

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 ended February 28, 2010**

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**

**Spokane, WA**

**99201**

(Address of principal executive offices)

(Zip Code)

(509) 462-0315

(Issuer's telephone number, including area code)

Indicate by check mark 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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

☐ 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.

☐ 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

Indicate the number of shares outstanding of common stock, as of the latest practicable date: **At April 2, 2010, 19,680,412 shares of the Company's common stock were outstanding.**

**SILVER BUTTE CO., INC.**  
**TABLE OF CONTENTS**

PART I.	3
ITEM 1. FINANCIAL INFORMATION	3
Balance Sheets (unaudited)	3
Statements of Expenses (unaudited)	4
Statements of Cash Flows (unaudited)	5
Notes to Financial Statements - Unaudited	6
ITEM 2. Management's Discussion And Analysis, Or Plan Of Operation	7
ITEM 3. Quantitative and Qualitative Disclosures About Market Risk	7
ITEM 4. Controls and Procedures	8
PART II	9
ITEM 1. LEGAL PROCEEDINGS	9
ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS	9
ITEM 3. DEFAULTS UPON SENIOR SECURITIES	9
ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS	9
ITEM 5. OTHER INFORMATION	9
ITEM 6. EXHIBITS	9
SIGNATURES	10

## PART I.

### ITEM 1. FINANCIAL INFORMATION

**Silver Butte Co., Inc.**  
**Balance Sheets (unaudited)**  
**February 28, 2010 and August 31, 2009**

	<b>February 28, 2010</b>	<b>August 31, 2009</b>
<b><i>ASSETS</i></b>		
Current assets:		
Cash and cash equivalents	\$ 24,341	\$ 4,619
Total assets	\$ 24,341	\$ 4,619
<b><i>LIABILITIES AND STOCKHOLDERS' EQUITY</i></b>		
Current liabilities:		
Accounts payable	\$ -	\$ 195
Total current liabilities	-	195
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, respectively	19,420	18,710
Additional paid-in capital	1,002,349	967,559
Accumulated deficit	(997,428)	(981,845)
Total stockholders' equity	24,341	4,424
Total liabilities and stockholders' equity	\$ 24,341	\$ 4,619

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

**Silver Butte Co., Inc.**  
**Statements of Expenses (unaudited)**  
**For the Three and Six Months Ended**  
**February 28, 2010 and 2009**

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>2/28/2010</u>	<u>2/28/2009</u>	<u>2/28/2010</u>	<u>2/28/2009</u>
Operating expenses:				
Professional service fees	\$ (6,821)	\$ (5,827)	\$ (14,598)	\$ (16,995)
Other general and administrative	(750)	(1,631)	(985)	(2,521)
Total operating expenses	(7,571)	(7,458)	(15,583)	(19,516)
Other income:				
Interest income	-	-	-	-
Total other income	-	-	-	-
Net loss	\$ (7,571)	\$ (7,458)	\$ (15,583)	\$ (19,516)
Loss per common share – basic	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Weighted average common shares outstanding – basic	19,420,412	18,710,412	19,289,031	18,710,412

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

**Silver Butte Co., Inc.**  
**Statements of Cash Flows (unaudited)**  
**For the Six Months Ended**  
**February 28, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities:		
Net loss	\$ (15,583)	\$ (19,516)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in:		
Accounts payable	(195)	(1,933)
Net cash used by operating activities	<u>(15,778)</u>	<u>(21,449)</u>
Cash flows from financing activities:		
Proceeds from sale of common stock	35,500	-
Net cash provided by financing activities	<u>35,500</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	19,722	(21,449)
Cash and cash equivalents, beginning of period	<u>4,619</u>	<u>33,926</u>
Cash and cash equivalents, end of period	<u>\$ 24,341</u>	<u>\$ 12,477</u>

*The accompanying condensed 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. Since the Company’s exploration activities never developed commercial ore deposits, the Company abandoned, or sold, its mineral properties and rights, and positioned itself to seek other business opportunities.

***3. Stockholders’ Equity***

On February 24, 2010, the Board of Directors resolved to file a S-1 Registration Statement to register all issued and outstanding unregistered shares of the Company, as of the date of the filing of the Registration Statement. The Company engaged Gregory B. Lipsker, Attorney, to prepare the S-1. The \$25,000 legal fees associated with this engagement will be due as follows:

- \$17,000 due upon the signing of the engagement letter to be paid as follows:
  - \$4,000 cash
  - 260,000 shares of common stock valued at \$13,000
- \$8,000 due upon the effective date of the Registration Statement

Subsequent to February 28, 2010, these shares were issued.

***4. Subsequent Event***

The company evaluated subsequent events through April 9, 2010, which is the date these financial statements were issued.

## **ITEM 2. Management's Discussion And Analysis, Or Plan Of Operation**

### **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, while not especially experienced in matters relating to the new business 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**

Smaller reporting companies are not required to provide this information.

## **ITEM 4. Controls and Procedures**

### Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures designed to ensure that information is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well-designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

The Company evaluated the effectiveness of the design and operation of its disclosure controls and procedures as of the end of the period covered by this report and concluded that disclosure controls and procedures were effective.

### Changes in Internal Control Over Financial Reporting

There has been no change in the Company's internal control over financial reporting during the most recent fiscal quarter, that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.



## **PART II**

### **ITEM 1. LEGAL PROCEEDINGS**

NONE

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

NONE

### **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  
Date: April 09, 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 Registrant 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 Registrant is made known to me by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial 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 Registrant'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 Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.
5. I have disclosed, based on our 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 Registrant'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 Registrant's internal control over financial reporting.

Date: April 09, 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, the President and a Director 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 Registrant for the quarter ended February 28, 2010, 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 Registrant.

Date: April 09, 2010

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