

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

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended August 31, 2010
or

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

SILVER BUTTE CO., INC.

(Exact name of small business issuer as specified in its charter)

NEVADA

001-05970

82-0263301

(State or other jurisdiction of incorporation)

(Commission File Number)

(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

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

Securities registered under Section 12(g) of the Exchange Act:

Common Stock, \$0.001 par value per share

Preferred Stock, \$0.001 par value per share

(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act.

Yes ☐ No ☒

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 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 registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

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 definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☒ Yes ☐ No

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the closing price of \$0.07 per share on February 26, 2010, (the last business day of the Registrant's most recently completed second fiscal quarter) was approximately \$1,055,000. For purposes of this disclosure, shares of stock held by persons owning 5% or more of the Company's common stock, and officers and directors of the Registrant have been excluded, because such persons are deemed to be affiliates.

The number of outstanding shares of the Registrant's par value \$0.001 common stock on November 9, 2010, was 19,680,412.

DOCUMENTS INCORPORATED BY REFERENCE: None.

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PART I

ITEM 1. DESCRIPTION OF BUSINESS

Forward-looking statements

This Form 10-K 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.

General

Silver Butte Mining Co., Inc. was incorporated under the laws of the State of Idaho on January 19, 1965, as a mining company engaged in the exploration of non-ferrous and precious metals, principally silver and lead. The Company was unable to develop any commercial ore deposits following many years of extensive exploration through geologic sampling and mapping, core drilling, and tunneling, and abandoned its status as an exploration stage enterprise by ceasing all exploration activities in 1994.

On February 4, 2004, a merger with Silver Butte Co., Inc was ratified, and Silver Butte Co., Inc was incorporated in the state of Nevada on March 4, 2004. On that date, the Registrant merged into its wholly-owned Nevada subsidiary and changed its corporate domicile from the state of Idaho to the state of Nevada. Throughout this report reference to “the Registrant or Company” includes the Idaho corporation prior to the merger, and the Nevada corporation subsequent to the merger.

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, or which, 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 may participate in a business venture of virtually any kind or nature.

The Company’s executive offices are located at 601 W Main Avenue, Spokane, Washington, 99201, and its mailing address is the same.

Employees

The Company has no employees and utilizes the services of outside consultants.

Regulation

Environmental Matters

The Company has owned mineral property interests on certain public and private lands in Idaho, which were subject to a variety of federal and state regulations governing land use and environmental matters. Management has engaged consultants to review the potential environmental impacts of its prior mineral exploration and development activities, believes it has been in substantial compliance with all such regulations, and is unaware of any pending action or proceeding relating to regulatory matters that would affect the financial position of the Company. However, the possibility exists that the Company may be

subject to environmental liabilities associated with its prior activities in the unforeseeable future, although the likelihood of such is deemed remote and the amount and nature of the liabilities is impossible to estimate.

ITEM 2. DESCRIPTION OF PROPERTY

The Company holds mineral rights on one claim in Bonner County, Idaho. The claim is Cleveland Lode in Section 6, Township 55 North, Range 2 West.

ITEM 3. LEGAL PROCEEDINGS

None.

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

No matters were submitted to a vote of security holders during the fourth quarter of the fiscal year ended August 31, 2010.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

- a) Market information. The Company's common stock is quoted by the Over the Counter/Bulletin Board (OTC/BB) Quotation System under the symbol SIBM. The following table sets forth the range of high and low bid prices as reported by OTC/BB Quotation System for the periods indicated. These over-the-counter bid prices reflect inter-dealer prices without retail mark-up, mark-down or commission, and may not necessarily represent actual transactions.

	Year Ended August 31, 2010		Year Ended August 31, 2009	
	High	Low	High	Low
First Quarter (9-1 to 11-30)	\$0.12	\$0.05	\$0.39	\$0.16
Second Quarter (12-1 to 2-28)	0.12	0.05	0.30	0.16
Third Quarter (3-1 to 5-31)	0.08	0.05	0.14	0.11
Fourth Quarter (6-1 to 8-31)	0.08	0.06	0.12	0.09

- b) As of November 9, 2010, there were approximately 1,140 holders of record of the Company's common stock.
- c) The Company has paid no dividends and proposes none for the foreseeable future. Accordingly, it has no plans to pay dividends even if funds are available, as to which there is no assurance. There are no restrictions on the Company's ability to pay dividends.

ITEM 6. SELECTED FINANCIAL DATA

Not applicable for smaller reporting companies.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

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 or which 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.

Financial Condition and Liquidity

The Company had cash of \$17,816 and working capital of \$8,256 at August 31, 2010. During the years ended August 31, 2010 and 2009, the Company used \$22,203 and \$29,307, respectively, of cash for operating activities.

ITEM 8. FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
Silver Butte Co, Inc.
(a Development Stage Company)
Spokane, Washington

We have audited the accompanying balance sheets of Silver Butte Co., Inc. as of August 31, 2010 and 2009, the related statements of expenses, and changes in stockholders' equity and cash flows for the two 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. Silver Butte Co., Inc is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Silver Butte Co., Inc internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 provides 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 Silver Butte Co., Inc as of August 31, 2010 and 2009, and the results of its operations and its cash flows for the two years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming Silver Butte Co., Inc will continue as a going concern. As discussed in Note 5 to the financial statements, Silver Butte Co., Inc suffered net losses and has an accumulated deficit, which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also described in Note 5. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Malone-Bailey, LLP
www.malonebailey.com
Houston, Texas
November 5, 2010

Silver Butte Co., Inc.
Balance Sheets
August 31, 2010 and 2009

	2010	2009
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 17,816	\$ 4,619
Total assets	<u>\$ 17,816</u>	<u>\$ 4,619</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 9,560	\$ 195
Total current liabilities	<u>9,560</u>	<u>195</u>
Stockholders' equity:		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized, none issued or outstanding		
Common stock, \$0.001 par value; 300,000,000 shares authorized; 19,680,412 and 18,710,412 shares issued and outstanding, respectively	-	-
Additional paid-in capital	19,680	18,710
Accumulated deficit	1,015,089	967,559
Total stockholders' equity	<u>(1,026,513)</u>	<u>(981,845)</u>
Total liabilities and stockholders' equity	<u>\$ 8,256</u>	<u>\$ 4,424</u>
	<u>\$ 17,816</u>	<u>\$ 4,619</u>

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

Silver Butte Co., Inc.
Statements of Expenses
For the Years ended August 31, 2010 and 2009

	2010	2009
Operating expenses:		
Professional services	\$ (42,292)	\$ (23,892)
General and administrative expenses	(2,376)	(3,651)
	<hr/>	<hr/>
Total operating expenses	(44,668)	(27,543)
	<hr/>	<hr/>
Net loss	\$ (44,668)	\$ (27,543)
	<hr/>	<hr/>
Net Loss per common share-basic	\$ (0.00)	\$ (0.00)
	<hr/>	<hr/>
Weighted average common shares outstanding-basic	19,473,508	18,710,412
	<hr/>	<hr/>

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

Silver Butte Co., Inc.
Statements of Changes in Stockholders' Equity
For the Years ended August 31, 2010 and 2009

	Common stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balances, August 31, 2008	18,710,412	\$ 18,710	\$ 967,559	\$ (954,302)	\$ 31,967
Net loss				(27,543)	(27,543)
Balances, August 31, 2009	18,710,412	18,710	967,559	(981,845)	4,424
Issuance of common stock for cash	710,000	710	34,790		35,500
Issuance of common stock for legal services	260,000	260	12,740		13,000
Net loss				(44,668)	(44,668)
Balances, August 31, 2010	19,680,412	\$ 19,680	\$ 1,015,089	\$ (1,026,513)	\$ 8,256

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

Silver Butte Co., Inc
Statements of Cash Flows
For the Years ended August 31, 2010 and 2009

	2010	2009
Cash flows from operating activities:		
Net loss	\$ (44,668)	\$ (27,543)
Common stock issued for legal services	13,000	
Changes in assets and liabilities:		
Accounts payable	9,365	(1,764)
Net cash used by operating activities	<u>(22,303)</u>	<u>(29,307)</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 change in cash and cash equivalents	13,197	(29,307)
Cash and cash equivalents, beginning of year	<u>4,619</u>	<u>33,926</u>
Cash and cash equivalents, end of year	<u><u>\$ 17,816</u></u>	<u><u>\$ 4,619</u></u>
Cash paid for:		
Interest	\$ -	\$ -
Income taxes	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

Silver Butte Co., Inc

Notes to Financial Statements

1. Description of Business

Silver Butte Co., Inc was incorporated in Nevada on March 4, 2004, and is the successor of Silver Butte Mining Company, an Idaho corporation incorporated on January 19, 1965. Throughout this report reference to “the Company” may include the Idaho corporation, prior to the merger, and the Nevada corporation subsequent to the merger.

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, and the Company decided to abandon or sell its mineral properties and rights, and favorably position itself to seek other profitable business opportunities.

2. Summary of Significant Accounting Policies

Cash Equivalents

Highly liquid short-term investments with a remaining maturity when purchased of three months or less are classified as cash equivalents. The Company deposits its cash and cash equivalents in high quality financial institutions.

Environmental Matters

The Company has owned mineral property interests on certain public and private lands in Idaho, and presently holds mineral rights on one claim in Bonner County, Idaho. The claim is Cleveland Lode in Section 6, Township 55 North, Range 2 West.

The Company’s properties have been subject to a variety of federal and state regulations governing land use and environmental matters. The Company’s management has engaged consultants to review the potential environmental impacts of its prior mineral exploration and development activities, believes it has been in substantial compliance with all such regulations, and is unaware of any pending action or proceeding relating to regulatory matters that would affect the financial position of the Company. However, the possibility exists that the Company may be subject to environmental liabilities associated with its prior activities in the unforeseeable future, although the likelihood of such is deemed remote and the amount and nature of the liabilities is impossible to estimate.

Income Taxes

The Company accounts for income taxes using the asset and liability approach for financial accounting and income tax reporting based on enacted tax rates. Deferred tax assets are reduced by a valuation allowance when it is more likely than not that some portion, or all, of the deferred tax assets will not be realized.

Basic and Diluted Net Loss Per Share

Basis loss per share is calculated by dividing net loss by the weighted-average number of common shares outstanding during the year, and does not include the impact of any potentially dilutive common stock equivalents. Potential common shares are not included in the computation of loss per share, if their effect is antidilutive. At August 31, 2010 and 2009, the Company had no potential common shares, and only basic loss per share is reported for the years then ended.

Fair Values of Financial Instrument

The carrying amounts of financial instruments, including cash and cash equivalents and payables approximated their fair values at August 31, 2010 and 2009.

Silver Butte Co., Inc
Notes to Financial Statements

2. Summary of Significant Accounting Policies, continued:

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Development Stage

The Company complies with Statement of Financial Accounting Standard ASC 915-15 and the Securities and Exchange Commission Exchange Act 7 for its characterization of the Company as development stage.

Recently issued accounting pronouncements

We do not expect the adoption of recently issued accounting pronouncements to have a significant impact on our results of operations, financial position or cash flow.

3. Income Taxes

Deferred tax assets from net operating loss carryforwards were approximately \$209,000 and \$193,000, respectively, for the years ended August 31, 2010 and 2009. Deferred tax assets were calculated assuming a 34% marginal tax rate, and prior years are adjusted to reflect enacted tax rates expected to be in effect when taxes are actually paid or recovered. Management believes it is more likely than not that these deferred tax assets will not be realized, and therefore a valuation allowance equal to the full amount of the deferred tax asset has been established. At August 31, 2010 and 2009, the Company had tax basis net operating loss carryforwards totaling approximately \$614,000 and \$569,000, respectively which expire through 2030.

4. Stockholders' Equity

Private Placement

During the year ended August 31, 2010, 710,000 common shares were sold in a private placement, at a price of \$0.05 per share for total proceeds of \$35,500.

Services

In March 2010, the Company issued 260,000 shares at a value of \$0.05 per share in lieu of cash for \$13,000 in legal services performed to prepare an S-1 Registration Statement for the Company.

5. Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company has suffered net losses and has minimal cash on hand. These conditions raise substantial doubt as to the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

6. Fair Value Disclosures

At September 30, 2010, the Company's financial assets and liabilities, which include cash and cash equivalents, certificates of deposit, and accounts payable, have carrying values which approximate fair value computed using Level 1 inputs. The Company had no non-financial assets or liabilities.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

ITEM 9A. CONTROLS AND PROCEDURES

An evaluation was performed by the Company's President and Secretary/Treasurer of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on that evaluation, the President and Secretary/Treasurer concluded that disclosure controls and procedures were effective at August 31, 2010, in ensuring that all material information required to be filed in this annual report has been made known to them in a timely fashion.

We retain an experienced Certified Public Accountant, on an as needed basis, for review and assistance in preparation of the Company's financial statements and to provide assistance with complex and non routine transactions and GAAP compliance.

There has been no change in our internal control over financial reporting during the year ended August 31, 2010, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Internal Control over Financial Reporting

Management's Annual Report on Internal Control Over Financial Reporting

The management of Silver Butte Co., Inc is responsible for establishing and maintaining adequate internal control over financial reporting. This internal control system has been designed to provide reasonable assurance to the Company's management and Board of Directors regarding the preparation and fair presentation of the Company's published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management has assessed the effectiveness of the Company's internal control over financial reporting as of August 31, 2010. To make this assessment, we used the criteria for effective internal control over financial reporting described in *Internal Control-Integrated Framework*, issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our assessment, we believe that, as of August 31, 2010, the Company's internal control over financial reporting is effective.

Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and any design may not succeed in achieving its stated goals under all potential future conditions.

This annual report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Our internal controls were not subject to attestation by our independent registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit us to provide only management report in this annual report.

Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures. Because of the inherent limitation of a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Changes in internal control over financial reporting.

The President and Secretary/Treasurer conducted evaluations of our internal controls over financial reporting to determine whether any changes occurred during the quarter ended August 31, 2010, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. There was no material change in internal control over financial reporting in the quarter ended August 31, 2010.

ITEM 9B. OTHER INFORMATION - None

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

(a) Identification of Directors and Executive Officers are as follows, as of November 14, 2009:

Name	Age	Affiliation with Registrant	Expiration of Term
Terrence J. Dunne	62	President, Director	Annual meeting
Martyn A. Powell	58	Secretary/Treasurer, Director	Annual meeting
Edward C. Wert	64	Director	Annual meeting

Business Experience of Directors and Executive Officers

Terrence J. Dunne: Mr. Dunne was appointed President, CEO, and a director on July 28, 2009. For more than the past five years, Mr. Dunne has operated as a business consultant through his company, Terrence J. Dunne & Associates. Mr. Dunne received his BS, MBA, and Masters in Taxation degrees from Gonzaga University. In addition, Mr. Dunne serves as a director of Gold Crest Mines, Inc., and Rock Energy Resources, Inc.

Martin J. Powell: Mr. Powell was appointed as Secretary and a director of the Company on November 2, 2009. For the past 20 years, Mr. Powell has been active as a Real Estate Investor and Licensed Realtor in the Greater Seattle Area. Mr. Powell was the President and a Director of Missouri River and Gold Gem Corp, a public company from 1999-2004, at which time control of the company was acquired by Entremetrix Inc, a Nevada Corporation. Mr. Powell was the President and a Director of Aberdeen Idaho Mining Company, a public company from 2002-2004, at which time the control of the company was acquired by MotivNation Inc, a Nevada Corporation. Mr. Powell was the Secretary and a Director of Quad Metals Corporation, a public company from 2001-2003, at which time control of the company was acquired by DataJungle Inc, a Nevada Corporation.

Edward C. Wert Mr. Wert was appointed as a director on March 1, 2006. He was a school teacher for many years at West Valley School District, and is presently retired and living in Sagle, Idaho. Mr. Wert also has served on the Schweitzer Mountain Ski Patrol for the last 30 years.

The Board of Directors has no standing audit, nominating or compensation committees. The entire board performs the function of each of these committees.

Section 16(a) Beneficial Ownership Reporting Compliance

No officers or directors failed to file reports on a timely basis as required by Section 16(a) of the Exchange Act during the most recent fiscal year ended August 31, 2010.

ITEM 11. EXECUTIVE COMPENSATION

No executives or directors were compensated by the Company for the fiscal years ended August 31, 2010 or 2009, for work performed that is required to be reported. In addition, the Company provided no stock options, warrants, or stock appreciation rights, and there are no employment contracts or incentive pay agreements with any officer or director.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**(a) Security ownership of certain beneficial owners:**

One person of record, in addition to one officer and director, owns more than 5% of the Company's Common Stock as follows:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class (1)
Common Stock	Patrick Powers	1,680,000 direct	8.54

(1) Based upon 19,680,412 total common shares outstanding as of November 9, 2010

(b) Security Ownership of Management:

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class (1)
Common Stock	Terrence J. Dunne, Spokane, Washington	2,716,667 direct	13.80
Common Stock	Martyn A. Powell Mukilteo, Washington	100,000 direct	0.51
Common Stock	Edward C. Wert, Sagle, Idaho	130,878 direct	0.67
Common Stock	Directors and Executive Officers as a Group	2,947,545	14.98

(1) Based upon 19,680,412 total common shares outstanding as of November 9, 2010

(c) No arrangements are in place for a change in control of the Company.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None

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 August 31, 2010 and 2009 and the review for the financial statements included in the Company's quarterly reports on Form 10-Q during those fiscal years were \$9,900 and \$11,663, 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 or review of the Company's financial statements, and not reported under "Audit Fees" above.

Tax Fees

The Company incurred no fees during the last two fiscal years for professional services rendered by the Company's principal accountant for tax compliance, tax advice and tax planning.

All Other Fees

The Company incurred no other fees during the last two fiscal years for products and services rendered by the Company's principal accountant.

ITEM 15. EXHIBITS

Exhibits (filed with this report)

- 31.1 Certification required by Rule 13a-14(a) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2 Certification required by Rule 13a-14(a) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32.1 Certification required by 18 U.S.C. Section 1350, under Section 906 of the Sarbanes-Oxley Act of 2002
- 32.2 Certification required by 18 U.S.C. Section 1350, under Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the Registrant 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: November 9, 2010

Exhibit 31.1 - Certification

I, Terrence J. Dunne, certify that:

1. I have reviewed this annual report on Form 10-K 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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, 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 my 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 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 my most recent evaluation of internal control over financial reporting, to the Registrant's auditors and 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.

By: /s/Terrence J. Dunne
Terrence J. Dunne, President and Director
Principal Executive Officer
Date: November 9, 2010

Exhibit 31.2 - Certification

I, Terrence J. Dunne, certify that:

6. I have reviewed this annual report on Form 10-K of Silver Butte Co., Inc.
7. 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;
8. 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.
9. I am 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 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,, 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 my 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 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.
10. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Registrant's auditors and 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.

By: /s/Terrence J. Dunne
Terrence J. Dunne, Principal Financial Officer
Date: November 9, 2010

Exhibit 32.1 -

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, as President and a Director of Silver Butte Co., Inc (the “Registrant”), 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 10-K of the Registrant for the fiscal year ended August 31, 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.

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

Date: November 9, 2010

Exhibit 32.2 -

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, as Principal Financial Officer of Silver Butte Co., Inc (the “Registrant”), 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 10-K of the Registrant for the fiscal year ended August 31, 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.

By: /s/Terrence J. Dunne
Terrence J. Dunne, Principal Financial Officer

Date: November 9, 2010