

OMB APPROVAL
OMB Number: 3235-0416
Expires: January 31, 2007
Estimated average burden hours per response: 135

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

**FORM 10-QSB**

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

**FOR THE PERIOD ENDED MARCH 31, 2005**

**[ ]** TRANSITION REPORT PURSUANT 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**

(State or other jurisdiction of incorporation or organization)

**001-01428**

Commission File No.

**91-0684860**

(I.R.S. Employer Identification Number)

**1611 N. Molter Road, Ste. 201 Liberty Lake, WA**

(Address of principal executive offices)

**99019**

(Zip Code)

**Issuer's telephone number: (509) 892-5287**

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

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

Transitional Small Business Disclosure Format: Yes [ ] No **[ X ]**

**METALINE MINING & LEASING COMPANY**  
**FORM 10-QSB**  
**FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2005**

**PART I. - FINANCIAL INFORMATION**

**Item 1. Financial Information**

**Metaline Mining & Leasing Company**

---

**Balance Sheets (Unaudited)**

---

	March 31, 2005	December 31, 2004
<i><b>Assets</b></i>		
<i>CURRENT ASSETS:</i>		
Cash	\$ 846,377	\$ 346,212
Temporary cash investments	151,691	151,216
Pending Stock Issuance Escrow Account	150,000	-
Total current assets	1,148,068	497,428
<i>INVESTMENTS</i>	20,552	20,552
<i>MINING PROPERTIES</i>	7,331	7,331
	<u>\$ 1,175,951</u>	<u>\$ 525,311</u>
<i><b>Stockholders' Equity</b></i>		
<i>STOCKHOLDERS' EQUITY:</i>		
Common stock – 15,000,000 shares, no par value, authorized; 15,000,000 and 7,277,934 shares issued and outstanding, respectively	\$ 881,216	\$ 379,282
Pending Stock Issuance (1,500,000 shares)	150,000	-
Accumulated other comprehensive income:		
Unrealized gain, marketable securities	1,061	1,061
Retained earnings	143,674	144,968
	<u>\$ 1,175,951</u>	<u>\$ 525,311</u>

See accompanying notes to financial statements.

# **Metaline Mining & Leasing Company**

---

## **Statements of Income (Unaudited)**

---

	Three Months Ended March 31,	
	2005	2004
<i>INCOME:</i>		
Dividend and interest income	\$ 1,850	\$ 606
<i>EXPENSES:</i>		
Professional fees	3,106	3,578
Advertising expense	-	1,000
Office expense	38	317
	<u>3,144</u>	<u>4,895</u>
<i>LOSS BEFORE OTHER INCOME AND FEDERAL INCOME TAX</i>	(1,294)	(4,289)
<i>OTHER INCOME:</i>		
Income from partnership interests	-	400
<i>LOSS BEFORE FEDERAL INCOME TAX</i>	(1,294)	(3,889)
<i>PROVISION FOR FEDERAL INCOME TAX</i>	-	-
<i>NET LOSS</i>	<u>\$ (1,294)</u>	<u>\$ (3,889)</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.

# **Metaline Mining & Leasing Company**

---

## **Statements of Cash Flows (Unaudited)**

---

	Three Months Ended March 31,	
	2005	2004
<i><b>Increase (Decrease) in Cash and Cash Equivalents</b></i>		
<i><b>CASH FLOWS FROM OPERATING ACTIVITIES:</b></i>		
Net loss	\$ (1,294)	\$ (3,889)
<i><b>CASH FLOWS FROM FINANCING ACTIVITIES:</b></i>		
Sale of common stock	501,934	-
Pending sale of common stock	150,000	-
Net cash provided by financing activities	651,934	-
<i><b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b></i>	650,640	(3,889)
<i><b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b></i>	497,428	512,840
<i><b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b></i>	\$ 1,148,068	\$ 508,951

See accompanying notes to financial statements.

# **Metaline Mining & Leasing Company**

---

## **Note to Financial Statements**

---

### ***BASIS OF PRESENTATION:***

The unaudited financial statements have been prepared by Metaline Mining & Leasing Company (the Company), pursuant to the rules and regulations of the Securities and Exchange Commission (the SEC). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been omitted pursuant to such SEC rules and regulations. These financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2004, which was filed April 18, 2005. In the opinion of management of the Company, the foregoing statements contain all adjustments necessary to present fairly the financial position of the Company as of March 31, 2005, and its results of operations for the three-month periods ended March 31, 2005 and 2004, and its cash flows for the three-month periods ended March 31, 2005 and 2004. The interim results reflected in the foregoing financial statements are not considered indicative of the results expected for the full fiscal year.

### ***Pending Stock Issuance:***

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 Company received gross proceeds of \$150,000 from the offering.

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

### Plan of Operation

The Company intends to engage in the exploration, development, and if warranted, the mining of properties containing silver, gold, and associated based metals. The Company does not have an interest in any properties on which it intends to conduct mineral exploration. The Company has engaged the services of consultants to assist in the identification of mineral properties for possible acquisition.

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

## **Item 3. Controls and Procedures**

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

## **PART II OTHER INFORMATION**

Items deleted are not applicable.

## **Item 5 Other Information**

Directors, Executive Officers, Promoters and Control Persons

### **(a) Identification of Directors**

Set forth below is the name, age and length of service of the Company's directors as of March 31, 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 (60)	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 March 31, 2005:

<u>Name (age)</u>	<u>Position</u>	<u>Length of Service</u>
Tim Hunt (52)	President	Since March 2005
William R. Green (66)	President	April 2004 to March 2005
	Vice President/Asst. Secretary	2005 and from 1994 to 2004
Eunice R. Campbell (60)	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 mining engineering at the University of Idaho from 1965 and 1983. He has been actively involved in the mining business since 1963 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.

### **(a) Identification of Certain Significant Employees**

The Registrant has no employees.

### **(b) Family Relationships**

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

**(c) 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.

**Item 6. Exhibits**

**(a) Exhibits**

31.1--Certification required by Rule 13a-14(a) or Rule 15d-14(a). Tim Hunt

31.2--Certification required by Rule 13a-14(a) or Rule 15d-14(a). Eunice Campbell

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

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



## **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

BY: /s/ Tim Hunt                      DATE: May 19, 2005  
TIM HUNT, PRESIDENT

BY: /s/ Eunice R Campbell                      DATE: May 19, 2005  
EUNICE R. CAMPBELL, TREASURER and  
PRINCIPAL FINANCIAL OFFICER

## Exhibit 31.1

### Certification required by Rule 13a-14(a) or Rule 15d-14(a)

I, Tim Hunt, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Metaline Mining & Leasing Company;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this quarterly 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 controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the small business issuer and we have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly 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 quarterly report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting;
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 controls over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business owner's internal controls over financial reporting.

Date May 19, 2005

/s/ Tim Hunt

---

Tim Hunt, Chief Executive Officer

**Exhibit 31.2**  
**Certification required by Rule 13a-14(a) or Rule 15d-14(a)**

I, Eunice Campbell, certify that:

5. I have reviewed this quarterly report on Form 10-QSB of Metaline Mining & Leasing Company;
6. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
7. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this quarterly report;
8. 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 controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the small business issuer and we have:
  - (e) 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 quarterly report is being prepared;
  - (f) 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;
  - (g) 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
  - (h) disclosed in this quarterly report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting;
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):
  - (c) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
  - (d) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business owner's internal controls over financial reporting.

Date: May 19, 2005

/s/ Eunice Campbell

---

Eunice Campbell, Principal Financial Officer

**Exhibit 32.1**

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

I, Tim Hunt, Chief Executive Officer of Metaline Mining & Leasing Company, certify that:

1. This quarterly report on Form 10-QSB of Metaline Mining & Leasing Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this quarterly report fairly presents, in all material respects, the financial condition and results of operations of Metaline Mining & Leasing Company

Date: May 19, 2005

/s/ Tim Hunt

---

Tim Hunt, Chief Executive Officer

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

I, Eunice Campbell, Chief Financial Officer of Metaline Mining & Leasing Company, certify that:

1. This quarterly report on Form 10-QSB of Metaline Mining & Leasing Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this quarterly report fairly presents, in all material respects, the financial condition and results of operations of Metaline Mining & Leasing Company

Date: May 19, 2005

/s/ Eunice Campbell

---

Eunice Campbell, Principal Financial Officer