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

FORM 10-Q

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

For the quarterly period November 30, 2009

OR

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

For the transition period from _____ to _____

Commission file number: 001-05970

Silver Butte Co., Inc.

(Exact name of registrant as specified in its charter)

NEVADA

(State or other jurisdiction of incorporation)

82-0263301

(IRS Employer Identification No.)

601 W Main Avenue, Suite 1017

(Address of principal executive offices)

Spokane, WA

99201

(Zip Code)

(509) 462-0315

(Issuer's telephone number, including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for at least the past 90 days.

Yes ☒ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange:

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☒

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

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: **At January 8, 2010, 19,420,412 shares of the Company's common stock were outstanding.**

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

SILVER BUTTE CO., INC.
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PART I.

ITEM 1. FINANCIAL INFORMATION

Silver Butte Co., Inc.

Balance Sheets

(unaudited)

	November 30, 2009	August 31, 2009
<i>ASSETS</i>		
Current assets:		
Cash and cash equivalents	\$ 34,412	\$ 4,619
Total assets	<u>\$ 34,412</u>	<u>\$ 4,619</u>
<i>LIABILITIES AND STOCKHOLDERS' EQUITY</i>		
Current liabilities:		
Accounts payable	\$ 2,500	\$ 195
Total current liabilities	<u>2,500</u>	<u>195</u>
Stockholders' equity:		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized, none issued and outstanding		
Common stock, \$0.001 par value; 300,000,000 shares authorized; 19,420,412 and 18,710,412 shares issued and outstanding	19,420	18,710
Additional paid-in capital	1,002,349	967,559
Accumulated deficit	(989,857)	(981,845)
Total stockholders' equity	<u>31,912</u>	<u>4,424</u>
Total liabilities and stockholders' equity	<u>\$ 34,412</u>	<u>\$ 4,619</u>

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

Silver Butte Co., Inc.
Statements of Operations
For the three months ended November 30, 2009 and 2008 - unaudited

	<u>2009</u>	<u>2008</u>
Operating expenses:		
Professional service fees	\$ 7,777	\$ 11,169
Other general and administrative	235	890
Total operating expenses	<u>8,012</u>	<u>12,059</u>
Net loss	<u>\$ 8,012</u>	<u>\$ 12,059</u>
Loss per common share – basic and diluted	<u>Nil</u>	<u>Nil</u>
Weighted average common shares outstanding – basic and diluted	<u>19,159,094</u>	<u>18,710,412</u>

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

Silver Butte Co., Inc.
Statements of Cash Flows
For the three months ended November 30, 2009 and 2008 - unaudited

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Net loss	\$ (8,012)	\$ (12,059)
Adjustments to reconcile net loss to net cash used in operating activities:		
Increase (decrease) in:		
Accounts payable	<u>2,305</u>	<u>(158)</u>
Net cash used by operating activities	<u>(5,707)</u>	<u>(12,217)</u>
Cash flows from financing activities:		
Proceeds from sale of common stock	<u>35,500</u>	<u>-</u>
Net cash provided by financing activities	<u>35,500</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	29,793	(12,217)
Cash, beginning of period	<u>4,619</u>	<u>33,926</u>
Cash, end of period	<u>\$ 34,412</u>	<u>\$ 21,709</u>

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

Silver Butte Co., Inc.
Notes to Financial Statements - Unaudited

1. Basis of Presentation

These unaudited financial statements of Silver Butte Co., Inc. (“the Company”) included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Although certain information normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted, the Company believes that the disclosures are adequate to make the information presented not misleading. These financial statements should be read in conjunction with the financial statements and notes thereto for the fiscal year ended August 31, 2009, included in the Company’s Form 10-K.

The financial statements included herein reflect all normal recurring adjustments that, in the opinion of management, are necessary for a fair presentation. The results for interim periods are not necessarily indicative of trends or of results to be expected for the full year ended August 31, 2010.

2. Description of Business

Silver Butte Co., Inc. was incorporated in Nevada on March 4, 2004, and is the successor company of Silver Butte Mining Company, which was incorporated in Idaho in 1965. Throughout this report, reference to ‘the Company’ may include reference to the Idaho corporation, prior to the merger, or the Nevada corporation.

The Company was originally organized to explore, acquire and develop mineral properties and rights, primarily in Idaho. However, the Company’s exploration activities never developed any commercial ore deposits, so the Company decided to abandon, or sell, its mineral properties and rights, and favorably position itself to seek other profitable business opportunities.

3. Stockholders’ Equity

During September and October 2009, the Company sold 710,000 common shares at \$0.05 per share for proceeds of \$35,500 in a private placement to accredited investors.

4. Subsequent Events

The Company evaluated subsequent events through January 14, 2010, and found none to report.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

General

This Form 10-Q contains forward-looking statements. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance and underlying assumptions that are not statements of historical facts. This document and any other written or oral statements made by us or on our behalf may include forward-looking statements, which reflect our current views with respect to future events and financial performance. The words "believe," "expect," "anticipate," "intends," "estimates," "forecast," "project" and similar expressions identify forward-looking statements. The forward-looking statements in this document are based upon various assumptions, many of which are based on management's discussion and analysis or plan of operations and elsewhere in this report. Although we believe that these assumptions were reasonable when made, these statements are not guarantees of future performance and are subject to certain risks and uncertainties, some of which are beyond our control, and are difficult to predict. Actual results could differ materially from those expressed in forward-looking statements. Readers are cautioned not to place undue reliance on any forward-looking statements, which reflect management's view only as of the date of this report.

Plan of Operation

The Company's purpose is to seek, investigate and, if such investigation warrants, acquire an interest in business opportunities presented to it by persons or firms who desire to seek the perceived advantages of a publicly registered corporation. The Company will not restrict its search to any specific business, industry, or geographical location and the Company may participate in a business venture of virtually any kind or nature.

The Company may seek a business opportunity with entities which have recently commenced operations, or wish to utilize the public marketplace in order to raise additional capital in order to expand into new products or markets, to develop a new product or service, or for other corporate purposes. The Company may acquire assets and establish wholly-owned subsidiaries in various businesses, or acquire existing businesses as subsidiaries. Business opportunities may be available in many different industries and at various stages of development, all of which will make the task of comparative investigation and analysis of such business opportunities extremely difficult and complex.

Management of the Company will rely primarily upon their own efforts to accomplish the business purposes of the Company. It is not anticipated that any outside consultants or advisors, other than the Company's legal counsel, will be utilized by the Company to effectuate its business purposes described herein.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not required for smaller reporting companies.

ITEM 4. CONTROLS AND PROCEDURES

An evaluation was performed of the effectiveness of the design and operation of the Company's disclosure controls and procedures by the Company's President and the Secretary/Treasurer. Based on that evaluation, they concluded that disclosure controls and procedures were effective as of November 30, 2009, in ensuring that all material information required to be filed in this quarterly report has been made known to them in a timely fashion.

There has been no change in our internal control over financial reporting during the three month period ended November 30, 2009, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

NONE

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During September and October 2009, the Company sold 710,000 common shares at \$0.05 per share for proceeds of \$35,500 in a private placement to accredited investors.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

NONE

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

NONE

ITEM 5. OTHER INFORMATION

NONE

ITEM 6. EXHIBITS

Exhibit 31.1 – Certification required by Rule 13a-14(a) or Rule 15d-14(a)

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

SIGNATURES

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

SILVER BUTTE CO., INC.
(Registrant)

By: /s/ Terrence J. Dunne
Terrence J. Dunne, President and Director
Principal Executive and Financial Officer
Date: January 14, 2010

CERTIFICATION

I, Terrence J. Dunne, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Silver Butte Co., Inc.
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 Registrant as of, and for, the periods presented in this report.
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
 - b) [Not required].
 - c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report my conclusion about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting.
5. I have disclosed, based on my most recent evaluation, to the Registrant's board of directors:
 - 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: January 14, 2010

By: /s/ Terrence J. Dunne

Terrence J. Dunne, President and Director

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, Terrence J. Dunne, director and president of Silver Butte Co., Inc. (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 Quarterly Report on Form 10-Q of the Company for the period ended November 30 2009, 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: January 14, 2010

By: /s/ Terrence J. Dunne
Terrence J. Dunne, President and Director