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

FORM 10-KSB

☒ ANNUAL REPORT UNDER SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2004

☐ TRANSITION REPORT UNDER SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
FROM _____ TO _____

Metaline Mining & Leasing Company
(Name of small business issuer in its charter)

Washington	001-01428	91-0684860
(State or other jurisdiction of incorporation or organization)	Commission File No.	(I.R.S. Employer Identification Number)
1611 N. Molter Road, Ste. 201 Liberty Lake, WA		99019
(Address of principal executive offices)		(Zip Code)

Issuer's telephone number: 509-455-9077

Securities registered under Section 12(b) of the Exchange Act: none

Securities registered under Section 12(g) of the Exchange Act: Common Stock, par value \$.001 per share

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 the 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. ☒

State issuer's revenues for its most recent fiscal year. \$ 3,567

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked price of such common equity, as of a specified date within 60 days. (See definition of affiliate in Rule 12b-2 of the Exchange Act.) [Amended in release No. 33-7419 (¶85,938), effective June 13, 1997, 62 F.R. 26387.] \$1,466,733 based upon the average bid and asked price of \$.25 per share on April 12, 2004.

**(ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDING DURING THE PAST FIVE YEARS)**

Check whether the issuer has filed all documents and reports required to be filed by Section 12, 13, or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes ☐ No ☐ **Not Applicable**

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date. 15,000,000 as of March 31, 2005

DOCUMENTS INCORPORATED BY REFERENCE

If the following documents are incorporated by reference, briefly describe them and identify the part of the Form 10-KSB (e.g., Part I, Part II, etc.) into which the document is incorporated: (1) any annual report to security holders; (2) any proxy or information statement; and (3) any prospectus filed pursuant to Rule 424(b) or (c) of the Securities Act of 1933 ("Securities Act"). The list documents should be clearly described for identification purposes (e.g., annual report to security holders for fiscal year ended December 24, 1990). None

DOCUMENTS INCORPORATED BY REFERENCE: See Index to Exhibits, page 66.

Transitional Small Business Disclosure Format: Yes ☐ No ☒

SEC 2337 (8-04)

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PART I

ITEM 1. DESCRIPTION OF BUSINESS

(a) Business Development

The Registrant was incorporated in the State of Washington in 1927. Historically, the Registrant was engaged in the mineral exploration business. The Company was dormant for a number of years during which time management did not think that the business climate for successfully financing mineral exploration was a viable option. In 2004, given the increase in precious metals prices and a more favorable environment for financing mineral exploration the Company embarked on a business plan to again become active in mineral exploration. In March 2005 the Company completed two private placements with net proceeds to the Company of approximately \$650,000. In April, 2005 management contracted with two consultants to assist the Company in identifying and evaluating mineral exploration properties.

(b) Business of Issuer

The Company intends to engage in the business of acquiring, exploring and developing mineral properties, primarily those containing precious and associated base metals. At the present time the Company has no properties. The Registrant has contracted with consultants to assist in the acquisition and evaluation of mineral exploration properties

Competition

There is aggressive competition within the minerals industry to discover and acquire properties considered to have commercial potential. The Company competes for the opportunity to participate in promising exploration projects with other entities, many of which have greater resources than the Company. In addition, the Company will compete with others in efforts to obtain financing to explore and develop mineral properties.

Employees

The Company has no employees. For the foreseeable future the Company intends to utilize the services of consultants to conduct its business operations.

Regulation

The Company's planned mineral exploration activities in the United States are subject to various federal, state, and local laws and regulations governing prospecting, development, production, labor standards, occupational health and mine safety, control of toxic substances, and other matters involving environmental protection and taxation. It is possible that future changes in these laws or regulations could have a significant impact on the Company's business, causing those activities to be economically reevaluated at that time.

Risk Factors

The following risk factors together with other information set forth in this Form 10-KSB, should be carefully considered by current and future investors in the Company's securities.

No Earnings and Minimal Assets

The Company has had no earnings from operations. The Company has no significant assets or financial resources. As a mineral exploration company, the Company will sustain operating expenses without corresponding revenues. This will result in the Company incurring net operating losses that will increase continuously until the Company can bring a property into production or lease, joint venture or sell any property it may acquire.

No Exploration Properties

The Company has no interest in any properties on which to conduct mineral exploration.

Risks Inherent in the Mining Industry

Mineral exploration and development is highly speculative and capital intensive. Most exploration efforts are not successful, in that they do not result in the discovery of mineralization of sufficient quantity or quality to be profitably mined. The operations of the Company are also indirectly subject to all of the hazards and risks normally incident to developing and operating mining properties. These risks include insufficient reserves, fluctuations in production costs that may make mining of reserves uneconomic; significant environmental and other regulatory restrictions; labor disputes; geological problems; failure of pit walls or dams; force majeure events; and the risk of injury to persons, property or the environment.

Uncertainty of Reserves and Mineralization Estimates

There are numerous uncertainties inherent in estimating proven and probable reserves and mineralization, including many factors beyond the control of the Company. The estimation of reserves and mineralization is a subjective process and the accuracy of any such estimates is a function of the quality of available data and of engineering and geological interpretation and judgment. Results of drilling, metallurgical testing, production, and the evaluation of mine plans subsequent to the date of any estimate may justify revision of such estimates.

No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated. Assumptions about prices are subject to greater uncertainty and metals prices have fluctuated widely in the past. Declines in the market price of base or precious metals also may render reserves or mineralization containing relatively lower grades of mineralization uneconomic to exploit. Changes in operating and capital costs and other factors including, but not limited to, short-term operating factors such as the need for sequential development of mineral bodies and the processing of new or different mineral grades, may materially and adversely affect reserves.

Fluctuations in the Market Price of Minerals

The profitability of mining operations is directly related to the market price of the metals being mined. The market price of base and precious metals such as copper, gold and silver fluctuate widely and is affected by numerous factors beyond the control of any mining company. These factors include expectations with respect to the rate of inflation, the exchange rates of the dollar and other currencies, interest rates, global or regional political, economic or banking crises, and a number of other factors. If the market prices of the mineral commodities the Company plans to explore decline, this will have a negative effect on the availability of financing for the Company. The volatility in metals prices is illustrated by the quarterly average price ranges from 2001 to 2004 for the following minerals: Gold (oz.) \$256.25 - \$433.87; Silver (oz.) \$4.24 - \$7.23; Copper (lb.) \$0.67 - \$1.41. Average gold and silver prices are from LME, and average copper prices are from COMEX.

Environmental Risks

Mining is subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to the Company (or to other companies in the minerals industry) at a reasonable price. To the extent that the Company becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Company and could have a material adverse effect on the Company. Laws and regulations intended to ensure the protection of the environment are constantly changing, and are generally becoming more restrictive.

Our Exploration Programs Will Probably Not Result in a Commercial Mining Operation

Mineral exploration and development involve significant risks because few properties that are explored contain mineral bodies that would be commercially economic to develop into producing mines.

We May Not Have Sufficient Funds to Complete Further Exploration Programs

We have limited financial resources, do not generate operating revenue, and must finance our exploration activity by other means. We do not know whether additional funding will be available for further exploration of our projects. If we fail to obtain additional financing, we will have to delay or cancel further exploration of our properties and we could lose all of our interest in our properties.

We Would Need Additional Funds to Develop Any Mineral Deposits for Commercial Production

If our exploration programs successfully locate an economic ore body, additional funds will be required to place it into commercial production. Substantial expenditures would be required to establish ore reserves through drilling, to develop metallurgical processes to extract the metals from the ore and to construct the mining and processing facilities at any site chosen for mining. We do not know whether additional financing will be available at all or on acceptable terms. If additional financing is not available, we may have to postpone the development of, or sell, the property.

Factors Beyond Our Control May Determine Whether Any Mineral Deposits We Discover Are Sufficiently Economic To Be Developed Into A Mine

The determination of whether mineral deposits are economic is affected by numerous factors beyond our control. These factors include market fluctuations for precious metals, the proximity and capacity of natural resource markets and processing equipment, and government regulations as to governing prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

Our Reserve Calculations Rely On Estimates That Cannot Be Confirmed Until The Ore Is Mined

In carrying on our mineral exploration activities, and making determinations about whether to proceed to the next stage of development, we must rely upon estimated calculations as to the ore mineralization and corresponding ore grades on our properties. Until ore is actually mined and processed, ore mineralization and ore grade must be considered as estimates only. Any material changes in ore mineralization estimates and ore grades will affect the economic viability of the placing of a property into production and a property's return on capital.

Properties May Be Subject To Uncertain Title

The ownership and validity, or title, of unpatented mining claims are often uncertain and may be contested. A successful claim contesting our title to a property will cause us to lose our rights to mine that property. This could result in our not being compensated for our prior expenditures relating to the property.

Mineral Exploration And Mining Activities Require Compliance With A Broad Range Of Law And Regulation Violation Of Which Can Be Costly

Mining operations and exploration activities are subject to national and local laws and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety. In order to comply, we may be required to make capital and operating expenditures or to close an operation until a particular problem is remedied. In addition, if our activities violate any such laws and regulations, we may be required to compensate those suffering loss or damage, and may be fined if convicted of an offense under such legislation.

Land Reclamation Requirements For Exploration Properties May Be Burdensome

Although variable, depending on location and the governing authority, land reclamation requirements are generally imposed on mineral exploration companies, as well as companies with mining operations, in order to minimize long term effects of land disturbance. Reclamation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out reclamation obligations imposed on us in connection with our mineral exploration, we must allocate financial resources that might otherwise be spent on further exploration programs.

We Face Industry Competition For The Acquisition Of Mining Properties And The Recruitment And Retention Of Qualified Personnel

We compete with other mineral exploration and mining companies, many of which have greater financial resources than us or are further in their development, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. If we require and are unsuccessful in acquiring additional mineral properties or personnel, we will not be able to grow at the rate we desire, or at all.

Some Directors And Officers May Have Conflicts Of Interest As A Result Of Their Involvement With Other Natural Resource Companies

Some of our directors and officers are directors or officers of other natural resource or mining-related companies. These associations may give rise to conflicts of interest from time to time. As a result of these conflicts of interest, we may miss the opportunity to participate in certain transactions, which may have a material, adverse effect on our financial position.

Permitting

In the ordinary course of business, mining companies are required to seek governmental permits for expansion of existing operations or for the commencement of new operations. Obtaining the necessary governmental permits is a complex and time-consuming process involving numerous jurisdictions and often involving public hearings and costly undertakings on our part. The duration and success of our efforts to obtain permits are contingent upon many variables not within our control. Obtaining environmental protection permits, including the approval of reclamation plans, may increase costs and cause delays depending on the nature of the activity to be permitted and the interpretation of applicable requirements implemented by the permitting authority. There can be no assurance that all necessary permits will be obtained and, if obtained, that the costs involved will not exceed those that we previously estimated. It is possible that the costs and delays associated with the compliance with such standards and regulations could become such that we would not proceed with the development or operation of a mine or mines.

ITEM 2. DESCRIPTION OF PROPERTY

The Company has no property, offices or facilities. The Company's activities are carried out from office space provided by the president of the Company. There is currently no charge to the Company for the use of the office space.

ITEM 3. LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Registrant is a party or of which any of its property is subject.

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

No matter was submitted during the fourth quarter of the fiscal year covered by this report to a vote of security holders, through the solicitation of proxies or otherwise.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(a) Market Information

The Common Stock of the Company is traded in the over the counter market on the NASD Bulletin Board under the symbol "MMLC". The shares were listed for trading during the first quarter of 2002. Prior to that time there had been no market for the Company's shares for more than ten years. The following table shows the high and low closing sales prices for the Common Stock for each quarter since January 1, 2003. The quote date was obtained through America Online from data provided by Standard & Poors. The quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

Year Ended 12/31/03	High Closing	Low Closing
First Quarter	.05	.02
Second Quarter	.02	.02
Third Quarter	.05	.01
Fourth Quarter	.075	0.3
Year Ended 12/31/04		
First Quarter	.10	.03
Second Quarter	.08	.045
Third Quarter	.05	.04
Fourth Quarter	.12	.04

(b) Holders

There are approximately 1,270 holders of the Registrant's common equity at the date hereof.

(c) Dividends

To the management's knowledge, the Registrant has never paid a dividend. There is no plan to pay dividends for the foreseeable future.

(d) Securities Authorized for Issuance Under Equity Compensation Plans

The Board of Directors has adopted a Stock Option Plan ("Plan"). The purpose of the Plan is to give the Company greater ability to attract, retain, and motivate its officers and key employees and is intended to provide the Company with the ability to provide incentives more directly linked to the success of the Company's business and increases in Shareholder value.

Options issuable pursuant to the Plan may be either incentive stock options (ISOs) for employees (pursuant to Internal Revenue code § 422) or non qualified Stock options (NSOs). In general, ISOs have favorable tax consequences to employees. Assuming that shares are purchased and held for the requisite period, employees will be taxed at the capital gain rates on sale of shares received under the plan. The time at which taxes must be paid on exercise of an ISO is deferred until sale of the underlying shares. The following is a list of some of the characteristics of ISO's:

- Eligible: only employees;
- Additional Limits: must be granted pursuant to an option plan, which must be approved by the shareholders within 12 months of adoption;
- Exercise Price must be at least fair market value (“FMV”) (110% of FMV if employee owns more than 10% of corporation);
- Termination of Employment: exercise must be within 3 months of termination of employment;
- Option Term: cannot exceed 10 years (5 years if employee owns more than 10% of the corporation);
- Restrictions on Amounts for Vesting: not more than \$100,000 of stock can vest in any calendar year (determined at the date of grant); and
- Holding: if stock is sold within 1 year of exercise of 2 years of date of grant, option will be taxed much like a NSO.

The maximum number of shares available for issue pursuant to the stock option plan adopted by the Company is currently set at 3,000,000 shares. At April 1, 2005, there were 30,000 options issued pursuant to the Plan. No options may be exercised until the Plan has been approved by the shareholders.

In addition to meeting the requirements of the Internal Revenue Code as an incentive stock option, the Plan also meets the requirements of Rule 16(b)-3 of the Securities Exchange Act of 1934, as amended. Officers and directors of a corporation that has adopted an employee stock option plan that meets the requirements of Rule 16(b)-3 may undertake transactions pursuant to the plan without short-swing profit liability under Section 16(b) of the Exchange Act of 1934.

Options are exercisable for a maximum of fifteen (15) years (ten years in the case of an Incentive Stock Option). Transferability is prohibited except for limited circumstances regarding the demise of an Optionee.

The option exercise price for Incentive Stock Options may be no less than the fair market value on the date of grant of the Option, except that the exercise price for any ten percent (10%) shareholder must be 110% of the fair market value on the date of grant. The option price for the NSOs is the lowest allowable price under applicable law.

(e) Unregistered Sales

On March 23, 2005 the Company entered into a Stock Purchase Agreement with the Hunt Family Limited Partnership, a Washington Limited Partnership (“HFLP”). Pursuant to the terms of the Agreement HFLP purchased 7,722,066 shares of Metaline common stock or 51.48% of the total authorized shares of Metaline. The purchase price of the shares was \$0.065 per share which resulted in gross proceeds of \$501,934.29 to the Company. In addition HFLP was granted warrants, exercisable for a period of 5 years, for the purchase of an additional 15,444,132 shares of Metaline common stock at a price of \$0.065 per share, if and when the capitalization of the Company is increased. There was no commission paid, directly or indirectly, to any person in conjunction with the Stock Purchase Agreement. The sale was made pursuant to a Section 4(2) exemption from registration under the Securities Act of 1933.

On March 28, 2005 the Company completed a private placement of 1,500,000 special warrants at a price of \$0.10 per special warrant. Each special warrant shall automatically be converted into one share of the Company’s common stock upon the increase of the Company’s capitalization sufficient to permit the conversion of the warrants. In the event that the special warrants have not been converted on or before July

30, 2005 the warrant holders may, but are not required to, rescind their purchase without penalty to the Company. The private placement was made pursuant to a Regulation D Rule 506 exemption from registration under the Securities Act of 1933, as amended. The special warrants were offered and sold to a total of six investors, all of whom are accredited investors. There was no commission paid, directly or indirectly, to any person in conjunction with the sale of the special warrants. The Company received gross proceeds of \$150,000 from the offering.

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

Plan of Operation

During 2004, the Company's only revenue was dividend and interest income in the amount of \$3,567. This represents a decrease of income of approximately \$6,828 over the year ended December 31, 2003. This decrease is due to the fact that the Company had \$580,000 less cash on hand during the year ended December 31, 2004 than during the year ended December 31, 2003 due primarily to a decrease of cash and cash equivalents from money spent on a stock repurchase and operations and lower interest rates available for the cash and temporary cash investments.

The Company intends to engage in the exploration, development, and if warranted, the mining of properties containing silver, gold, and associated base metals. The Company no interest in any properties on which it intends to conduct mineral exploration. The Company has engaged the services of two consultants to assist in the identification of mineral properties for possible acquisition. For the foreseeable future the Company anticipates that it will continue to utilize the services of consultants to effect its business. The Company has adequate financial resources to meet its anticipated expenses for the next twelve months.

ITEM 7. FINANCIAL STATEMENTS

METALINE MINING & LEASING COMPANY

Financial Statements and Independent Auditors' Report

December 31, 2004 and 2003

Metaline Mining & Leasing Company

Contents

Page

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

FINANCIAL STATEMENTS:

Balance sheets

Statements of income

Statements of stockholders' equity

Statements of cash flows

Notes to financial statements



ΣΠΟΚΑΝΕ
ΧΟΛΦΑΞ
ΓΡΑΝΔΓΕΩ
ΜΟΣΕΣΛΑΚΕ
ΟΜΑΚ
ΟΤΗΕΛΑΟ

ΘΥΙΝΧΥ
ΤΡΙ-ΧΙΤΙΕΣ
ΟΑΛΛΑ ΟΑΛΛΑ
ΟΕΝΑΤΧΗΕΕ
ΨΑΚΙΜΑ
ΒΟΙΣΕ

ACCOUNTING

AND

CONSULTING

SERVICES

Board of Directors
Metaline Mining & Leasing Company
Spokane, Washington

MEMBER OF

McGLADREY

NETWORK

We have audited the accompanying balance sheets of Metaline Mining & Leasing Company (a Washington Corporation) as of December 31, 2004 and 2003, and the related statements of income, stockholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provided a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Metaline Mining & Leasing Company as of December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

LeMaster & Daniels PLLC

Spokane, Washington
March 10, 2005

Metaline Mining & Leasing Company

Balance Sheets

	December 31,	
	<u>2004</u>	<u>2003</u>
<i>Assets</i>		
<i>CURRENT ASSETS:</i>		
Cash and cash equivalents:		
Cash	\$ 346,212	\$ 363,094
Temporary cash investments	<u>151,216</u>	<u>149,746</u>
Total cash and cash equivalents	497,428	512,840
<i>FEDERAL INCOME TAXES RECEIVABLE</i>	<u>-</u>	<u>1,200</u>
Total current assets	497,428	514,040
<i>INVESTMENTS</i>	20,552	19,453
<i>MINING PROPERTIES</i>	<u>7,331</u>	<u>7,720</u>
	<u><u>\$ 525,311</u></u>	<u><u>\$ 541,213</u></u>
<i>Liabilities and Stockholders' Equity</i>		
<i>CURRENT LIABILITIES:</i>		
Accounts payable	<u>\$ -</u>	<u>\$ 309</u>
<i>STOCKHOLDERS' EQUITY:</i>		
Common stock – 15,000,000 shares, no par value, authorized; 7,277,934 shares issued and outstanding	379,282	379,282
Accumulated other comprehensive income:		
Unrealized gain (loss), marketable securities	1,061	(38)
Retained earnings	<u>144,968</u>	<u>161,660</u>
Total stockholders' equity	<u>525,311</u>	<u>540,904</u>
	<u><u>\$ 525,311</u></u>	<u><u>\$ 541,213</u></u>

See accompanying notes to financial statements.

Metaline Mining & Leasing Company

Statements of Income

	Years Ended December 31,	
	<u>2004</u>	<u>2003</u>
<i>INCOME:</i>		
Dividend and interest income	<u>\$ 3,567</u>	<u>\$ 10,395</u>
<i>EXPENSES:</i>		
Directors' fees	1,500	1,725
Professional fees	15,732	12,034
Office expense	1,200	1,200
Advertising	1,000	3,175
Taxes, licenses, and fees	<u>1,589</u>	<u>377</u>
	<u>21,021</u>	<u>18,511</u>
<i>LOSS BEFORE OTHER INCOME AND FEDERAL INCOME TAX</i>	(17,454)	(8,116)
<i>OTHER INCOME:</i>		
Income from partnership interests	<u>762</u>	<u>701</u>
<i>LOSS BEFORE FEDERAL INCOME TAX</i>	(16,692)	(7,415)
<i>BENEFIT FOR FEDERAL INCOME TAX</i>	<u>-</u>	<u>1,110</u>
<i>NET LOSS</i>	<u>\$ (16,692)</u>	<u>\$ (6,305)</u>
<i>BASIC LOSS PER SHARE (based on weighted average shares outstanding)</i>	<u>NIL</u>	<u>NIL</u>

See accompanying notes to financial statements.

Metalline Mining & Leasing Company

**Statements of Stockholders' Equity
Years Ended December 31, 2004 and 2003**

	Number of Shares <u>Outstanding</u>	Common <u>Stock</u>	Accumulated Other Comprehensive <u>Income</u> <u>(Loss)</u>	Retained <u>Earnings</u>	<u>Total</u>
<i>BALANCES, DECEMBER 31, 2002</i>	14,555,668	\$ 954,282	\$ (3,473)	\$ 167,965	<u>\$ 1,118,774</u>
<i>ADD (DEDUCT):</i>					
Purchase of common stock	(7,277,734)	(575,000)	-	-	(575,000)
Comprehensive income (loss):					
Unrealized gain in marketable securities	-	-	3,435	-	3,435
Net loss	-	-	-	(6,305)	<u>(6,305)</u>
Comprehensive income (loss)	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>(2,870)</u>
<i>BALANCES, DECEMBER 31, 2003</i>	7,277,934	379,282	(38)	161,660	<u>540,904</u>
<i>ADD (DEDUCT):</i>					
Comprehensive income (loss):					
Unrealized gain in marketable securities	-	-	1,099	-	1,099
Net loss	-	-	-	(16,692)	<u>(16,692)</u>
Comprehensive income (loss)	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>(15,593)</u>
<i>BALANCES, DECEMBER 31, 2004</i>	<u>7,277,934</u>	<u>\$ 379,282</u>	<u>\$ 1,061</u>	<u>\$ 144,968</u>	<u>\$ 525,311</u>

See accompanying notes to financial statements.

Metaline Mining & Leasing Company

Statements of Cash Flows

	Years Ended December 31,	
	<u>2004</u>	<u>2003</u>
<i>Increase (Decrease) in Cash and Cash Equivalents</i>		
<i>CASH FLOWS FROM OPERATING ACTIVITIES:</i>		
Net loss	\$ (16,692)	\$ (6,305)
Adjustments to reconcile net loss to net cash used in operating activities:		
Income from partnership interest	(811)	(757)
Decrease in federal taxes receivable	1,200	2,392
Decrease in accounts payable	<u>(309)</u>	<u>-</u>
Net cash used in operating activities	(16,612)	(4,670)
<i>CASH FLOWS FROM INVESTING ACTIVITIES:</i>		
Distributions received from partnership properties	1,200	-
<i>CASH FLOWS FROM FINANCING ACTIVITIES:</i>		
Purchase of common stock	<u>-</u>	<u>(575,000)</u>
<i>NET DECREASE IN CASH AND CASH EQUIVALENTS</i>	(15,412)	(579,670)
<i>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</i>	<u>512,840</u>	<u>1,092,510</u>
<i>CASH AND CASH EQUIVALENTS, END OF YEAR</i>	<u>\$ 497,428</u>	<u>\$ 512,840</u>
<i>Supplemental Schedule of Noncash Investing and Financing Activities:</i>		
Increase in partnership interests	<u>\$ 811</u>	<u>\$ 757</u>

See accompanying notes to financial statements.

Metaline Mining & Leasing Company
Notes to Financial Statements

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization:

Metaline Mining & Leasing Company (the Company) was incorporated in the state of Washington in 1927. Although it has previously been engaged in mineral exploration and continues to hold interests in mineral exploration properties, the Company currently has no active business operations. The Company is currently seeking to acquire an interest in a business opportunity.

Summary of Significant Accounting Policies:

- a. Cash and cash equivalents include short-term cash investments that have an initial maturity of 90 days or less.
- b. The Company's marketable securities are stated at estimated fair value at the balance-sheet dates and unrealized losses are reported in stockholders' equity as accumulated other comprehensive income. All such securities are considered to be available-for-sale. Gains and losses are determined using the specific identification method. Investments in coins (gold Krugerrands and silver rounds) are stated at fair value.
- c. The Company capitalizes acquisition and exploration costs on nonoperating mining properties and mineral rights for accounting and income tax purposes. Upon commencement of operations, the capitalized costs will be amortized based on proven or probable reserves by the unit of production method so that each unit produced is assigned a pro rata portion of the unamortized acquisition costs.
- d. Capitalized costs are charged to operations as impairment losses when title to the property has expired or when management believes the properties are not economically feasible to develop or hold for future development.
- e. Basic earnings per share are computed using the weighted average number of shares outstanding during the years (approximately 7,277,934 in 2004 and 2003). Diluted income per share was the same as basic earnings per share for the years presented.
- f. Deferred income tax is provided for differences between the bases of assets and liabilities for financial and income tax reporting. A deferred tax asset, subject to a valuation allowance, is recognized for estimated future tax benefits of tax-basis operating losses being carried forward.
- g. 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 disclosures 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.

Metaline Mining & Leasing Company
Notes to Financial Statements

NOTE 2 — INVESTMENTS:

The Company had the following investments:

	<u>December 31,</u>	
	<u>2004</u>	<u>2003</u>
Coins:		
At fair value	\$20,552	\$19,453
Marketable securities:		
Cost	5,877	5,877
Gross unrealized holding loss	<u>(5,877)</u>	<u>(5,877)</u>
	<u>\$20,552</u>	<u>\$19,453</u>
	=====	=====

Coins consisted of the following:

- 44 1-ounce Krugerrands
- 150 1-ounce silver rounds

Marketable securities consisted of the following investments:

- 25,000 shares of Capitol Silver Mines, Inc., a development-stage company
- 31,151 shares of Carson Industries Corporation, which is currently involved in oil and gas exploration

NOTE 3 — MINING PROPERTIES:

Investments in mining properties, net of impairment losses recognized, consisted of the following:

	<u>December 31,</u>	
	<u>2004</u>	<u>2003</u>
Partnership interest in two units of Pondera Partners, Ltd., a drilling project located in Teton County, Montana (at cost less equity in partnership losses)	\$7,331	\$7,720
	=====	=====

Metaline Mining & Leasing Company
Notes to Financial Statements

NOTE 4 — FEDERAL INCOME TAXES:

The benefit for income taxes consisted of the following:

	Years Ended December 31,	
	<u>2004</u>	<u>2003</u>
Computed expected tax benefit	\$ -	\$1,110
	=====	=====

At December 31, 2004 and 2003, the Company had deferred tax assets which were fully reserved by valuation allowances. Following are the components of such assets and allowances:

	December 31,	
	<u>2004</u>	<u>2003</u>
Deferred tax assets arising from:		
Net operating loss carryforwards	\$3,525	\$1,025
Less valuation allowance	<u>3,525</u>	<u>1,025</u>
Net deferred tax assets	\$ -	\$ -
	=====	=====

At December 31, 2004, the Company had federal tax-basis net operating loss carryforwards totaling approximately \$23,500, which will expire in various amounts in 2023 and 2024.

NOTE 5 — CONCENTRATION OF CREDIT RISK:

The Company maintains its cash and cash equivalents in three financial institutions. Balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000 per institution. Balances on deposit may occasionally exceed FDIC insured amounts.

NOTE 6 — PURCHASE OF COMMON STOCK:

In December 2003, the Company and a majority stockholder entered into and closed a transaction whereby the stockholder sold 7,277,734 shares of the Company's common stock to the Company for an aggregate share price of \$575,000. The stockholder, who previously held 50% of the Company's outstanding stock, now holds 100 shares of the Company's common stock.

Metaline Mining & Leasing Company
Notes to Financial Statements

NOTE 7 — SUBSEQUENT EVENTS:

Subsequent to year end December 31, 2004, the Company entered into and completed an agreement to sell 7,722,066 shares of common stock to an entity controlled by a family group. The shares represent 51.48% of the authorized and issued common stock of the Company. The Company received proceeds of \$501,934 related to the transaction. In connection with the transaction, the Company issued warrants to acquire an additional 15,444,132 shares of common stock at a price of \$0.065 per share, if and when the capitalization of the Company is increased.

Additionally, subsequent to year end December 31, 2004, the Company completed a private placement of 1,500,000 special warrants at a price of \$0.10 per special warrant. Each special warrant shall automatically be converted into one share of the Company's common stock upon the increase of the Company's capitalization sufficient to permit the conversion of the warrants. In the event that the special warrants have not been converted on or before July 30, 2005 the warrant holders may, but are not required to, rescind their purchase without penalty to the Company. The private placement was made pursuant to a Regulation D Rule 506 exemption from registration under the Securities Act of 1933, as amended. The special warrants were offered and sold to a total of six investors, all of whom are accredited investors. There was no commission paid, directly or indirectly, to any person in conjunction with the sale of the special warrants. The Company received gross proceeds of \$150,000 from the offering.

Additionally, subsequent to year end December 30, 2004, the Company adopted a stock option plan (Plan). The maximum number of common shares available for issue is 3,000,000. At April 1, 2005, there were 30,000 options issued. No options may be exercised until the Plan has been approved by the shareholders.

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

During the registrant's two most recent fiscal years and the subsequent interim period, no independent accountant who was previously engaged as the principal accountant to audit the registrant's financial statements, or independent accountant who was previously engaged to audit a significant subsidiary and on whom the principal accountant expressed reliance in its report, has resigned (or indicated it has declined to stand for re-election after the completion of the current audit) or was dismissed.

ITEM 8A. CONTROLS AND PROCEDURES

Tim Hunt and Eunice R. Campbell, the Registrant's President and Principal Accounting Officer respectively have evaluated the Registrant's disclosure controls and procedures within 90 days of the filing date of this annual report. Based upon this evaluation, the Registrant's President and Principal Accounting Officer concluded that the Registrant's disclosure controls and procedures are effective in ensuring that material information required to be disclosed is included in the reports that it files with the Securities and Exchange commission.

There were no significant changes in the Registrant's internal controls or, to the knowledge of the management of the Registrant, in other factors that could significantly affect these controls subsequent to the evaluation date.

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

Directors and Executive Officers

(a) Identification of Directors

Set forth below is the name, age and length of service of the Company's directors as of April 1, 2005:

<u>Name (age)</u>	<u>Position</u>	<u>Length of Service</u>
Tim Hunt (52)	Director	Since 2005
William R. Green (66)	Director	Since 1993
Eunice R. Campbell (59)	Director	1992 and since 1994

The directors are elected for a one-year term until their successors have been elected and qualified. There are no arrangements or understandings between any of the directors and other persons pursuant to which such person was selected as a director.

(b) Identification of Executive Officers

Set forth below is the name and length of service of the Company's Executive Officers as of April 1, 2005:

<u>Name (age)</u>	<u>Position</u>	<u>Length of Service</u>
Tim Hunt	President	2005
William R. Green	President	2004- 2005
	Vice President/Asst. Secretary	2005 and From 1994 to 2004
Eunice R. Campbell	Secretary/Treasurer	Since 1992

Executive Officers are appointed to serve until the meeting of the Board of Directors following the next annual meeting of shareholders and until their successors have been elected and qualified. There are no arrangements or understandings between any of the directors, officers, and other persons pursuant to which such person was selected as an Executive Officer.

Set forth below is certain biographical information regarding each Director and Executive Officer of the Company.

Tim Hunt is a general partner of HFLP and is the founder and president of Spokane, Washington-based Huntwood Industries, the largest building products manufacturer in Eastern Washington with over 800 employees. Mr. Hunt has significant experience in raising capital and negotiating private equity placements for numerous companies

Dr. William R. Green - William R. Green is a mining engineer and geologist, and was a professor of mining engineering at the University of Idaho from 1965 to 1983. He has been actively involved in the mining business since 1962 and is currently an officer and director of Centram Exploration Ltd., Triband Enterprise Corp. and Petromin Resources Ltd., all Canadian public companies and was the President and a director of Mines Management, Inc., a U.S. public company from 1964 until 2003.

Eunice R. Campbell - Mrs. Campbell is a retired businesswoman. Prior to her retirement in 1987 Mrs. Campbell was the owner of Spokane Guaranty Company, a stock transfer agency.

(c) Identification of Certain Significant Employees

The Registrant has no employees.

(d) Family Relationships

There is no family relationship between any Director, Executive Officer, or person nominated or chosen by the Registrant to become a Director or Executive Officer.

(e) Involvement in Certain Legal Proceedings

No Director, or person nominated to become a Director or Executive Officer, has been involved in any of the enumerated events during the past five years.

(f) Promoters and Control Persons

Not Applicable

Compliance with Section 16(a) of the Exchange Act

Based solely upon a review of Forms 3 and 4 and amendments thereto furnished to the Registrant pursuant to Section 240.16a-3 during its most recent fiscal year and Form 5 and amendments thereto furnished to the Registrant with respect to the most recent fiscal year, all executive officers and directors of the Company timely filed the reports required under Section 16(a) of the Securities Exchange Act of 1934, as amended.

Board Committees

William R. Green and Eunice R. Campbell performed the functions of the Audit, Nominating and Disclosure Committees during the year ended December 31, 2004. The audit committee recommends a firm of independent certified public accountants to audit the annual financial statements, discusses with the auditors and approves in advance the scope of the audit, reviews with the independent auditors their independence, the financial statements and their audit report, reviews management's administration of the system of internal accounting controls, and reviews the Company's procedures relating to business ethics. The Company has adopted audit committee pre approval policies but does not have a written audit committee charter. Neither William R. Green nor Eunice R. Campbell are deemed to be independent directors as that term is defined in Rule 4200(a)(14) of the NASD's listing standards.

ITEM 10. EXECUTIVE COMPENSATION

(a) Executive Officers

The following table sets forth the compensation paid by the Company to its Chief Executive Officer and executive officers whose total annual salary and bonus exceeded \$100,000 during the past three calendar years ("Executive Officers"). Except as set forth below, no officer or Executive Officer of the Company received compensation in excess of \$100,000 during the past three calendar years. This information includes the dollar value of base salaries, bonus awards and number of stock options granted, and certain other compensation, if any.

Summary Compensation Table

Annual Compensation					Long-Term Compensation			
(a) Name and Principal Position	(b) Year	(c) Salary (\$)	(d) Bonus (\$)	(e) Other Annual Comp. (\$)	Awards		Payouts	
					(f) Restricted Stock Awards(1) (\$)	(g) Securities Underlying Options/ SARs(#)	(h) LTIP Payouts (\$)	(i) All Other Comp. (\$)
Gregory B. Lipsker President and Director	2002	\$0	\$0	\$0	\$0	-0-	\$0	\$0*
	2003	\$0	\$0	\$0	\$0	-0-	\$0	\$0*
	2004	\$0	\$0	\$0	\$0	-0-	\$0	\$0*
William R. Green	2004	\$0	\$0	\$0	\$0	-0-	\$0	\$0

* Mr. Lipsker's law firm received fees of \$1,646; \$1,220; and \$2,457 for legal services performed for the Company during 2002; 2003; and 2004 respectively.

(b) Director Compensation For Last Fiscal Year

Name (a)	Cash Compensation			Security Grants	
	Annual Retainer Fees(\$)	Meeting Fees(\$)	Consulting Fees/Other Fees (\$)	Number of Shares (#)	Number of Securities Underlying Options/SARs (#)
	(b)	(c)	(d)	(e)	(f)
Gregory Lipsker	-0-	-0-	-0-	0	0
William R. Green	\$500	-0-	-0-	0	0
Eunice Campbell	\$500	-0-	-0-	0	0
Lee Irving	\$500	-0-	-0-	0	0

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets out as of April 1, 2005, the names and shareholdings of beneficial owners known to the Company to own more than five percent (5%) of the common stock of the Company, each director and executive officer of the Company, and the shareholdings of all directors and executive officers as a group. At such date, the number of issued and outstanding shares of common stock of the Company was 15,000,000

Name of Person or Group ⁽¹⁾	Amount and Nature of Beneficial Ownership (all direct unless otherwise noted)	% of class
Greg Lipsker 601 W. Main Avenue Spokane, WA 99201	1,001,500	6.68%
Tim Hunt ⁽¹⁾	7,722,066	51.48%
William Green 905 W. Riverside, Ste. 311 Spokane, WA 99201	896,000	6.15%
Eunice R. Campbell 301 S. Chestnut, Ste. #6 Spokane, WA 99204	595,000	4.05%
All executive officers and directors as a group (3 persons)	9,213,066	61.42%

(1) includes 7,722,066 shares owned through the Hunt Family Limited Partnership,

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**(a) Transactions with Management and Others**

On March 23, 2005 the Company entered into a Stock Purchase Agreement with the Hunt Family Limited Partnership, a Washington Limited Partnership ("HFLP"). Pursuant to the terms of the Agreement HFLP purchased 7,722,066 shares of Metaline common stock or 51.48% of the total authorized shares of Metaline. The purchase price of the shares was \$0.065 per share which resulted in gross proceeds of \$501,934.29 to the Company. In addition HFLP was granted warrants, exercisable for a period of 5 years, for the purchase of an additional 15,444,132 shares of Metaline common stock at a price of \$0.065 per share, if and when the

capitalization of the Company is increased. Tim Hunt, the President of the Company is a general partner of HFLP.

(b) Certain Business Relationships

None

ITEM 13. EXHIBITS

(a) the following documents are filed as part of the report:

1. Financial Statements

- * Independent Auditors' Reports
- * Balance Sheets at December 31, 2004 and 2003
Statements of Income (Loss)
for the years ended December 31, 2004 and 2003
- * Statements of Stockholders' Equity
for the years ended December 31, 2002 - 2004
- * Statements of Cash Flows
for the years ending December 31, 2004 and 2003
- * Notes to Financial Statements

2. Exhibits required by Item 601

- (2) Plan of Acquisition, reorganization, arrangement, liquidation or succession.(1)
- (3)(i) Articles of Incorporation (2)
- (3)(ii) Bylaws (2)
- (4) Instruments defining the rights of security holders, including indentures (1)
- (9) Voting trust agreements. (1)
- (10) Material contracts (2).
- (11) Statement re: computation of per share earnings. (1)
- (13) Annual or quarterly reports, Form 10-Q(2)
- (14) Code of Ethics (2)
- (16) Letter on change in certifying accountant(1)
- (18) Letter on change in accounting principles(1)
- (20) Other documents or statements to security holders(1)
- (21) Subsidiaries of the registrant(1)
- (22) Published report regarding matters submitted to a vote(1)
- (23) Consent of experts and counsel(1)
- (24) Power of Attorney(1)
- (31) Rule 13a-14(a)/15d-14(a) Certifications
 - (31)(i) Certification of Tim Hunt
 - (31)(ii) Certification of Eunice R. Campbell
- (32) Section 1350 Certifications
 - (32)(i) Certification of Tim Hunt
 - (32)(ii) Certification of Eunice R. Campbell

(1) These items have either been omitted or are not applicable

(2) Incorporated by reference to previous filing

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit Fees

The aggregate fees billed for professional services rendered by the Company's principal accountant for the audit of the Company's annual financial statements for the fiscal years ended December 31, 2004 and 2003 were \$4,500 and \$4,500 respectively.

Audit Related Fees

The Company incurred no fees during the last two fiscal years for assurance and related services by the Company's principal accountant that were reasonably related to the performance of the audit of the Company's financial statements.

Tax Fees

The Company incurred fees totaling \$600 and \$600 during the fiscal years ended December 31, 2004 and 2003, respectively, for professional services rendered by the Company's principal accountant for tax compliance, tax advice and tax planning.

All Other Fees

The Company incurred fees totaling \$4,500 and \$4,500 during the fiscal years ended December 31, 2004 and 2003, respectively, for services rendered by the Company's principal accountant relating to the preparation of quarterly financial statements for inclusion in the Company's quarterly reports on Form 10QSB.

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/ Tim Hunt

By: _____
Tim Hunt, President
(Principal Executive Officer)

/s/ Eunice R. Campbell

By: _____
Eunice R. Campbell, Secretary/Treasurer
(Principal Financial Officer)

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Tim Hunt

4/14/05

TIM HUNT	Date
Director	

/s/ Eunice R. Campbell

4/14/05

EUNICE R. CAMPBELL
Director

/s/ William R. Green

4/14/05

WILLIAM R. GREEN
Director

Date

SUPPLEMENTAL INFORMATION TO BE FURNISHED WITH REPORTS FILED PURSUANT TO SECTION 15(d) OF THE EXCHANGE ACT BY NON-REPORTING ISSUERS – Not Applicable

EXHIBIT (4)

METALINE MINING & LEASING COMPANY

2005 STOCK PLAN

1. Establishment and Purposes of the Plan. The purposes of the Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to Employees, Directors and Consultants and to promote the success of the Company's business. The Plan seeks to achieve these purposes by providing for awards in the form of Restricted Common Stock or Options granted under the Plan (which may be Incentive Stock Options or Nonstatutory Stock Options, as determined by the Administrator at the time of grant).

2. Definitions. As used herein, the following definitions shall apply:

(a) "Administrator" means the Board or any of its Committees as shall be administering the Plan in accordance with Section 4 hereof.

(b) "Affiliate" means any entity other than a Subsidiary, if the Company and/or one or more Subsidiaries own not less than 50% of such entity.

(c) "Applicable Laws" means the requirements relating to the administration of stock option plans under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any other country or jurisdiction where Options are granted under the Plan.

(d) "Award" means any award of an Option or a Restricted Share under the Plan.

(e) "Board" means the Board of Directors of the Company.

(f) "Change in Control" shall mean an Ownership Change Event or a series of related Ownership Change Events (collectively, a "*Transaction*") wherein the shareholders of the Company immediately before the Transaction do not retain immediately after the Transaction, in substantially the same proportions as their ownership of shares of the Company's voting stock immediately before the Transaction, direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the outstanding voting securities of the Company or, in the case of a Transaction described in Section 2(x)(iii), the corporation or other business entity to which the assets of the Company were transferred (the "*Transferee*"), as the case may be. For purposes of the preceding sentence, indirect beneficial ownership shall include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company or the Transferee, as the case may be, either directly or through one or more subsidiary corporations or other business entities. The Board shall have the right to determine whether multiple sales or exchanges of the voting securities of the Company or multiple Ownership Change Events are related, and its determination shall be final, binding and conclusive. Notwithstanding the preceding sentence, a Change in Control shall not include a distribution or transaction in which the voting stock of the Company or a Parent or Subsidiary is distributed to the shareholders of a Parent of such entity. Any change in ownership resulting from an underwritten public offering of the Common Stock or the stock of any Parent or Subsidiary shall not be deemed a change in control for any purpose hereunder.

(g) “Code” means the Internal Revenue Code of 1986, as amended.

(h) “Committee” means a committee of Directors appointed by the Board in accordance with Section 4 hereof.

(i) “Common Share” means one share of the common stock of the Company.

(j) “Company” means Metaline Mining & Leasing Company, a Washington corporation, or any successor thereof.

(k) “Consultant” means a person engaged to provide consulting or advisory services (other than as an Employee or a Director) to the Company or a Parent or Subsidiary, provided that the identity of such person or the nature of such services or the entity to which such services are provided would not preclude the Company from offering or selling securities to such person pursuant to the Plan in reliance on either the exemption from registration provided by Rule 701 under the Securities Act or, if the Company is required to file reports pursuant to Section 13 or 15(d) of the Exchange Act, registration on a Form S-8 Registration Statement under the Securities Act of 1933, as amended.

(l) “Director” means a member of the Board.

(m) “Disability” means total and permanent disability as defined in Section 2(e)(3) of the Code.

(n) “Employee” means any person, including officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. A Service Provider shall not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its Parent, any Subsidiary, or any successor. For purposes of Incentive Stock Options, no such leave may exceed ninety (90) days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then three (3) months following the 90th day of such leave, any Incentive Stock Option held by the Optionee shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonstatutory Stock Option. Neither service as a Director nor payment of a director’s fee by the Company shall be sufficient to constitute “employment” by the Company.

(o) “Exchange Act” means the Securities Exchange Act of 1934, as amended.

(p) “Fair Market Value” means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the NASDAQ National Market, The NASDAQ SmallCap Market of The NASDAQ Stock Market or on the NASDAQ supervised OTC Bulletin Board, its Fair Market Value shall be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, its Fair Market Value shall be the mean between the high bid and low asked prices for the Common Stock on the day of determination; or

(iii) In the absence of an established market for the Common Stock, the Fair Market Value thereof shall be determined in good faith by the Administrator.

(q) “Incentive Stock Option” means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

(r) “Nonstatutory Stock Option” means an Option not intended to qualify as an Incentive Stock Option.

(s) “Option” means a stock option granted pursuant to the Plan.

(t) “Option Agreement” means a written or electronic agreement between the Company and an Optionee evidencing the terms and conditions of an individual Option grant. The Option Agreement is subject to the terms and conditions of the Plan.

(u) “Optioned Stock” means the Common Stock subject to an Option.

(v) “Optionee” means the holder of an outstanding Option granted under the Plan.

(w) “Outside Director” means a member of the Board who is not an Employee. Service as an Outside Director shall be considered employment for all purposes of the Plan, except as provided in Section 2(h)

(x) “Ownership Change Event” shall be deemed to have occurred if any of the following occurs with respect to the Company: (i) the direct or indirect sale or exchange in a single or series of related transactions by the shareholders of the Company of more than fifty percent (50%) of the voting stock of the Company; (ii) a merger or consolidation in which the Company is a party; (iii) the sale, exchange, or transfer of all or substantially all of the assets of the Company; or (iv) a liquidation or dissolution of the Company.

(y) “Parent” means a “parent corporation,” whether now or hereafter existing, as defined in Section 424(e) of the Code.

(z) “Plan” means this 2005 Stock Plan.

(aa) “Restricted Common Stock” means a Common Share awarded under the Plan.

(bb) “Restricted Stock Agreement” means the agreement between the Company and the recipient of a Restricted Share that contains the terms, conditions and restrictions pertaining to such Restricted Share.

(cc) “Service Provider” means an Employee, Director or Consultant.

(dd) “Share” means a share of the Common Stock, as adjusted in accordance with Section 13 below.

(ee) “Subsidiary” means a “subsidiary corporation,” whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. Stock Subject to the Plan. Subject to the provisions of Section 13 of the Plan, the maximum aggregate number of Shares that may be subject to option and sold under the Plan is Three Million (3,000,000) Shares. The Shares may be authorized but unissued, or reacquired Common Stock.

If an Option expires or becomes unexercisable without having been exercised in full, the unpurchased Shares which were subject thereto shall become available for future grant or sale under the Plan (unless the Plan has terminated). However, Shares that have actually been issued under the Plan, upon the grant of Restricted Common Stock or the exercise of an Option, shall not be returned to the Plan and shall not become available for future distribution under the Plan, except that if Shares of restricted stock issued pursuant to an Option are repurchased by the Company at their original purchase price, such Shares shall become available for future grant under the Plan. However, except as adjusted pursuant to Section 13, in no event shall more than two million (2,000,000) Shares be available for issuance pursuant to the exercise of Incentive Stock Options (the “ISO Share Issuance Limit”).

4. Administration of the Plan.

(a) The Plan shall be administered by the Board or a Committee appointed by the Board, which Committee shall be constituted to comply with Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan and, in the case of a Committee, the specific duties delegated by the Board to such Committee, and subject to the approval of any relevant authorities, the Administrator shall have the authority in its discretion:

- (i) to determine the Fair Market Value;
- (ii) to select the Service Providers to whom Options may from time to time be granted hereunder;
- (iii) to determine the number of Shares to be covered by each such Option granted hereunder;
- (iv) to approve forms of agreement for use under the Plan;
- (v) to determine the terms and conditions of any Restricted Common Stock grant or Option granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Options may be exercised (which may be based on performance criteria), any vesting, acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Restricted Common Stock grant, Option or the Common Stock relating thereto, based in each case on such factors as the Administrator, in its sole discretion, shall determine;
- (vi) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws;

(vii) to allow Optionees to satisfy withholding tax obligations by electing to have the Company withhold from the Shares to be issued upon exercise of an Option that number of Shares having a Fair Market Value equal to the minimum amount required to be withheld. The Fair Market Value of the Shares to be withheld shall be determined on the date that the amount of tax to be withheld is to be determined. All elections by Optionees to have Shares withheld for this purpose shall be made in such form and under such conditions as the Administrator may deem necessary or advisable; and

(viii) to construe and interpret the terms of the Plan and Restricted Common Stock and Options granted pursuant to the Plan.

(c) Effect of Administrator's Decision. All decisions, determinations and interpretations of the Administrator shall be final and binding on all Grantees and Optionees.

5. Eligibility. Nonstatutory Stock Options may be granted to Service Providers. Incentive Stock Options may be granted only to Employees.

6. Limitations.

(a) Incentive Stock Option Limit. Each Option shall be designated in the Option Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Optionee during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds \$100,000, such Options shall be treated as Nonstatutory Stock Options. For purposes of this Section 6(a), Incentive Stock Options shall be taken into account in the order in which they were granted. The Fair Market Value of the Shares shall be determined as of the time the Option with respect to such Shares is granted.

(b) At-Will Employment. Neither the Plan nor any Option shall confer upon any Grantee or Optionee any right with respect to continuing the Grantee or Optionee's relationship as a Service Provider with the Company, nor shall it interfere in any way with his or her right or the Company's right to terminate such relationship at any time, with or without cause, and with or without notice.

7. Term of Plan. Subject to shareholder approval in accordance with Section 19, the Plan shall become effective upon its adoption by the Board. Unless sooner terminated under Section 15, it shall continue in effect for a term of ten (10) years from the later of (i) the effective date of the Plan, or (ii) the date of the most recent Board approval of an increase in the number of shares reserved for issuance under the Plan.

8. Term of Option. The term of each Option shall be stated in the Option Agreement; provided, however, that the term shall be no more than fifteen (15) in the case of a NonQualified Option and ten (10) years from the date of grant thereof in the case of an Incentive Stock Option. In the case of an Incentive Stock Option granted to an Optionee who, at the time the Option is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Option shall be five (5) years from the date of grant or such shorter term as may be provided in the Option Agreement.

9. Option Exercise Price and Consideration.

(a) Exercise Price. The per share exercise price for the Shares to be issued upon exercise of an Option shall be such price as is determined by the Administrator, but shall be subject to the following:

(i) In the case of an Incentive Stock Option

(A) granted to an Employee who, at the time of grant of such Option, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the exercise price shall be no less than 110% of the Fair Market Value per Share on the date of grant.

(B) granted to any other Employee, the per Share exercise price shall be no less than 100% of the Fair Market Value per Share on the date of grant.

(ii) In the case of a Nonstatutory Stock Option, the per Share exercise price shall be determined by the Administrator.

(iii) Notwithstanding the foregoing, Options may be granted with a per Share exercise price other than as required above pursuant to an assumption or substitution of another option in connection with a merger or other corporate transaction.

(b) Forms of Consideration. The consideration to be paid for the Shares to be issued upon exercise of an Option, including the method of payment, shall be determined by the Administrator (and, in the case of an Incentive Stock Option, shall be determined at the time of grant). Such consideration may consist of, without limitations, (1) cash, (2) check, (3) promissory note, (4) other Shares, provided any Shares acquired from the Company, either directly or indirectly, (x) have been owned by the Optionee for more than six months on the date of surrender, and (y) have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which such Option shall be exercised, (5) consideration received by the Company under a cashless exercise program implemented by the Company in connection with the Plan, or (6) any combination of the foregoing methods of payment. In making its determination as to the type of consideration to accept, the Administrator shall consider, among other things, if acceptance of such consideration may be reasonably expected to benefit the Company. Notwithstanding the foregoing, the Administrator may permit an Optionee to exercise his or her Option by delivery of a full-recourse promissory note secured by the purchased Shares. The terms of such promissory note shall be determined by the Administrator, in its sole discretion.

10. Exercise of Option.

(a) Procedure for Exercise; Rights as a Shareholder. Any Option granted hereunder shall be exercisable according to the terms hereof at such times and under such conditions as determined by the Administrator and set forth in the Option Agreement. Unless the Administrator provides otherwise, vesting of Options granted hereunder shall be suspended during any unpaid leave of absence. An Option may not be exercised for a fraction of a Share.

An Option shall be deemed exercised when the Company receives: (i) written or electronic notice of exercise (in accordance with the Option Agreement) from the person entitled

to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised. Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Option Agreement and the Plan. Shares issued upon exercise of an Option shall be issued in the name of the Optionee or, if requested by the Optionee, in the name of the Optionee and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to the Shares, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 13 of the Plan.

Exercise of an Option in any manner shall result in a decrease in the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(b) Termination of Relationship as a Service Provider. If an Optionee ceases to be a Service Provider, such Optionee may exercise his or her Option within such period of time as is specified in the Option Agreement to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of the Option as set forth in the Option Agreement). In the absence of a specified time in the Option Agreement, the Option shall remain exercisable for three (3) months following the Optionee's termination. If, on the date of termination, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall revert to the Plan. If, after termination, the Optionee does not exercise his or her Option within the time specified by the Administrator, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(c) Disability of Optionee. If an Optionee ceases to be a Service Provider as a result of the Optionee's Disability, the Optionee may exercise his or her Option within such period of time as is specified in the Option Agreement to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement). In the absence of a specified time in the Option Agreement, the Option shall remain exercisable for twelve (12) months following the Optionee's termination. If, on the date of termination, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall revert to the Plan. If, after termination, the Optionee does not exercise his or her Option within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(d) Death of Optionee. If an Optionee dies while a Service Provider, the Option may be exercised for a period of one year from the Optionee's death (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement), by the Optionee's designated beneficiary, provided such beneficiary has been designated prior to Optionee's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Optionee, then such Option may be exercised by the personal representative of the Optionee's estate or by the person(s) to whom the Option is transferred pursuant to the Optionee's will or in accordance with the laws of descent and distribution. If, at the time of death, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall immediately revert to

the Plan. If the Option is not so exercised within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

11. Limited Transferability of Options. Unless determined otherwise by the Administrator, Options may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or the laws of descent and distribution, and may be exercised during the lifetime of the Optionee, only by the Optionee. Notwithstanding the foregoing, to the extent permitted by the Administrator, in its discretion, and set forth in the Option Agreement evidencing such Option, a Nonstatutory Stock Option shall be assignable or transferable subject to the applicable limitations, if any, described in Rule 701 under the Securities Act and the General Instructions to Form S-8 Registration Statement under the Securities Act. In addition, any transferable Option shall contain additional terms and conditions as the Administrator deems appropriate.

12. Common Stock.

(a) Restricted Stock Agreement. Each grant of Restricted Common Stock under the Plan shall be evidenced by a Restricted Stock Agreement between the recipient and the Company. Such Restricted Shares shall be subject to all applicable terms of the Plan and may be subject to any other terms that are not inconsistent with the Plan. The provisions of the various Restricted Stock Agreements entered into under the Plan need not be identical.

(b) Payment for Awards. Subject to the following sentence, Restricted Shares may be sold or awarded under the Plan for such consideration as the Committee may determine, including (without limitation) cash, cash equivalents and past services. To the extent that an Award consists of newly issued Restricted Shares, the consideration shall consist exclusively of cash, cash equivalents or past services rendered to the Company.

(c) Vesting Conditions. Each award of Restricted Shares may or may not be subject to vesting. Vesting shall occur, in full or in installments, upon satisfaction of the conditions specified in the Restricted Stock Agreement. A Restricted Stock Agreement may provide for accelerated vesting in the event of the Participant's death, disability or retirement or other events. The Committee may determine, at the time of granting Restricted Shares or thereafter, that all or part of such Restricted Shares shall become vested in the event that a Change in Control occurs with respect to the Company or in the event that the Participant is subject to an Involuntary Termination after a Change in Control.

(d) Voting and Dividend Rights. The holders of Restricted Shares awarded under the Plan shall have the same voting, dividend and other rights as the Company's other stockholders. A Restricted Stock Agreement, however, may require that the holders of Restricted Shares invest any cash dividends received in additional Restricted Shares. Such additional Restricted Shares shall be subject to the same conditions and restrictions as the Award with respect to which the dividends were paid.

13. Adjustments Upon Changes in Capitalization, Merger or Change in Control.

(a) Changes in Capitalization. Subject to any required action by the shareholders of the Company, the number and type of Shares which have been authorized for issuance under the Plan but as to which no Options have yet been granted or which have been returned to the Plan upon

cancellation or expiration of an Option, the ISO Share Issuance Limit, and the number and type of Shares covered by each outstanding Option, as well as the price per Share covered by each such outstanding Option, shall be proportionately adjusted for any increase or decrease in the number or type of issued Shares resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of issued shares of Common Stock effected without receipt of consideration by the Company. The conversion of any convertible securities of the Company shall not be deemed to have been “effected without receipt of consideration.” Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number, type or price of Shares subject to an Option.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator shall notify each Optionee as soon as practicable prior to the effective date of such proposed transaction. The Administrator in its discretion may provide for an Optionee to have the right to exercise his or her Option until fifteen (15) days prior to such transaction as to all of the Optioned Stock covered thereby, including Shares as to which the Option would not otherwise be exercisable. In addition, the Administrator may provide that any Company repurchase option applicable to any Shares purchased upon exercise of an Option shall lapse as to all such Shares, provided the proposed dissolution or liquidation takes place at the time and in the manner contemplated. To the extent it has not been previously exercised, an Option will terminate immediately prior to the consummation of such proposed action.

(c) Change in Control. In the event of a Change in Control, each outstanding Option shall be assumed or an equivalent option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. If, in such event, the Option is not assumed or substituted, then the Optionee shall fully vest in and have the right to exercise this Option as to all of the Optioned Stock, including Shares as to which it would not otherwise be vested or exercisable. If this Option becomes fully vested and exercisable in lieu of assumption or substitution in the event of a Change in Control, the Administrator shall notify the Optionee in writing or electronically that this Option shall be fully exercisable for a period of fifteen (15) days from the date of such notice, and this Option shall terminate upon the expiration of such period. For the purposes of this paragraph, the Option shall be considered assumed if, following the Change in Control, the Option confers the right to purchase or receive, for each Share of Optioned Stock subject to the Option immediately prior to the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Change in Control is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of the Option, for each Share of Optioned Stock subject to the Option, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the Change in Control.

14. Time of Granting Options. The date of grant of an Option shall, for all purposes, be the date on which the Administrator makes the determination granting such Option, or such later

date as is determined by the Administrator. Notice of the determination shall be given to each Service Provider to whom an Option is so granted within a reasonable time after the date of such grant.

15. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Board may at any time amend, alter, suspend or terminate the Plan.

(b) Shareholder Approval. The Board shall obtain shareholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan shall impair the rights of any Optionee, unless mutually agreed otherwise between the Optionee and the Administrator, which agreement must be in writing and signed by the Optionee and the Company. Termination of the Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Options granted under the Plan prior to the date of such termination.

16. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Shares shall comply with Applicable Laws and shall be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Option, the Administrator may require the person exercising such Option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

17. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

18. Reservation of Shares. The Company, during the term of this Plan, shall at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

19. Registration of Shares. The Company may, but shall not be required to, register the Stock Subject to the Plan pursuant to a Registration Statement of Form S-8, if applicable. In such event the Company shall not be required to include any Restricted Common Stock or shares issued upon exercise of Options prior to the effective date of the Form S-8.

20. Shareholder Approval. The Plan shall be subject to approval by the shareholders of the Company within twelve (12) months after the date the Plan is adopted. Such shareholder approval shall be obtained in the degree and manner required under Applicable Laws. Until the receipt of such shareholder approval, no Options granted hereunder may be exercised.

IN WITNESS WHEREOF, the undersigned Secretary of the Company certifies that the foregoing sets forth the Metaline Mining & Leasing Company 2005 Stock Plan as duly adopted by the Board on XXXXXX, 2005.

XXXX, Secretary

Exhibit 31.1
Certification

I, Tim Hunt, certify that:

- (1) I have reviewed this Annual Report on Form 10KSB of Metaline Mining & Leasing Company;
- (2) Based on my knowledge, this 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 report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this 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 report;
- (4) The small business issuer's other certifying officer(s) 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-15(f) and 15d-15(f)) 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 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(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the 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 control 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: April 14, 2005

/s/ Tim Hunt

Tim Hunt,
Principal Executive Officer

Exhibit 31(ii)
Certification

I, Eunice R. Campbell, certify that:

- (1) I have reviewed this Annual Report on Form 10KSB of Metaline Mining & Leasing Company;
- (2) Based on my knowledge, this 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 report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this 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 report;
- (4) The small business issuer's other certifying officer(s) 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-15(f) and 15d-15(f)) 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 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(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the 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 control 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: April 14, 2005

/s/ Eunice R. Campbell

Eunice R. Campbell,
Principal Financial Officer

Exhibit 32(i)
Certification of Tim Hunt

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

I, Tim Hunt, Principal Executive Officer of Metaline Mining & Leasing Company (the “Company”) do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. This Annual Report on Form 10KSB of the Company for the period ended December 31, 2004 as filed with the Securities and Exchange Commission (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.

Date: April 14, 2005

/s/ Tim Hunt

Tim Hunt,
Principal Executive Officer

Exhibit 32(ii)
Certification of Eunice R. Campbell

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

I, Eunice R. Campbell, Principal Financial Officer of Metaline Mining & Leasing Company (the “Company”) do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. This Annual Report on Form 10KSB of the Company for the period ended December 31, 2004 as filed with the Securities and Exchange Commission (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.

Date: April 14, 2005

/s/ Eunice R. Campbell

Eunice R. Campbell
Principal Financial Officer