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) of the Exchange Act. Filed herewith.
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act. Filed herewith.
32.1	Certification of Principal Executive Officer pursuant to 18 U.S. C. Section 1350. Furnished herewith.
32.2	Ceretification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350. Furnished herewith.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

LeMaster & Daniel serves as our independent registered public accounting firm. The Company is currently completing audits for 2005 and 2006. The audit of 2004 has been completed, for which the Company has paid a total of \$15,975 in audit fees.

INDEPENDENCE LEAD MINES COMPANY

December 31, 2006

SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INDEPENDENCE LEAD MINES COMPANY

By: /s/ Bernard C. Lannen
Bernard C. Lannen, its President and
Chief Administrative Officer
Dated: March 30, 2007

By: /s/ Wayne L. Schoonmaker
Wayne L. Schoonmaker, its Principal
Accounting Officer
Dated: March 30, 2007

Pursuant to the requirement of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ Bernard C. Lannen
Bernard C. Lannen
President/Director
Date: March 30, 2007

By: /s/ Gordon Berkhaug
Gordon Berkhaug
Director
Date: March 30, 2007

By: /s/ Wayne L. Schoonmaker
Wayne L. Schoonmaker
Secretary & Treasurer/Director
Date: March 30, 2007

By: /s/ Robert Bunde
Robert Bunde
Director
Date: March 30, 2007

Exhibit 31.1
INDEPENDENCE LEAD MINES COMPANY

December 31, 2006

CERTIFICATIONS

I, Bernard C. Lannen, certify that:

1. I have reviewed this annual report on Form 10-KSB of Independence Lead Mines Company.
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations, and cash flows of the small business issuer as of, and for, the periods presented in this annual report;
4. The small business issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-a5(f) and 15d-15(f) for the small business issuer and we have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles,
 - c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize, and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: March 30, 2007

/s/ Bernard C. Lannen
President

Exhibit 31.2
INDEPENDENCE LEAD MINES COMPANY

December 31, 2006

CERTIFICATIONS

I, Wayne L. Schoonmaker, certify that:

1. I have reviewed this annual report on Form 10-KSB of Independence Lead Mines Company.

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations, and cash flows of the small business issuer as of, and for, the periods presented in this annual report;

4. The small business issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles,

c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize, and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: March 30, 2007

/s/Wayne L. Schoonmaker
Principle Accounting Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Independence Lead Mines Company (the "Company") on Form 10-KSB for the period ended December 31, 2006, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Bernard C. Lannen, President of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition, and results of operations of the Company.

/s/ Bernard C. Lannen
President

Dated: March 30, 2007

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Independence Lead Mines Company (the "Company") on Form 10-KSB for the period ended December 31, 2006, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Wayne L. Schoonmaker, Principal Accounting Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition, and results of operations of the Company.

/s/ Wayne L. Schoonmaker
Principal Accounting Officer

Dated: March 30, 2007