

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**[ X ] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2003

OR

**[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-1428

**METALINE MINING & LEASING COMPANY**

<u>Washington</u>	<u>91-0684860</u>
(State of other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

<u>601 West Main Avenue, Suite 714</u>	<u>99201-0677</u>
<u>Spokane, WA 99201-0677</u>	<u>99201-0677</u>
(Address of principal executive offices)	(Zip Code)

<u>(509) 455-9077</u>
(Issuer's telephone number, including area code)

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 at least the past 90 days. Yes X No \_\_\_\_\_

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date 14,555,668

Transitional Small Business Disclosure Format (check one);  
Yes \_\_\_\_\_ No X

**METALINE MINING & LEASING COMPANY**  
**FORM 10-QSB**  
**FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2003**

**PART I. - FINANCIAL INFORMATION**

Item 1 Financial Information

**Metaline Mining & Leasing Company**

**Balance Sheet (Unaudited)**

**June 30, 2003**

***Assets***

*CURRENT ASSETS:*

Cash and cash equivalents:

Cash	\$ 365,461
Temporary cash investments	721,135
Total cash and cash equivalents	<hr/> 1,086,596

<i>PREPAID FEDERAL INCOME TAX</i>	3,592
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<i>INVESTMENTS</i>	16,107
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<i>MINING PROPERTIES</i>	6,963
	<hr/> \$ 1,113,258
	<hr/>

***Liabilities and Stockholders' Equity***

*CURRENT LIABILITIES:*

Accounts payable	<hr/> \$ 310
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*STOCKHOLDERS' EQUITY:*

Common stock – 15,000,000 shares, no par value, authorized;	
14,555,668 shares issued and outstanding	954,282
Accumulated other comprehensive income:	
Unrealized loss, marketable securities	(3,384)
Retained earnings	162,050
Total stockholders' equity	<hr/> 1,112,948
	<hr/> \$ 1,113,258
	<hr/>

See accompanying note to financial statements.

**Metaline Mining & Leasing Company**  
**Statements of Income (Unaudited)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
<i>INCOME:</i>				
Dividend and interest income	\$ 2,797	\$ 3,520	\$ 6,023	\$ 7,117
<i>EXPENSES:</i>				
Professional fees	2,965	2,591	8,078	7,240
Advertising	-	-	3,175	-
Office expense	366	647	684	963
	<u>3,331</u>	<u>3,238</u>	<u>11,937</u>	<u>8,203</u>
<i>NET INCOME (LOSS)</i>	<u>\$ (534)</u>	<u>\$ 282</u>	<u>\$(5,914)</u>	<u>\$(1,086)</u>
<i>BASIC (LOSS) EARNINGS PER SHARE, based on weighted-average shares outstanding</i>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

See accompanying note to financial statements.

**Metaline Mining & Leasing Company**  
**Statements of Cash Flows (Unaudited)**

	Six Months Ended June 30,	
	2003	2002
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>		
<i>CASH FLOWS FROM OPERATING ACTIVITIES:</i>		
Net loss	\$ (5,914)	\$ (1,086)
Adjustments to reconcile net loss to net cash used in operating activities:		
Increase in assets:		
Income tax receivable	-	-
Prepaid federal income taxes	-	(1,454)
Decrease in liabilities:		
Accounts payable	-	(1,500)
Income tax payable	-	-
Net cash used in operating activities	<u>(5,914)</u>	<u>(4,040)</u>
<i>NET DECREASE IN CASH AND CASH EQUIVALENTS</i>	(5,914)	(4,040)
<i>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</i>	<u>1,092,510</u>	<u>1,097,859</u>
<i>CASH AND CASH EQUIVALENTS, END OF PERIOD</i>	<u>\$ 1,086,596</u>	<u>\$ 1,093,819</u>

See accompanying note to financial statements.

## **Metaline Mining & Leasing Company**

### **Note to Financial Statements**

#### ***NOTE — BASIS OF PRESENTATION:***

The unaudited financial statements have been prepared by Metaline Mining & Leasing Company (the Company), pursuant to the rules and regulations of the Securities and Exchange Commission (the SEC). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been omitted pursuant to such SEC rules and regulations. These financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2002, which was filed April 14, 2003. In the opinion of management of the Company, the foregoing statements contain all adjustments necessary to present fairly the financial position of the Company as of June 30, 2003, and its results of operations for the six-month periods ended June 30, 2003 and 2002, and its cash flows for the six-month periods ended June 30, 2003 and 2002. The interim results reflected in the foregoing financial statements are not considered indicative of the results expected for the full fiscal year.

## Item 2. Management's Discussion and Analysis or Plan of Operation

### Three Months Ended June 30, 2003

We had no revenues from operations during the recently completed quarter. Our only income has been derived from interest on our cash and temporary cash investments. Interest income for the three-month period ended June, 2003 decreased from \$3,520 to \$2,797 for the same period ended June 30, 2002. This decrease is due to lower interest rates available for the cash and temporary cash investments.

We had a net loss of \$534 during the three-month period ended June 30, 2003 compared to income of \$282 during the three-month period ended June 30, 2002. The loss was due to expenditures relating to professional fees and a decrease of income. We anticipate continuing net losses income until such time as interest rates rise. Our ongoing expenses consist of accounting, legal and bookkeeping expenses related to complying with reporting requirements of the Securities Exchange Act of 1934.

### Plan of Operation

Our plan of operation for the next twelve months will consist of attempting to acquire an interest in a business opportunity. Due to our limited assets and our inability to raise additional financing due to the lack of a market for its Common Stock, it is anticipated that any such acquisition would be a "reverse take-over" accomplished through a merger or share exchange. In such event our existing shareholders would likely become minority shareholders in the surviving entity. We are not currently evaluating any specific acquisition opportunities.

We do not currently have any employees and anticipate utilizing the services of consultants to accomplish our plan of operation. We currently have sufficient resources to meet our financial obligations for the next twelve months.

## Item 3. Controls and Procedures

Within the 90 days prior to the date of this report, the company carried out an evaluation, under the supervision and with the participation of the company's management, including the company's principal executive officer and principal financial officer, of the effectiveness of the design and operation of the company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-14. Based upon that evaluation, the principal executive officer and principal financial officer concluded that the company's disclosure controls and procedures are effective in timely alerting them to material information relating to the company required to be included in the company's periodic SEC filings.

Items deleted are not applicable.

## **Item 6 Exhibits and Reports on Form 8-K**

### **(a) Exhibits**

Exhibit 31.2 – Certification required by Rule 13a-14(a) or Rule 15d-14(a), Lipsker

Exhibit 31.2 – Certification required by Rule 13a-14(a) or Rule 15d-14(a), Campbell

Exhibit 32.1 – Certification Required by Rule 13a-14(b) or Rule 15d-14(b) and section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, Lipsker

Exhibit 32.2 – Certification Required by Rule 13d-14(b) or Rule 15d-14(b) and section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, Campbell

### **(b) Reports of Form 8-K**

During the quarter ended June 30, 2003 the Company filed no reports on Form 8-K

## **SIGNATURES**

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

METALINE MINING & LEASING COMPANY

/s/ Gregory B. Lipsker

BY: \_\_\_\_\_  
GREGORY B. LIPSKER, PRESIDENT

DATE: August 18, 2003

/s/ William R. Green

BY: \_\_\_\_\_  
WILLIAM R. GREEN, SECRETARY

DATE: August 18, 2003

## EXHIBITS

Exhibit 31.2 – Certification required by Rule 13a-14(a) or Rule 15d-14(a), Lipsker

Exhibit 31.2 – Certification required by Rule 13a-14(a) or Rule 15d-14(a), Campbell

Exhibit 32.1 – Certification Required by Rule 13a-14(b) or Rule 15d-14(b) and section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, Lipsker

Exhibit 32.2 – Certification Required by Rule 13d-14(b) or Rule 15d-14(b) and section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, Campbell



CERTIFICATION

I, Gregory B. Lipsker, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Metaline Mining & Leasing Company;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business owner as of, and for, the periods presented in this quarterly report;
4. The small business owner's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the small business owner 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 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 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 owner's other certifying officer and I have disclosed, based on our most recent evaluation, to the small business owner's auditors and the audit committee of small business owner's board of directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies in the design or operation of internal controls which could adversely affect the small business owner's ability to record, process, summarize and report financial data and have identified for the small business owner's auditors any material weaknesses in internal controls; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business owner's internal controls; and
6. The small business owner's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: August 18, 2003

/s/ Gregory B. Lipsker

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Gregory B. Lipsker, President

CERTIFICATION

I, Eunice Campbell, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Metaline Mining & Leasing Company;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business owner as of, and for, the periods presented in this quarterly report;
4. The small business owner's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the small business owner 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 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 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 owner's other certifying officer and I have disclosed, based on our most recent evaluation, to the small business owner's auditors and the audit committee of small business owner's board of directors (or persons performing the equivalent functions):
  - (c) all significant deficiencies in the design or operation of internal controls which could adversely affect the small business owner's ability to record, process, summarize and report financial data and have identified for the small business owner's auditors any material weaknesses in internal controls; and
  - (d) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business owner's internal controls; and
6. The small business owner's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: August 18, 2003

/s/ Eunice Campbell

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Eunice Campbell, Principal Financial Officer

Exhibit 32.1

CERTIFICATION REQUIRED BY RULE 13a-14(b) OR RULE 15d-14(b) AND SECTION 906 OF  
THE SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), the undersigned officer of Metaline Mining & Leasing Company, a Washington Corporation, (the “Company”) hereby certifies to such officer’s knowledge that:

1. This quarterly report on Form 10-QSB of Metaline Mining & Leasing Company 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 this quarterly report fairly presents, in all material respects, the financial condition and results of operations of Metaline Mining & Leasing Company

Date: August 18, 2003

/s/ Gregory B. Lipsker

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Gregory B. Lipsker,  
President

Exhibit 32.2

CERTIFICATION REQUIRED BY RULE 13a-14(b) OR RULE 15d-14(b) AND SECTION 906 OF  
THE SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), the undersigned officer of Metaline Mining & Leasing Company, a Washington Corporation, (the “Company”) hereby certifies to such officer’s knowledge that:

1. This quarterly report on Form 10-QSB of Metaline Mining & Leasing Company 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 this quarterly report fairly presents, in all material respects, the financial condition and results of operations of Metaline Mining & Leasing Company

Date: August 18, 2003

/s/ Eunice Campbell

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Eunice Campbell,  
Principal Financial Officer