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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-KSB

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED OCTOBER 31, 2003
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: 000-27667

METALLINE MINING COMPANY
(Exact name of registrant as specified in its charter)

Nevada 91-1766677
(State or other jurisdiction (IRS Employer Identification No.)
of incorporation)

1330 E. Margaret Ave.
Coeur d'Alene, ID 83815
(Address of principal executive offices)

Registrant's telephone number, including area code: (208) 665-2002

Securities registered pursuant to Section 12 (b) of the Act: None

Securities registered pursuant to Section 12 (g) of the Act:

Common Stock	The OTC-Bulletin Board
Title of each class	Name of each exchange
	on which registered

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period as the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or other information statements incorporated by reference in Part III of this Form 10-K or any amendments to this Form 10-K.

The aggregate market value of the voting stock held by non-affiliates of the

registrant at January 12, 2004 was \$13,936,756. The number of shares of common stock outstanding at such date was 13,162,312 shares. An additional 2,058,055 were deemed outstanding at such date pursuant to presently exercisable options and warrants.

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METALLINE MINING COMPANY ANNUAL REPORT
ON FORM 10-KSB FOR THE FISCAL YEAR
ENDED OCTOBER 31, 2003

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METALLINE MINING COMPANY ANNUAL REPORT
ON FORM 10-KSB FOR THE FISCAL YEAR
ENDED OCTOBER 31, 2003

SAFE HARBOR STATEMENT

This report contains both historical and prospective statements concerning the Company and its operations. Historical statements are based on events that have already happened; examples include the reported financial and operating results, descriptions of pending and completed transactions, and management and compensation matters. Prospective statements, on the other hand, are based on events that are reasonably expected to happen in the future; examples include the timing of projected operations, the likely effect or resolution of known contingencies or other foreseeable events, and projected operating results.

Prospective statements (which are known as "forward-looking statements" under the Private Securities Litigation Reform Act of 1995) may or may not prove true with the passage of time because of future risks and uncertainties. The Company cannot predict what factors might cause actual results to differ materially from those indicated by prospective statements. The risks and uncertainties associated with prospective statements contained in this report include, among others, the following:

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METALLINE MINING COMPANY ANNUAL REPORT
ON FORM 10-KSB FOR THE FISCAL YEAR
ENDED OCTOBER 31, 2003

PART I

ITEM 1. DESCRIPTION OF BUSINESS.

Background

Metalline Mining Company is an exploration stage enterprise formed under the laws of the State of Nevada, on August 20, 1993, to engage in the business of mining.

Current Operations

Metalline currently owns one mining property located in Mexico known as the Sierra Mojada Property. Metalline conducts its operations in Mexico through its wholly owned subsidiary

corporation, Minera Metalin S.A. de C.V.

The Sierra Mojada Property

The Mexican government owns the mineral rights. The exclusive right to explore and exploit the mineral rights is granted by issuance of a concession to a company or individual that denounces the area desired for exploration or exploitation. After the concession has been issued an annual fee is paid to the government and annual Proof of Labor must be filed to maintain the title to the concession. The annual fee is determined on the basis of the area of the concession and the type of activity on the concession. The concession can be held for 6 years under the exploration fee, after 6 years the exploitation fee is paid.

The Sierra Mojada Property is comprised of eight concessions totaling 7,060 hectares (17,446 acres). The concessions were acquired by purchase agreements from the titled owners. The Company controls 100% of the concessions and has made all payments necessary to acquire title to all eight concessions.

A summary of the concessions is as follows:

Concession	Title No.	Hectares
-----	-----	-----
<s>	<c>	<c>
Sierra Mojada	198513	4767.3154
Mojada 3	199246	1689.2173
Esmeralda	188765	117.5025
Esmeralda 1	187776	97.6839
Unification Mineros Nortenos	169343	336.7905
La Blanca	188326	33.5044
Fortuna	160461	13.9582
Vulcano	83507	4.4904

Total		7060.4626
		=====

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Location and Access

The Sierra Mojada Mining District is located in the west central part of the state of Coahuila, Mexico, near the Coahuila-Chihuahua state border some 200 kilometers south of the Big Bend of the Rio Grande River. The principal mining area extends for some 5 kilometers in an east-west direction along the base of the precipitous, 1,000 meter high, Sierra Mojada Range.

Vehicle access from Torreon is by 250 kilometers of paved road to Sierra Mojada. There is a well maintained, 1200 meter, gravel airstrip. The District has high voltage electric power and a railroad. The railroad from Escalon to the district was completed in 1891 and later connected to Monclova.

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History

The initial discovery of silver ore in the Sierra Mojada Property was made in 1879. Over the next 12 years numerous small mines developed along an oxidized silver lead ore body known as the "lead

manto" ("manto" is a bed, layer or strata). The lead manto was mined continuously for 3 kilometers and discontinuously for another 2 kilometers. Ore was selectively mined and hauled by wagon to Escalon on the railroad main line from El Paso to Mexico City; from there it went to smelters in Mexico and the United States.

In September of 1891, the Mexican Northern Railroad completed its spur line from Escalon to the district. Rail access stimulated development and the period from 1891 to the late 1920's was the peak of productivity of the district. The lead manto was the main source of production prior to 1906, the year the first silver-copper ore body was discovered. Additional discoveries of silver, silver-copper, and silver-copper-zinc-lead ores provided production through the 1930's. Between 1922 and 1931 additional lead manto silver-lead ore was discovered and mined to the southwest for some 1,400 meters under the Sierra Mojada range, this manto was eventually mined for more than 2 kilometers.

By the mid 1920's, many of the mines were under control of Penoles Corporation ("Penoles") and ASARCO Incorporated ("ASARCO"). ASARCO ceased mining in the district in the late 1930's. Both companies still owned properties during the 1940's and Penoles mined until the late 1950's when the Mineros Nortenos Cooperative acquired the Penoles properties. The Mineros Nortenos Cooperative ("Mineros Nortenos") has operated the San Salvador, Encantada and Fronteriza mines since 1957 and direct shipped high-grade oxide zinc, silver-copper, and silver-lead ore to smelters in Mexico.

The lead manto produced 3 to 3.5 million tonnes with another 1.5 million tonnes of similar ore coming from other ore bodies to the west and to the southwest.

Mineros Nortenos has mined about 600,000 tonnes of predominantly oxide zinc ore with grades of 20 to 50% zinc. Some of this ore was oxide silver-lead, silver-copper, and silver-zinc-lead sulfide at grades of 1 to 4 kilogram silver per tonne, 1 to 5% copper, 10 to 30% zinc, and 30 to 70% lead. Production records from 1978 to 1981 for the San Salvador mine average 33.5% zinc.

The Sierra Mojada Property has produced in excess of 10 million tonnes of high-grade ore that graded in excess of 20% lead, 20% zinc, 1% copper and 1 kg (31 ounces) silver per tonne that was shipped directly to the smelter. The district has never had a mill to concentrate ore. All of the mining was done selectively for ore of sufficient grade to direct ship; mill grade ore was left unmined. More than 50 kilometers of underground workings are spread through the 5-kilometer by 2-kilometer area from which more than 45 mines have produced ore. The deepest workings have ore grade mineralization and provide some of the best targets for reserve development. In spite of the amount of historic work, when a map of all of the historic workings is viewed there is much more unexplored area in the 5 by 2 kilometer area than has been explored and the vertical extent greater than 200 meters is totally unexplored.

The sediments are predominantly carbonate with some sandstone and shale and the attitudes are near horizontal. The mines are dry and the rocks are competent, there is very little unstable ground and the ore thickness is amenable to high volume mechanized mining

methods. Sierra Mojada has ideal mining conditions and grades for low cost production.

Based upon the foregoing, Metalline is of the opinion that the magnitude of the Sierra Mojada mineral system and its exploration potential is capable of providing new reserves for many more years of mining. However, there is no assurance as to the quantity or quality of the undeveloped reserves.

Geology

The Sierra Mojada District is located on the southern margin of the Sabinas Basin, a large rift basin in northeastern Mexico, which formed during Late Jurassic and Early Cretaceous.

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Beginning in Latest Jurassic, the Sabinas basin began to form with the basin being dropped down to the north relative to the Coahuila Peninsula that was being uplifted to the south. The Sierra Mojada fault is, possibly, one of the faults that contributed to the rift basin forming process, which occurred over a time span in excess of 80 million years. During basin formation the Sierra Mojada fault, if present, would have been a normal fault due to crustal extension. The most recent motion on the Sierra Mojada fault is post mineral and reverse.

Stratigraphy

Upper Jurassic and Lower Cretaceous marine carbonate, sandstone and shale, the La Casita and Menchaca Formations, are overlain by Lower Cretaceous red beds, the San Marcos Formation, composed of conglomerate, sandstone, siltstone, shale, tuff and mineralized carbonate sediments. The San Marcos is overlain by a marine carbonate sequence of Early and Middle Cretaceous age, the Cupido, La Pena, Aurora, and Georgetown Formations.

Mineralization

Sierra Mojada has two mineral systems separated by the east west trending Sierra Mojada Fault. North of the fault the mineralization is chemical sedimentary disseminated to massive silver, copper, zinc and lead sulfide deposited in the Menchaca Formation. South of the fault, the mineralization is deposited in the La Pena and Aurora Formations and consists of oxide zinc and lead mantos.

These two mineral systems have been brought into proximity to each other by post mineral reverse motion on the Sierra Mojada Fault that faults the San Marcos and Menchaca Formations against Aurora. The San Marcos and Menchaca Formations are 25 million years older than the Aurora Formation.

The mineral systems have been mined in an east-west direction for over 5 kilometers, in a north-south direction in excess of 2 kilometers and for a vertical extent of 100 meters.

The Sierra Mojada mineral systems are chemical sedimentary and brine related. The ore minerals are in chemical equilibrium with the limestone, dolomite, carbonate shale, and sandstone host rocks. There is no alteration, silicification or skarn mineralization.

Mineralization has been episodically deposited in certain beds, resulting in a vertical repetition of mineralized beds and ore bodies in the Menchaca Formation and in the Aurora Formation. This Intermittent or episodic deposition of mineralization has occurred over at least 25 million years and it is possible that this process was ongoing during deposition of the other units above the basement rocks. The thickness and character of the rock units below the existing workings is unknown and will have to be determined by drilling. With the evidence of the repetitive nature of the mineralization the potential for additional discovery at depth is high.

Exploration and Development.

Metalline has explored Sierra Mojada for 7 years. Exploration work consists of geologic mapping, sampling mine workings, and drilling from the surface and underground. During 1999 Metalline completed 24 reverse circulation drill holes with a total of 6,630 meters. In 2000 North Limited drilled 26 reverse circulation holes totaling 6,618 meters. During 2002 and 2003 Penoles drilled 37 underground diamond drill holes totaling 2,564 meters, 27 surface diamond drill holes totaling 7,715 meters, 171 Percussion drill holes totaling 4,688 meters and collected 3,254 channel samples, for a total of 14,463 meters of samples. To date in excess of 20,000 meters of samples have been collected and assayed at Sierra Mojada.

Defining a mineable reserve in the oxide zinc systems, the Red Zinc and White Zinc Mantos, is Metalline's first priority due to the 30% cost of production advantage of the Solvent Extraction Electrowinning (SXEW) process for oxide zinc ore over the smelting process for sulfide zinc ore, almost all zinc is produced from sulfide ore by the smelting process.

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Reserve development will involve continued surface and underground drilling and channel sampling, drifting and raising in sufficient detail to determine the tonnage and grade of the threshold ore reserve required to justify a mine and solvent extraction electrowinning plant at Sierra Mojada. A feasibility study, including a mine plan, metallurgical studies, a pilot plant and solvent extraction electrowinning plant will then be completed to determine if the project is commercially viable.

Penoles Agreement

On the 15th of November 2001, Metalline Mining Company and its Mexican Subsidiary Minera Metalin, S.A. de C.V. signed an Agreement with Minas Penoles, S.A. de C.V. and Compania Minera L Parrena, S.A. de C.V. The Agreement allowed Penoles to earn a 60% interest in the Sierra Mojada by completing a bankable feasibility study within 5 years. Penoles and Metalline, by mutual agreement of the parties, have terminated that agreement as of November 15, 2003.

Timetable

Completion of ore reserve definition will require 3 to 6 months, the feasibility study will require about one year. Development of the mine and construction of the SXEW plant will require about an additional two years.

District Potential

There is potential for long-term reserve expansion within the known extent of the mineral systems. There is potential to discover ore deposits in unexplored portions of the land position and at depth in unexplored stratigraphy. There is however, no assurance that the Company will have the monetary resources to continue to explore for, develop, or retrieve any of the minerals located in the Sierra Mojada property.

Additional Events

Dr. Roger Kolvoord was appointed to the Board of Directors of Metalline Mining Company on August 6, 2002 (Matalline news release dated September 9, 2002). Dr. Kolvoord brings a wealth of knowledge and experience in Geology, Geophysics, Mining, Computer Technology, remote Sensing, and Geospatial Information Applications, and an extensive background in Business Management and Business Development to the Metalline Board. Dr Kolvoord was appointed Vice President of Business April 30, 2003.

ITEM 2. RISK FACTORS

1. EXPLORATION STAGE MINING COMPANY WITH NO HISTORY OF OPERATION.

The Company is in its exploration stage, has no operating history, and is subject to all the risks inherent in a new business enterprise. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complication, and delays frequently encountered in connection with a new business, and the competitive and regulatory environment in which the Company will operate. See "Business".

2. NO COMMERCIALY MINEABLE ORE BODY.

No commercially mineable ore body has been delineated on the properties, nor have any reserves been identified. See "Business".

3. RISKS INHERENT IN THE MINING INDUSTRY.

The Company is subject to all of the risks inherent in the mining industry including, without limitation, the following: competition from a large number of companies, many of which are significantly larger than the Company, in the acquisition, exploration, and development of mining properties; the concession holder must pay fees and perform labor on the concessions to maintain the concessions title; exploration for minerals is highly speculative and involves substantial risks, even when conducted on properties known to contain significant quantities of mineralization, and most exploration projects do not result in the discovery of commercially mineable deposits of ore; operations are subject to a variety of existing laws and regulations relating to exploration and

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development, permitting procedures, safety precautions, property reclamation, employee health and safety, air quality standards, pollution and other environmental protection controls; a large number of factors beyond the control of the Company, including fluctuations in metal prices, inflation, and other economic conditions, will affect the economic feasibility of mining; mining activities are subject to substantial operating hazards some of which are not insurable or may not be insured due to economic

considerations; and, the availability of water, which is essential to milling operations.

4. NATURE OF THE INDUSTRY.

Exploration, development, and mining of mineral properties is highly speculative and involves unique and greater risks than are generally associated with other businesses. The Company's operations will be subject to all the operating hazards and risks normally incident to the exploration, development, and mining of mineral properties, including risks enumerated above and below.

5. FLUCTUATING PRICE FOR METALS.

The Company's operations will be greatly influenced by the prices of silver, copper, lead, zinc, and other metals. These prices fluctuate widely and are affected by numerous factors beyond the Company's control, including expectations for inflation, the strength of the United States dollar, global and regional demand and political and economic conditions and production costs in major metal producing regions of the world.

6. MINING CONCESSIONS.

The Company holds mining concessions in Mexico. Concessions require work and financial expenditures to retain their validity. See "Business".

7. ENVIRONMENTAL CONTROLS.

Compliance with statutory environmental quality requirements may necessitate significant capital outlays, may materially affect the earning power of the Company, or may cause material changes in the Company's intended activities. No assurance can be given that environmental standards imposed by either federal or state governments will not be changed or become more stringent, thereby possibly materially adversely affecting the proposed activities of the Company.

8. GOVERNMENTAL REGULATION AND ENVIRONMENTAL CONTROLS.

The Company's activities are subject to extensive Mexican laws and regulations controlling not only the exploration for and development of mineral properties, but also the possible effect of such activities upon the environment. In its mining operations, the Company will use certain equipment, which will subject the Company to Mexican safety and health regulations. While the Company intends to act in compliance with all such regulations, any adverse ruling under any regulations, any imposition of a fine, or any imposition of more stringent regulations could require the Company to make additional capital expenditures that could impair its operations.

9. AVAILABILITY OF WATER SHORTAGES OF SUPPLIES AND MATERIALS.

Water is essential in all phases of the exploration and development of mineral properties. It is used in such processes as exploration, drilling, leaching, placer mining, dredging, testing, and hydraulic mining. Any water that may be found will be subject to acquisition pursuant to appropriate governing laws. The Company has definitely not determined the availability of water at Sierra Mojada, except to note that adequate water supplies are generally developed by drilling, but has not determined the cost of acquisition. Both the lack of available water and the cost of acquisition may make an otherwise viable project economically impossible to complete. The

mineral industry has experienced from time to time shortages of certain supplies and materials necessary in the exploration for and evaluation of mineral deposits. The prices at which such supplies and materials are available have also greatly increased. There is a possibility that planned operations may be subject to delays due to such shortages and that further price escalations will increase the costs of the Company.

10. UNINSURED RISKS.

The Company may not be insured against all losses or liabilities, which may arise from operations, either because such insurance is unavailable or because the Company has elected not to purchase such insurance due to high premium costs or other reasons.

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11. NEED FOR SUBSEQUENT FUNDING.

The Company has an immediate need for additional funds in order to finance its proposed business operations. The Company's continued operations therefore will depend upon the availability of cash flow, if any, from its operations or its ability to raise additional funds through bank borrowings or equity or debt financing. There is no assurance that the Company will be able to obtain additional funding when needed, or that such funding, if available, can be obtained on terms acceptable to the Company. If the Company cannot obtain needed funds, it may be forced to curtail or cease its activities.

12. NEED FOR ADDITIONAL KEY PERSONNEL.

At the present, the Company employs four full-time and one part-time employee. The success of the Company's proposed business will depend, in part, upon the ability to attract and retain qualified employees. The Company believes that it will be able to attract competent employees, but no assurance can be given that the Company will be successful in this regard. If the Company is unable to engage and retain the necessary personnel, its business would be materially and adversely affected.

13. RELIANCE UPON DIRECTORS AND OFFICERS.

The Company is wholly dependent, at the present, upon the personal efforts and abilities of its Officers and Directors who will exercise control over the day-to-day affairs of the Company. While the Company may solicit business through its Officers, there can be no assurance as to the volume of business, if any, which the Company may succeed in obtaining, nor that its proposed operations will prove to be profitable. As of the date hereof, the Company does not have any commitments regarding its proposed operations and there can be no assurance that any commitments will be forthcoming. See "Business" and "Management".

14. NON-ARMS' LENGTH TRANSACTION.

The number of shares of Common Stock issued to present shareholders of the Company for cash was arbitrarily determined and may not be considered the product of arm's length transactions. See "Principal Shareholders".

15. INDEMNIFICATION OF OFFICERS AND DIRECTORS FOR SECURITIES LIABILITIES.

The Bylaws of the Company provide that the Company may indemnify any Director, Officer, agent, and/or employee as to those liabilities and on those terms and conditions as are specified in the Nevada Business Corporation Act. Further, the Company may purchase and

maintain insurance on behalf of any such persons whether or not the corporation would have the power to indemnify such person against the liability insured against. The foregoing could result in substantial expenditures by the Company and prevent any recovery from such Officers, Directors, agents, and employees for losses incurred by the Company as a result of their actions. Further, the Company has been advised that in the opinion of the Securities and Exchange Commission, indemnification is against public policy as expressed in the Securities Act of 1933, as amended, and is, therefore, unenforceable.

16. COMPETITION.

The Company believes that it will have competitors and potential competitors, many of whom may have considerably greater financial and other resources than the Company.

17. PUBLIC MARKET FOR SECURITIES.

At present, the Company's common stock is traded under the symbol MMGG on the OTC Bulletin Board operated by the National Association of Securities Dealers, Inc. This market is a thinly traded market and lacks the liquidity of other public markets with which some investors may have more experience.

18. CUMULATIVE VOTING, PREEMPTIVE RIGHTS AND CONTROL.

There are no preemptive rights in connection with the Company's Common Stock. The shareholders purchasing in this offering may be further diluted in their percentage ownership of the Company in the event additional shares are issued by the Company in the future. Cumulative voting in the election of Directors is not provided for. Accordingly, the holders of a majority of the shares of Common Stock, present in person or by proxy, will be able to elect all of the Company's Board of Directors. See "Description of the Securities".

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19. NO DIVIDENDS ANTICIPATED.

At the present time the Company does not anticipate paying dividends, cash or otherwise, on its Common Stock in the foreseeable future. Future dividends will depend on earnings, if any, of the Company, its financial requirements and other factors. Investors who anticipate the need of an immediate income from their investment in the Company's Common Stock should refrain from the purchase of the securities being offered hereby. See "Dividend Policy".

ITEM 3. DESCRIPTION OF PROPERTIES.

The Company owns the following eight mining concessions, including the buildings and equipment located thereon:

Concession	Title No.	Hectares
-----	-----	-----
<s>	<c>	<c>
Sierra Mojada	198513	4767.3154
Mojada 3	199246	1689.2173
Esmeralda	188765	117.5025
Esmeralda 1	187776	97.6839
Unification Mineros Nortenos	169343	336.7905
La Blanca	188326	33.5044

Fortuna	160461	13.9582
Vulcano	83507	4.4904

Total		7060.4626
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The Company's corporate offices are located at 1330 East Margaret Avenue, Coeur d'Alene, Idaho 83815, and its telephone number is (208) 665-2002 and FAX is (208) 665-0041. Minera Metalin has its operations, consisting of mining equipment, offices, residences, shops, and warehouse buildings, located at Calle Mina #1, La Esmeralda, Coahuila, Mexico and its telephone and FAX number is 52 871 775 2100.

ITEM 4. LEGAL PROCEEDINGS.

Minera Metalin, the Company's Mexican subsidiary, has been named as a co-defendant in a lawsuit filed in Mexico regarding the Company's purchase of two mining concessions. Any potential liability resulting from the lawsuit would be directed against the other named defendant, and according to the Company's legal counsel, the chance of an adverse judgment for Metalin is negligible.

ITEM 5. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

The laws of the state of Nevada under certain circumstances provide for indemnification of the Company's Officers, Directors and controlling persons against liabilities, which they may incur in such capacities. A summary of the circumstances in which such indemnification is provided for is contained herein, but this description is qualified in its entirety by reference to the Company's Articles of Incorporation and to the statutory provisions.

In general, any Officer, Director, employee or agent may be indemnified against expenses, fines, settlements or judgments arising in connection with a legal proceeding to which such person is a party, if that person's actions were in good faith, were believed to be in the Company's best interest, and were not unlawful. Unless such person is successful upon the merits in such an action, indemnification may be awarded only after a determination by independent decision of the Board of Directors, by legal counsel, or by a vote of the shareholders, that the applicable standard of conduct was met by the person to be indemnified.

The circumstances under which indemnification is granted in connection with an action brought on behalf of the Company is generally the same as those set forth above; however, with respect to such actions, indemnification is granted only with respect to expenses actually incurred in connection with the defense or settlement of the action. In such actions, the person to be indemnified must have acted in good faith and in a manner believed to have been in the Company's best interest, and have not been adjudged liable for negligence or misconduct.

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The Company's Articles of Incorporation and Bylaws do not contain any provisions for indemnification as described above.

ITEM 6. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

The annual meeting of the shareholders of Metalline Mining Company was held on March 1, 2001. The following items were presented for a vote of the shareholders, all of which were approved:

1. Election of three directors.
2. Authorization of a Qualified Stock Option Plan.
3. Amendment of the Company's Articles of Incorporation to authorize one million shares of Preferred Stock, \$0.01 par value per share.
4. Ratification of the appointment of Williams & Webster, Certified Public Accountants, to audit the financial statements of the Company.

PART II

ITEM 7. MARKET PRICE FOR COMMON EQUITY AND OTHER SHAREHOLDER MATTERS.

The Company's shares are traded on the Bulletin Board operated by the National Association of Securities Dealers, Inc. (the "Bulletin Board") under the trading symbol "MMGG". The Company's shares began trading November 19, 1996. Summary trading by quarter for 2003, 2002, and 2001 are as follows:

Fiscal Quarter	High Bid<F1>	Low Bid<F1>
-----	-----	-----
<s>	<c>	<c>
2003		
Fourth Quarter	2.00	1.18
Third Quarter	1.35	1.10
Second Quarter	1.40	1.01
First Quarter	1.45	1.20
2002		
Fourth Quarter	1.60	0.90
Third Quarter	2.10	1.15
Second Quarter	1.94	0.75
First Quarter	2.75	0.80
2001		
Fourth Quarter	2.34	1.20
Third Quarter	2.50	1.63
Second Quarter	2.75	1.63
First Quarter	2.75	2.00

<FN>

<F1> These quotations reflect inter-dealer prices, without retail mark-up, markdown, or commissions, and may not represent actual transactions.

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As of October 31, 2003, the Company has approximately 120 holders of record of its Common Stock.

The Company has not paid any dividends since its inception and does not anticipate paying any dividends on its Common Stock in the foreseeable future.

ITEM 8. RECENT SALES OF UNREGISTERED SECURITIES.

The Company has 11,845,055 shares of Common Stock issued and outstanding as of October 31, 2003. Of the total shares of the Company's Common Stock outstanding, 4,483,545 shares are freely tradable and 7,361,510 shares can only be resold in compliance with Reg. 144 adopted under the Securities Act of 1933 (the "Act").

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In general, under Rule 144 as currently in effect, a person (or persons whose Shares are aggregated) who has beneficially owned Shares privately acquired directly or indirectly from the Company or from an affiliate, for at least one year, or who is an affiliate, is entitled to sell within any three month period a number of such Shares that does not exceed the greater of 1% of the then outstanding shares of the Company's Common Stock or the average weekly trading volume in the Company's Common Stock during the four calendar weeks, immediately preceding such sale. Sales under Rule 144 are also subject to certain manner of sale provisions, notice requirements and the availability of current public information about the Company. A person (or persons whose Shares are aggregated) who is not deemed to have been an affiliate at any time during the 90 day preceding a sale, and who has beneficially owned Restricted Shares for at least two years, is entitled to sell all such Shares under Rule 144 without regard to the volume limitations, current public information requirements, manner of sale provisions or notice requirements.

On August 24, 1993, the Company issued 960,800 of its \$0.01 par value shares to Precious Metal Mines, Inc. ("PMM"), for 16 unpatented mining claims located near Philipsburg, Montana comprising the Kadex property group. The foregoing shares were issued pursuant to Section 4(2) of the Securities Act of 1933 (the "Act").

On August 31, 1994, the directors of Cadgie Co. declared a 1:5 reverse stock split of the outstanding Cadgie Co. shares, thus reducing the number of outstanding shares from 960,800 to 192,160 shares.

On August 4, 1995, the directors of Cadgie Co. declared a 3:1 forward stock split of the outstanding Cadgie Co. shares, thus increasing the number of outstanding shares from 192,160 to 576,480.

During November 1995, Cadgie Co. directors approved an issue of 45,000 shares of Common Stock to Mr. Ryan for services rendered at \$0.01 per share. The foregoing shares were issued pursuant to Section 4(2) of the Act.

In June 1996, the Company completed a private placement of common stock resulting in net proceeds of \$25,000. The Company issued 250,000 common shares in connection with this private placement. The Company also issued 900,000 shares to Messrs. Bingham, Gorski and Ryan who had formed a partnership to advance development of the mining concession located in Coahuila, Mexico. The partnership had an informal joint venture agreement with Dakota covering the mining concessions. By acquiring the partnership interest, the Company was able to negotiate and sign a formal joint venture agreement with Dakota in July 1996. The foregoing shares were issued pursuant to

Section 4(2) of the Act.

During June 1996, the Company issued 900,000 shares of Common Stock for the assignment of mineral rights in the Sierra Mojada Project in Coahuila, Mexico valued at \$0.01. The foregoing shares were issued pursuant to Section 4(2) of the Act.

In October 1996, the Company completed a private placement of common stock resulting in net proceeds of \$125,500. The Company issued 1,255,000 shares in connection with this placement. The Company also issued 120,000 shares to Mr. Gorski in payment for his services for the months of September and October. The Company issued 20,000 shares of Common Stock to Mr. Ryan as payment for services in those same months. Further, the Company issued 150,000 shares of common stock for computer equipment. The foregoing shares were issued pursuant to Section 4(2) of the Act.

During February 1997, the Company borrowed \$30,000 from shareholders and issued 24,900 shares of Common Stock as a loan incentive. The foregoing shares were issued pursuant to Section 4(2) of the Act.

In March 1997, the Company completed an issuance of Common Stock resulting in net proceeds of \$17,500. The foregoing shares were issued pursuant to Section 4(2) of the Act.

In April 1997, the Company issued to Royal Silver Mines, Inc., 200,000 shares of Common Stock resulting in proceeds of \$70,000. The Company issued 133,800 shares of Common Stock for services and expenses. A total of 24,900 shares of Common Stock were issued as loan incentives (interest) for \$30,000 in loans from shareholders. These shares were issued at \$0.30 per share.

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A total of 77,600 shares of Common Stock were issued in exchange for wages during the months of January, February, and March 1997 at \$0.35 per share. A total of 31,300 shares of Common Stock were issued to cover expenses incurred by shareholders at \$0.35 per share. The foregoing shares were issued pursuant to Section 4(2) of the Act.

On June 5, 1997, the Company issued 50,000 shares of Common Stock in consideration of services rendered. The foregoing shares were issued pursuant to Section 4(2) of the Act.

In 1997 and 1998, the Company issued warrants to eight persons. Each warrant entitles the holder to acquire one share of common stock at exercise prices ranging from \$0.35 to \$2.25. A total of 1,046,500 warrants were issued and 996,500 are currently outstanding; 50,000 of the warrants have been exercised. The warrants were issued pursuant to Section 4(2) of the Act.

Between August 14, 1998 and November 23, 1998, the Company sold 565,000 shares of common stock to eight persons/entities in consideration of \$565,000. The foregoing shares were sold pursuant to Section 4(2) of the Securities Act of 1933.

Between March 8, 1999 and June 11, 1999, the Company sold 662,500 shares of common stock to eight persons/entities in consideration of

\$662,500. The foregoing shares were sold pursuant to Section 4(2) of the Securities Act of 1933.

In July and November 1999, options for 1,200,000 shares of common stock were exercised as a price of \$0.90 per share, pursuant to Section 4(2) of the Act.

In August 2000, the Company sold 1,440,500 shares for common stock at a price of \$2.77 per share. The foregoing shares were sold pursuant to Section 4(2) of the Securities Act of 1933.

During the year ended October 31, 2000, the company issued 120,000 shares for services rendered and 15,000 shares for equipment. The foregoing shares were issued pursuant to Section 4(2) of the Securities Act of 1933.

During the year ended October 31, 2001, the Company issued 20,000 shares of common stock for the exercise of warrants valued at \$10,760 and cash of \$15,000. Additionally, 57,000 shares of common stock were issued for services valued at \$112,420 and cash of \$570 and 250,000 shares of common stock with 125,000 warrants attached were issued for \$500,000 in cash. The foregoing shares were issued pursuant to Section 4(2) of the Securities Act of 1933.

On May 20, 2002, the Company authorized the offering of 1,000,000 common stock units, with each unit consisting of one share of common stock and one warrant equal to 1/3 of a share of common stock.

During the year ended October 31, 2002, the Company issued 162,667 common stock units for a cash value of \$229,360 for common stock, and \$14,640 for warrants. The Company also issued 50,000 shares of common stock under the Penoles agreement for cash, at \$2.00 a share. Additionally, 86,078 shares of common stock were issued as compensation to officers for a value of \$104,875.

During the year ended October 31, 2003, the Company sold 7,000 common stock units with an ascribed cash value of \$10,500. The Company also sold 849,000 shares (without warrants) at an average price of \$0.98 per share. The Company also issued 100,000 shares of common stock under the Penoles agreement for cash, at \$2.00 per share (see Note 11). Additionally, 373,925 shares of common stock valued at \$468,771 were issued as compensation for officers.

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ITEM 9. SELECTED FINANCIAL DATA.

The selected financial data set forth below has been derived from, and should be read in conjunction with the Company's financial statements and the notes thereto, and Item 11 of this report entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations". The selected financial data for the two years ended October 31, 2003 have been derived from the Company's consolidated financial statements appearing elsewhere in this report, which have been audited by Williams & Webster P.S., Spokane, Washington.

The selected financial data should be read in conjunction with and is qualified by such financial statements and the notes thereto.

<table>

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Selected Financial Data

	2003	2002
	----	----
<s>	<c>	<c>
Summary of Balance Sheets:		
Working capital	\$615,544	\$48,963
Current assets	754,395	353,492
Total assets	5,390,304	5,011,289
Current liabilities	138,851	304,529
Long-term obligation	0	0
Total liabilities	138,851	304,529
Stockholder's equity	5,251,453	4,706,760

Summary of Statements of Operations:

Revenues	0	0
Net loss <F1>	(1,107,228)	(765,765)
Net loss per share	(0.10)	(0.08)

<FN>

<F1> Cumulative losses for period from inception (Nov. 8, 1993) through October 31, 2003 were \$8,282,833.

</FN>

</table>

ITEM 10. DESCRIPTION OF SECURITIES.

Common Stock

The authorized Common Stock of the Company consists of 50,000,000 shares of \$0.01 par value Common Stock. As of October 31, 2003, 11,845,055 shares are issued and outstanding of which 4,483,545 are freely tradable.

In general, under Reg.144, an affiliate of the Company (officers, directors, and owners of more than ten percent (10%) of the outstanding shares of Common Stock are affiliates of the Company) may sell in ordinary market transactions through a broker or with a market maker, within any three (3) month period a number of shares

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which does not exceed the greater of one percent (1%) of the number of outstanding shares of Common Stock or the average of the weekly trading volume of the Common Stock during the four calendar weeks prior to such sale. Sales under Reg.144 require the filing of Form 144 with the Securities and Exchange Commission. If the shares of Common Stock have been held for more than two (2) years by a person who is not an affiliate, there is no limitation on the manner of sale or the volume of shares that may be sold and no Form 144 is required. Sales under Reg. 144 may have a depressive effect on the market price of the Company's Common Stock.

All shares have equal voting rights and are not assessable. Voting rights are not cumulative and, therefore, the holders of more than 50% of the Common Stock could, if they chose to do so, elect all of the directors of the Company.

Upon liquidation, dissolution, or winding up of the Company, the assets of the Company, after the payment of liabilities, will be distributed pro rata to the holders of the Common Stock. The holders of the Common Stock do not have preemptive rights to subscribe for any securities of the Company and have no right to require the Company to redeem or purchase their shares. The shares of Common Stock presently outstanding are fully paid and non-assessable.

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Dividends

Holders of the Common Stock are entitled to share equally in dividends when, as and if declared by the Board of Directors of the Company, out of funds legally available therefore. No dividend has been paid on the Common Stock since inception, and none is contemplated in the foreseeable future.

Options and Warrants

Currently, the Company has outstanding stock options and warrants to acquire up to 2,058,055 shares of common stock at exercise prices ranging from \$0.75 to \$5.00 per share. Each option or warrant permits the holder thereof to acquire one share of common stock. The options and warrant expiration periods range from November 1, 2002 to March 1, 2010.

Transfer Agent

The transfer agent for the Company's Common Stock is Columbia Stock Transfer Co., 421 Coeur d'Alene Avenue, Coeur d'Alene, Idaho 83814.

ITEM 11. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

Results of Operations - Inception (August 20, 1993) through October 31, 2003.

Metalline Mining Company (the "Company") is an exploration stage enterprise formed under the laws of the State of Nevada, on August 20, 1993, to engage in the business of mining. The Company has no operating history and is subject to all the risks inherent in a new business enterprise. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with a new business, and the competitive and regulatory environment in which the Company will operate.

From inception until May 1996, the Company was essentially dormant having as its only asset unpatented mining claims located in the State of Montana ("Kadex Property"). Since May 1996, the focus of the Company has been the Sierra Mojada Project in Mexico and the Company has dropped the Kadex Property claims. The Company is currently involved in exploration and evaluation of its Mexican property under agreement with Minas Penoles.

The Company will hire employees on an as needed basis, however, the Company currently does not expect any significant changes in the number of employees.

Liquidity and Capital Resources.

The Company has insufficient funds to carry on operations during the next twelve months. In order to maintain operations, the Company will have to raise additional capital through loans or through the sale of securities. If the Company is unable to raise additional capital, it may have to cease operations. The Company's plan of operation, subject to maintaining sufficient funds, calls for continued geologic mapping of the surface and underground workings, sampling and drilling to explore for additional mineralization, and to develop an ore reserve, and compilation of the data into a computer data base for reserve calculation.

Due to the Company's lack of revenues, the Company's independent certified public accountants included a paragraph in the Company's 2003 financial statements relative to a going concern uncertainty. The Company has financed its obligations during the 2002-2003 fiscal year by its sale of 956,000 shares at an average price of \$1.09 per share.

The Company is engaged in the business of mining. The Company currently owns one mining property located in Mexico known as the Sierra Mojada Property. The Company conducts its operations in Mexico through its wholly owned subsidiary corporation, Minera Metalin S.A. de C.V. ("Minera Metalin").

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EFFECT OF RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS.

In May 2003, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No.150, "Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity" (hereinafter "SFAS No.150"). SFAS No.150 establishes standards for classifying and measuring certain financial instruments with characteristics of both liabilities and equity and requires that those instruments be classified as liabilities in statements of financial position. Previously, many of those instruments were classified as equity. SFAS No.150 is effective for financial instruments entered into or modified after May 31, 2003 and otherwise is effective at the beginning of the first interim period after June 15, 2003. The Company has not yet determined the impact of the adoption of this statement.

In April 2003, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities" (hereinafter "SFAS No.149"). SFAS No.149 amends and clarifies the accounting of derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS No.133, "Accounting for Derivative Instruments and Hedging Activities". This statement is effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. The adoption of SFAS No.149 is not expected to have a material impact on the financial position or results of operations of the Company.

In December 2002, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No.148, "Accounting for Stock-Based Compensation - Transition and Disclosure" (hereinafter "SFAS No.148"). SFAS 148 amends SFAS 123, "Accounting for Stock-

Based Compensation, " to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, the statement amends the disclosure requirements of SFAS 123 to require prominent disclosure in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. The provisions of the statement are effective for financial statements for fiscal years ending after December 15, 2002. As the Company accounts for stock-based compensation using the fair value method, the adoption of SFAS 148 has no material impact on the Company's financial condition or results of operations.

In June 2002, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 146, "Accounting for Costs Associated with Exit or Disposal Activities" (hereinafter "SFAS No.146"). SFAS No. 146 addresses significant issues regarding the recognition, measurement, and reporting of costs associated with exit and disposal activities, including restructuring activities. SFAS No.146 also addresses recognition of certain costs related to terminating a contract that is not a capital lease, costs to consolidate facilities or relocate employees, and termination benefits provided to employees that are involuntarily terminated under the terms of a one-time benefit arrangement that is not an ongoing benefit arrangement or an individual deferred-compensation contract. SFAS No. 146 was issued in June 2002, effective December 31, 2002. The Company's financial position and results of operations have not been affected by adopting SFAS No.146.

In April 2002, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 145, "Rescission of FASB Statements No.4, 44, and 64, Amendment of FASB Statement No.13, and Technical Corrections" (hereinafter "SFAS No.145") which updates, clarifies, and simplifies existing accounting pronouncements. FASB No.4, which required all gains and losses from the extinguishment of debt to be aggregated and, if material, classified as an extraordinary item, net of related tax effect was rescinded. As a result, FASB No. 64, which amended FASB No.4, was rescinded as it was no longer necessary. SFAS No.14 amended FASB No.13 to eliminate an inconsistency between the required accounting for sale-leaseback transactions and the required accounting for certain lease modifications that have economic effects that are similar to sale-leaseback transactions. Management's adoption of this statement has not affected the financial position or results of operations at October 31, 2003.

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ITEM 12. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The financial statements of the Company for the years ended October 31, 2002, and 2001 included elsewhere in this report have been audited by Williams & Webster, P.S., Spokane, Washington. An index to such financial statements appears at Page 21 of this report.

ITEM 13. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

There have been no disagreements on accounting and financial disclosures through the date of this 10-KSB.

PART III

ITEM 14. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS.

The officers and directors of the Company are as follows:

Name	Age	Position
Merlin Bingham Board of	70	President and Chairman of the Directors
Daniel Gorski a member	66	Vice President of Operations and of the Board of Directors
Roger Kolvoord	63	Member of the Board of Directors
Wayne Schoonmaker	66	Secretary & Treasurer

All directors hold office until the next annual meeting of shareholders or until their successors have been elected and qualified. The Company's officers are elected by the Board of Directors at the annual meeting and hold office until their death, or until they resign, or have been removed from office.

Officer and Director Biographies:

Merlin Bingham, President, and Chairman of the Board of Directors

Since October 1996, Mr. Bingham has been the President and Chairman of the Board of Directors of the Company. From 1963 to 1983 Mr. Bingham worked in exploration for mining and oil companies in the western U.S. and Alaska, Zambia, the United Arab Emirates, Ecuador and Mexico. Since 1983, Mr. Bingham has been a consulting geologist. Mr. Bingham received a B.S. degree in Mineralogy from the University of Utah in 1963.

Daniel Gorski, Vice President of Operations, and a member of the Board of Directors

Since June 1996, Mr. Gorski has been the Vice President of Operations and a member of the Board of Directors of the Company. Mr. Gorski has been a consulting geologist and mine manager since 1974 working in the western U.S. and Mexico. From January 1992 to June 1996, Mr. Gorski was employed as a contract geologist, working in Mexico, employed by USMX, Inc., an exploration and mining company located in Denver, Colorado. Mr. Gorski received a B.S. degree in Geology from Ross State College, Alpine Texas, and a M.A. in Geology from the University of Texas in 1970.

Roger Kolvoord - Director

Dr. Kolvoord has been a director of the Company since August 2002 and was appointed Vice President, Business in April 2003. Dr. Kolvoord has a B.S. degree in geology from the University of

Michigan, a M.S. in Mineralogy from the University of Utah, and a Ph.D. in geochemistry from the University of Texas at Austin. He worked in exploration and exploration research for Kennecott Copper Company, Ranchers Exploration and Development Corporation, and ARCO, and operated a services company providing field services to oil and gas

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and mining companies. He has extensive mining and energy exploration experience. He was a manager with the Boeing Company for 14 years, working mainly in program management and new business development capacities in information systems and in remote sensing and geospatial information (mapping) ventures. An Associate Technical Fellow of the Boeing Company, he returned to private consulting practice in 2000. An active member of the American Association of Petroleum Geologists, he served two terms as the Pacific Section Councilor of the Energy Minerals Division and is currently Chair of the Geospatial Information Committee. He resides in the Puget Sound region of Washington.

Wayne Schoonmaker Secretary & Treasurer

Mr. Schoonmaker was appointed Secretary & Treasurer of the Company in August 1997 and has held that position since that time. He is also currently Secretary & Treasurer of Revett Silver Company and Hanover Gold Company, Inc., both of Spokane, Washington, and is Secretary & Treasurer and Director of Independence Lead Mines Company of Wallace, Idaho. During the period of 1979 through 1993 Mr. Schoonmaker was employed at Asarco Incorporated as Chief Accountant at the Troy Mine and as Financial Manager of Asarco's Northwest Mining Department. From July 1978 to December 1978, Mr. Schoonmaker was Assistant Treasurer of the Bunker Hill Mining Company, and from 1964 to 1978, he was Assistant Secretary of Hecla Mining Company. Mr. Schoonmaker received a Bachelor of Science degree in Accounting from the University of Montana in 1962 and an MBA from the University of Idaho in 1987. Mr. Schoonmaker is a Certified Public Accountant in the states of Idaho and Montana.

CONTROLS AND PROCEDURES

ANNUAL EVALUATION OF THE COMPANY'S DISCLOSURE CONTROLS AND INTERNAL CONTROLS.

Within the 90 days prior to the date of this Annual Report on Form 10-KSB, the Company evaluated the effectiveness of the design and operation of its "disclosure controls and procedures" (Disclosure Controls), and its "internal controls and procedures for financial reporting" (Internal Controls). This evaluation (the Controls Evaluation) was done under the supervision and with the participation of management, including our Chief Executive Officer (CEO) and Chief Financial Officer (CFO). Rules adopted by the SEC require that in this section of the Annual Report we present the conclusions of the CEO and the CFO about the effectiveness of our Disclosure Controls and Internal Controls based on and as of the date of the Controls Evaluation.

CEO AND CFO CERTIFICATIONS.

Appearing immediately following the Signatures section of this Annual Report there are two separate forms of "Certifications" of

the CEO and the CFO. The second form of Certifications is required in accord with Section 302 of the Sarbanes-Oxley Act of 2002 (the Section 302 Certification). This section of the Annual, which you are currently reading is the information concerning the Controls Evaluation referred to in the Section 302 Certifications and this information should be read in conjunction with the Section 302 Certifications for a more complete understanding of the topics presented.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS.

Disclosure Controls are procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934 (Exchange Act), such as this Annual Report, is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's (SEC) rules and forms. Disclosure Controls are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. Internal Controls are procedures which are designed with the objective of providing reasonable assurance that (1) our transactions are properly authorized; (2) our assets are safeguarded against unauthorized or improper use; and (3) our transactions are properly recorded and reported, all to permit the preparation of our financial statements in conformity with generally accepted accounting principles.

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LIMITATIONS ON THE EFFECTIVENESS OF CONTROLS.

The Company's management, including the CEO and CFO, does not expect that our Disclosure Controls or our Internal Controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. 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 the 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. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

SCOPE OF THE CONTROLS EVALUATION.

The CEO/CFO evaluation of our Disclosure Controls and our Internal

Controls included a review of the controls' objectives and design, the control's implementation by the Company and the effect of the controls on the information generated for use in this Annual Report. In the course of the Controls Evaluation, we sought to identify data errors, controls problems or acts of fraud and to confirm that appropriate corrective action, including process improvements, were being undertaken. This type of evaluation will be done on a quarterly basis so that the conclusions concerning controls effectiveness can be reported in our Quarterly Reports on Form 10-QSB and Annual Report on Form 10-KSB. Our Internal Controls are also evaluated on an ongoing basis by our independent auditors in connection with their audit and review activities. The overall goals of these various evaluation activities are to monitor our Disclosure Controls and our Internal Controls and to make modifications as necessary; our intent in this regard is that the Disclosure Controls and the Internal Controls will be maintained as dynamic systems that change (including with improvements and corrections) as conditions warrant.

Among other matter, we sought in our evaluation to determine whether there where any "significant deficiencies" or "material weaknesses" in the Company's Internal Controls, or whether the Company had identified any acts of fraud involving personnel who have a significant role in the Company's Internal Controls. This information was important both for the Controls Evaluation generally and because items 5 and 6 in the Section 302 Certifications of the CEO and CFO require that the CEO and CFO disclose that information to our Board's Audit Committee and to our independent auditors and to report on related matters in this section of the Annual Report. In the professional auditing literature, "significant deficiencies" are referred to as "reportable conditions"; these are control issues that could have a significant adverse effect on the ability to record, process, summarize, and report financial data in the financial statements. A "material weakness" is defined in the auditing literature as a particularly serious reportable condition where the internal control does not reduce to a relatively low level the risk that misstatements caused by error or fraud may occur in amounts that would be material in relation to the financial statements and not be detected within a timely period by employees in the normal course of performing their assigned functions. We also sought to deal with other controls matters in the Controls Evaluation, and in each case if a problem was identified, we considered what revision, improvement and/or correction to make in accord with our on-going procedures.

In accord with SEC requirements, the CEO and CFO note that, since the date of the Controls Evaluation to the date of this Annual Report, there have been no significant changes in Internal Controls or in other factors that could significantly affect Internal Controls, including any corrective actions with regard to significant deficiencies and material weaknesses.

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CONCLUSIONS.

Based upon the Controls Evaluation, our CEO and CFO have concluded that, subject to the limitations noted above, our Disclosure Controls are effective to ensure that material information relating to Metalline Mining Company and its subsidiary is made known to management, including the CEO and CFO, particularly during the

period when our periodic reports are being prepared, and that our Internal Controls are effective to provide reasonable assurance that our financial statements are fairly presented in conformity with generally accepted accounting principles.

ITEM 15. EXECUTIVE COMPENSATION.

Summary Compensation.

The following table sets forth the compensation paid by the Company from January 1, 1999 through December 31, 2003, for each officer and director of the Company. 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

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Names	Year Ended	Annual Compensation		Long-Term Compensation Awards			
		Salary (US\$)	Bonus (US\$)	Other Annual Compensation (US\$)	Under Options/ SARs Granted (#)	Restricted Shares or Restricted Units(US\$)	LTIP Payouts (US\$)
Merlin Bingham	2003	33,854	0	135,417	0	0	0
President	2002	48,000	0	40,625	0	0	0
	2001	72,000	0	0	100,000	0	0
	2000	72,000	0	0	0	0	0
	1999	72,000	0	0	0	0	0
Daniel Gorski	2003	33,854	0	142,188	0	0	0
Vice President	2002	48,000	0	40,625	0	0	0
	2001	72,000	0	0	100,000	0	0
	2000	72,000	0	0	0	0	0
	1999	72,000	0	0	0	0	0
Roger Kolvoord	2003	33,854	0	155,729	0	0	0
Director	2002	0	0	0	100,000	0	0
	2001	0	0	0	0	0	0
	2000	0	0	0	0	0	0
	1999	0	0	0	0	0	0
Wayne Schoonmaker	2003	8,438	0	35,438	0	0	0
Secretary/ Treasurer	2002	12,000	0	10,125	0	0	0
	2001	18,000	0	0	50,000	0	0
	2000	18,000	0	0	0	0	0
	1999	18,000	0	0	0	0	0

There are no other stock option plans, retirement, pension, or profit sharing plans for the benefit of the Company's officers and directors.

</table>

Option/SAR Grants.

The following grants of stock options, whether or not in tandem with stock appreciation rights ("SARs") and freestanding SARs have been made to officers and/or directors:

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Name	Number of Securities		Exercise or Base Price(\$/Sh)	Number of Options Exercised	Expiration Date
	Number of Securities Underlying Options SARs	Underlying Options/SARs Granted During Last 12 Months			
Merlin D. Bingham	100,000	0	2.15	0	03/01/10
Daniel E. Gorski	100,000	0	2.15	0	03/01/10
Roger Kolvoord	100,000	0	1.25	0	08/06/09
Wayne L. Schoonmaker	50,000	0	1.32	0	10/04/06

Long-Term Incentive Plan Awards.

The Company's shareholders approved a Qualified Stock Option Plan at the annual meeting of shareholders held March 1, 2001. During the year ended October 31, 2001 and October 31, 2002, options for 350,000 shares and 100,000 shares, respectively, were granted to officers and directors of the Company. There were no options granted during the year ended October 31, 2003.

Compensation of Directors.

In general, the Directors do not receive any compensation for serving as members of the Board of Directors. There are no contractual arrangements with any member of the Board of Directors.

ITEM 16. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The following table sets forth the Common Stock ownership of each person known by the Company to be the beneficial owner of five percent or more of the Company's Common Stock, each director individually, and all officers and directors of the Company as a group. Each person has sole voting and investment power with respect to the shares of Common Stock shown, unless otherwise noted, and all ownership is of record and beneficial.

Name of owner	Number of Shares	Position	% of Outstanding Shares
Merlin Bingham	1,133,417	President, CEO and Chairman of the Board of Directors	9.57%
Daniel Gorski	915,186	Vice President of Operations and member of the Board of Directors	7.73%
Roger Kolvoord	173,124	Member of the Board of Directors	1.46%
Wayne Schoonmaker	36,659	Secretary & Treasurer	0.31%
All officers and directors as a group (4 persons)	2,258,386		19.07%
Britannia Holdings King's House The Grange St. Peter Port Guernsey Channel Islands	3,190,500		26.94%

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ITEM 17. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

The Company was formed on November 8, 1993, by Mr. Carman Ridland of Las Vegas, Nevada as a spin-off from its predecessor Precious Metal Mines, Inc. ("PMM").

The Company issued 960,800 of its \$0.01 par value shares to PMM, for 16 unpatented mining claims located near Philipsburg, Montana comprising the Kadex property group.

PMM distributed the 960,800 shares of Cadgie Co. to its shareholders, one share of Cadgie Co. for each share of PMM held by holders of record as of August 31, 1993.

On August 31, 1994, the directors of Cadgie Co. declared a 1:5 reverse stock split of the outstanding Cadgie Co. shares, thus reducing the number of outstanding shares from 960,800 to 192,160 shares.

On August 4, 1995, the directors of Cadgie Co. declared a 3:1 forward stock split of the outstanding Cadgie Co. shares, thus increasing the number of outstanding shares from 192,160 to 576,480.

During November 1995, Metalline Mining Company's directors approved an issue of 45,000 shares of Common Stock to Mr. Ryan for services rendered at \$0.01 per share.

In January 1996, Carman Ridland in a private sale, sold a controlling interest in the corporation to Howard Crosby. On January

12, 1996, Mr. Ridland transferred control of Cadgie Co. to Mr. Howard Crosby and Mr. Robert Jorgensen.

In May 1996, Messrs. Crosby and Jorgensen were made aware of certain potentially valuable mining properties and concessions located at Sierra Mojada, Coahuila, Mexico. Messrs. Crosby and Jorgensen transferred control of Cadgie Co. to Messrs. Bingham, Gorski and Ryan so that Cadgie Co. could focus on the opportunity presented at Sierra Mojada.

In June 1996, the Company completed a private placement of common stock resulting in net proceeds of \$25,000. The Company issued 250,000 common shares in connection with this private placement. The Company also issued 900,000 shares to Messrs. Bingham, Gorski and Ryan who had formed a partnership to advance development of the mining concession located in Coahuila, Mexico. The partnership had an informal joint venture agreement with Dakota covering the mining concessions. By acquiring the partnership interest, the Company was able to negotiate and sign a formal joint venture agreement with Dakota in July 1996.

During June 1996, the Company issued 900,000 shares of Common Stock for the assignment of mineral rights in the Sierra Mojada Project in Coahuila, Mexico valued at \$0.01.

In August 1996, the Company changed its name to Metalline Mining Company and increased the authorized capital to 50,000,000 shares.

In October 1996, the Company completed a private placement of common stock resulting in net proceeds of \$125,500. The Company issued 1,255,000 shares in connection with this placement. The Company also issued 120,000 shares to Mr. Gorski in payment for his services for the months of September and October. The Company issued 20,000 shares of Common Stock to Mr. Ryan as payment for services in those same months. Further, the Company issued 150,000 shares of common stock for computer equipment.

During February 1997, the Company borrowed \$30,000 from shareholders and issued 24,900 shares of Common Stock as a loan incentive.

In March 1997, the Company completed an issuance of Common Stock resulting in net proceeds of \$17,500.

In April 1997, the Company issued to Royal Silver Mines, Inc., 200,000 shares of Common Stock resulting in proceeds of \$70,000. The Company issued 133,800 shares of Common Stock were issued for services and

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expenses. A total of 24,900 shares of Common Stock were issued as loan incentives (interest) for \$30,000 in loans from shareholders. These shares were issued at \$0.30 per share. A total of 77,600 shares of Common Stock were issued in exchange for wages during the months of January, February and March 1997 at \$0.35 per share. A total of 31,300 shares of Common Stock were issued to cover expenses incurred by shareholders at \$0.35 per share.

On June 5, 1997, the Company issued 50,000 shares of Common Stock to Mario Ayub Touche in consideration of services rendered.

In August 2002, Roger Kolvoord was appointed to the Board of Directors. Mr. Kolvoord replaces James Czirr, who previously resigned from the Board. In April 2003 Mr. Kolvoord was appointed Vice President, Business.

In August, September, and October 2002, the Company issued 86,078 shares to officers of the Company for services rendered.

During the year ended October 31, 2003, the Company issued 373,925 shares to officers of the company for services rendered.

PART IV

ITEM 18. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

EXHIBITS. The following exhibits are filed as part of this report.

Exhibits previously filed are incorporated by reference, as noted.

EXHIBIT NO. EXHIBIT

3.1 Articles of Incorporation of the registrant. Filed as an exhibit to the registrant's registration statement on Form 10-SB (Commission File No.000-27667) and incorporated by reference herein.

3.2 Bylaws of registrant. Filed as an exhibit to the registrant's registration statement on Form 10-SB and incorporated by reference herein.

3.3 Articles of Amendment to the Articles of Incorporation. Filed as an exhibit to the registrant's registration statement on Form 10-SB and incorporated by reference herein.

4.1 Specimen stock certificate of the registrant. Filed as an exhibit to the registrant's registration statement on Form 10-SB and incorporated by reference herein.

10.1 Master agreement between the registrant and USMX, Inc. relating to development and exploration of certain mineral properties. Filed as an exhibit to the registrant's registration statement on Form 10-SB and incorporated by reference herein.

10.2 Royal Silver letter regarding Joint Venture Agreement between Royal Silver, Minera Metalin S.A. de C.V. and its registrant. Filed as an exhibit to the registrant's registration statement on Form 10-SB and incorporated by reference herein.

10.3 Consulting Agreement dated December 1, 1997 between the registrant and James Czirr. Filed as Exhibit 99.1 on the registrant's Form 10-SB and incorporated by reference herein.

10.4 Consulting addendum dated August 24, 1998 between the registrant and James Czirr. Filed as Exhibit 99.2 on the registrant's Form 10-SB and incorporated by reference herein.

REPORTS ON FORM 8-K. NONE.

METALLINE MINING COMPANY
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Balance Sheets as of October 31, 2003
and October 31, 2002 F/S 2

Statements of Operations for the Years Ended
October 31, 2003 and 2002, and for
the period from inception (November 8, 1993)
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for the period from inception (November 8, 1993)
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Statements of Cash Flow for the Years Ended
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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors
Metalline Mining Company
Coeur d'Alene, Idaho

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying consolidated balance sheets of Metalline Mining Company (a Nevada corporation and an exploration stage company) and its subsidiary as of October 31, 2003 and 2002, and the related consolidated statements of operations, stockholders' equity, and cash flows for the years then ended, and for the period from November 8, 1993 (inception) to October 31, 2003. These consolidated 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 auditing standards generally accepted in the United States of America. Those standards

require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated 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 provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Metalline Mining Company and its subsidiary as of October 31, 2003 and 2002, and the results of its operations and cash flows for the years then ended and for the period from November 8, 1993 (inception) to October 31, 2003 in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company's significant operating losses raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Williams & Webster, P.S.
 Certified Public Accountants
 Spokane, Washington
 January 15, 2004
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METALLINE MINING COMPANY
 (AN EXPLORATION STAGE COMPANY)
 CONSOLIDATED BALANCE SHEETS

	October 31, 2003	October 31, 2002
	-----	-----
<s>	<c>	<c>
ASSETS		
CURRENT ASSETS		
Cash	\$ 733,369	\$ 216,363
Accounts receivable	0	62,501
Foreign tax refund receivable	0	59,287
Prepaid expenses	126	1,920
Employee advances	20,900	13,421
	-----	-----
Total Current Assets	754,395	353,492
	-----	-----
MINERAL PROPERTIES	4,334,767	4,334,767
	-----	-----
PROPERTY AND EQUIPMENT		
Office and mining equipment, net of accumulated depreciation	301,142	323,030
	-----	-----

Total Property and Equipment	301,142	323,030
	-----	-----
TOTAL ASSETS	\$ 5,390,304	\$ 5,011,289
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 110,898	\$ 111,223
Contracts payable, current	4,209	0
Accrued liabilities	23,744	193,306
	-----	-----
Total Current Liabilities	138,851	304,529
	-----	-----
COMMITMENTS AND CONTINGENCIES		0
	-----	-----
STOCKHOLDERS' EQUITY		
Preferred stock, \$0.01 par value; 1,000,000 shares authorized, no shares outstanding	0	0
Common stock, \$0.01 par value; 50,000,000 shares authorized, 11,845,055 shares issued and 10,368,340 shares issued and outstanding, respectively	118,451	103,685
Stock subscriptions receivable	(38,000)	0
Additional paid-in capital	11,955,285	10,280,713
Stock options and warrants	1,498,550	1,497,967
Deficit accumulated during exploration stage	(8,282,833)	(7,175,605)
	-----	-----
Total Stockholders' Equity	5,251,453	4,706,760
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 5,390,304	\$ 5,011,289
	=====	=====

The accompanying notes are an integral part of these consolidated financial statements. F/S 2

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENTS OF OPERATIONS

<table>

<caption>

	Years Ended		Period from
	October 31,	October 31,	November 8, 1993
	2003	2002	(Inception) to
			October 31, 2003
	-----	-----	-----
<s>	<c>	<c>	<c>
REVENUES	\$ 0	\$ 0	\$ 0
	-----	-----	-----

GENERAL AND

ADMINISTRATIVE EXPENSES

Salaries	575,912	340,708	1,807,494
Office	24,651	64,388	380,291
Taxes and fees	141,533	35,657	285,868
Professional services	253,419	118,163	3,522,643
Property expenses	66,501	23,921	1,524,898

Depreciation	42,833	35,829	195,348
Exploration and research	74,553	50,986	293,153

Total General and Administrative Expenses	1,179,402	669,652	8,009,695

LOSS FROM OPERATIONS	(1,179,402)	(669,652)	(8,009,695)
=====			
OTHER INCOME (EXPENSES)			
Miscellaneous ore sales, net of expenses	72,091	(99,252)	(13,043)
Interest income	83	3,139	25,464
Interest expense	0	0	(285,559)

Total Other Income	72,174	(96,113)	(273,138)
=====			
LOSS BEFORE INCOME TAXES	(1,107,228)	(765,765)	(8,282,833)

INCOME TAXES	0	0	0

NET LOSS	(1,107,228)	\$(765,765)	\$(8,282,833)
=====			
BASIC AND DILUTED LOSS PER COMMON SHARE			
	\$ (0.10)	\$ (0.08)	\$ (1.63)
=====			
BASIC AND DILUTED WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING			
	10,955,423	10,172,964	5,096,398
=====			

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

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

<table>

<caption>

	Common Stock	Additional Paid-in Capital	Stock Subscriptions Receivable	Accumulated Stock Options and Warrants	Deficit During Exploration Stage	Total
	Number of Shares	Amount				
	<c>	<c>	<c>	<c>	<c>	<c>
Common stock issuance prior to inception (no value)	960,800	\$ 9,608	\$(9,608)	\$ -	\$ -	\$ -
1:5 reverse common stock split	(768,640)	(7,686)	7,686	-	-	-
Net loss for the year ended October 31, 1994	-	-	-	-	(8,831)	(8,831)
Balances, October 31, 1994	192,160	1,922	(1,922)	-	(8,831)	(8,831)

3:1 common stock split	384,320	3,843	(3,843)	-	-	-
Net loss for the year ended October 31, 1995	-	-	-	-	(7,761)	(7,761)

Balance, October 31, 1995	576,480	\$ 5,765	\$(5,765)	\$ -	\$ -	\$(16,592)
						\$(16,592)

	-----	----	----	---	---	-----	-----
Issuance of common stock as follows:							
- for par value at transfer of ownership	2,000	20	-	-	-	-	20
- for cash at an average of \$0.11 per share	1,320,859	13,209	133,150	-	-	-	146,359
- for services at an average of \$0.08 per share	185,000	1,850	12,600	-	-	-	14,450
- for computer equipment at \$0.01 per share	150,000	1,500	13,500	-	-	-	15,000
- for mineral property at \$0.01 per share	900,000	9,000	-	-	-	-	9,000
Net loss for the year ended October 31, 1996	-	-	-	-	-	(40,670)	(40,670)
Balances, October 31, 1996	3,134,339	\$31,344	\$153,485	\$ -	\$ -	\$(57,262)	\$127,567

Table continued on next page.

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

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(continued)

<table>

<caption>

	Common Stock	Additional	Stock	Accumulated	Stock	Deficit		
	Number of	Paid-in	Sub-	Stock	Options	During Ex-		
	Shares	Capital	scriptions	and	and	ploration	Stage	Total
	-----	-----	-----	-----	-----	-----	-----	-----
Balance brought Forward	3,134,339	\$31,344	\$153,485	\$ -	\$ -	\$(57,262)		\$127,567
Issuance of common Stock as follows:								
- for cash at an average of \$0.61 per share	926,600	9,266	594,794	-	-	-		604,060
- for services at an average of \$0.74 per share	291,300	2,913	159,545	-	-	-		162,458
- for payment of a loan at \$0.32 per share	100,200	1,002	30,528	-	-	-		31,530
Options issued as follows:								
- 300,000 options for cash	-	-	3,000	-	-	-		3,000
Net loss for year ended October 31, 1997	-	-	-	-	-	(582,919)		(582,919)
Balances at October 31, 1997	4,452,439	\$44,525	\$941,352	\$ -	\$ -	\$(640,181)		\$345,696
Issuance of common stock as follows:								
- for cash at an average of \$1.00 per share	843,500	8,435	832,010	-	-	-		840,445
- for cash and receivables at \$1.00 per share	555,000	5,550	519,450	(300,000)	-	-		225,000
- for services at an average of \$0.53 per share	41,800	418	21,882	-	-	-		22,300

- for mine data base at \$1.63 per share	200,000	2,000	323,000	-	-	-	325,000
Options issued or granted as follows:							
- 1,200,000 options for cash	-	-	120,000	-	-	-	120,000
- for financing fees	-	-	-	60,000	-	-	60,000
- for consulting fees	-	-	-	117,000	-	-	117,000
Warrants issued for services	-	-	-	-	488,980	(488,980)	-
Net loss for year ended October 31, 1998	-	-	-	-	-	(906,036)	(906,036)
-----	-----	-----	-----	-----	-----	-----	-----
Balance, October 31, 1998	6,092,739	\$60,928	\$2,757,694	\$(300,000)	\$665,980	\$(2,035,197)	\$(1,149,405)
-----	-----	-----	-----	-----	-----	-----	-----

Table continued on next page.

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

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METALLINE MINING COMPANY

(An Exploration Stage Company)

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(continued)

<table>

<caption>

	Common Stock		Additional	Stock	Accumulated	Stock	Deficit	
	Number of	Amount	Paid-in	Sub-	Options	Options	During Ex-	Total
	Shares		Capital	scriptions	and	Warrants	ploration	
				Receivable	Warrants		Stage	
	-----	-----	-----	-----	-----	-----	-----	-----
<s>	<c>	<c>	<c>	<c>	<c>	<c>	<c>	<c>
Balance brought Forward		6,092,739	\$60,928	\$2,757,694	\$(300,000)	\$665,980	\$(2,035,197)	\$(1,149,405)
Issuance of common stock as follows:								
- for cash at an average of \$1.04 per share	818,800	8,188	842,712	-	-	-	-	850,900
- for drilling fees at \$0.90 per share	55,556	556	49,444	-	-	-	-	50,000
Stock options and warrant activity as follows:								
- exercise of options at \$0.90 per share	250,000	2,500	267,500	-	(45,000)	-	-	225,000
- issuance of options for financing fees	-	-	-	216,000	-	-	-	216,000
- expiration of options	-	-	60,000	-	(60,000)	-	-	-
Stock subscription received	-	-	-	300,000	-	-	-	300,000
Net loss for year ended October 31, 1999	-	-	-	-	-	(1,423,045)	(1,423,045)	
-----	-----	-----	-----	-----	-----	-----	-----	-----
Balance, October 31, 1999	7,215,095	\$72,152	\$3,977,350	\$ -	\$776,980	\$(3,458,242)	\$1,368,260	
Stock option and warrant activity as follows:								
Exercise of options at \$0.86 per share	950,000	9,500	1,090,750	-	(288,000)	-	-	812,250
Warrants issued for services	-	-	-	-	55,000	-	-	55,000
Issuance of common stock as follows:								
- for cash at an average of \$2.77 of \$2.77 per share	1,440,500	14,405	3,972,220	-	-	-	-	3,986,625
- for services at \$1.28 per share	120,000	1,200	152,160	-	-	-	-	153,360

- for equipment at \$1.67 per share	15,000	150	24,850	-	-	-	25,000
Net loss for year ended October 31, 2000	-	-	-	-	(882,208)	(882,208)	
Balance, October 31, 2000	9,742,595	\$ 97,427	\$9,217,330	\$ -	\$543,980	\$(4,340,450)	\$5,518,287

Table continued on next page.

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

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(continued)

<table>

<caption>

	Common Stock	Additional	Stock	Accumulated	Stock	Deficit	
	Number of	Paid-in	Sub-	Options	Options	During Ex-	Total
	Shares	Capital	scriptions	and	Warrants	ploration	
	Amount	Receivable	Warrants	Stage			
	-----	-----	-----	-----	-----	-----	-----
Balance brought Forward	9,742,595	\$97,427	\$9,217,330	\$ -	\$543,980	\$(4,340,450)	\$5,518,287
Stock option and warrant activity as follows:							
-Warrants exercised at \$0.75 per share	20,000	200	25,560	-	(10,760)	-	15,000
-Options issued for consulting fees	-	-	-	-	740,892	-	740,892
-Warrants issued for consulting fees	-	-	-	-	144,791	-	144,791
Issuance of common stock as follows:							
- for cash at \$2.00 per share	250,000	2,500	494,076	-	3,424	-	500,000
- for cash of \$210 and services at \$2.07 per share	21,000	210	43,260	-	-	-	43,470
- for cash of \$180 and services at \$2.05 per share	18,000	180	36,720	-	-	-	36,900
- for services at \$2.45 per share	6,000	60	14,640	-	-	-	14,700
- for services at \$1.50 per share	12,000	120	17,880	-	-	-	18,000
Net loss for year ended October 31,2001	-	-	-	-	-	(2,069,390)	(2,069,390)
Balance, October 31, 2001	10,069,595	100,697	9,849,466	-	1,422,327	(6,409,840)	4,962,650
Issuance of common stock as follows:							
- for cash at \$2.00 per share	50,000	500	99,500	-	-	-	100,000
- for cash and warrants at \$1.50 per share	96,000	960	134,400	-	8,640	-	144,000
- for cash and warrants at \$1.50 per share	66,667	667	93,333	-	6,000	-	100,000
- for compensation at an average of \$1.23 per share	86,078	861	104,014	-	-	-	104,875
Stock option activity as follows:							
- for compensation at \$0.61 per share	-	-	-	-	61,000	-	61,000
Net loss for year ended October 31, 2002	-	-	-	-	-	(765,765)	(765,765)
Balance, October 31, 2002	10,368,340	\$103,685	\$10,280,713	\$ -	\$1,497,967	\$(7,175,605)	\$4,706,760

Table continued on next page.

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

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(continued)

<table>

<caption>

	Common Stock Number of Shares	Additional Paid-in Capital	Stock Sub- scriptions Receivable	Accumulated Stock Options and Warrants	Deficit During Ex- ploration Stage	Total
	----- ----- -----	----- ----- -----	----- ----- -----	----- ----- -----	----- ----- -----	----- ----- -----
Balance brought Forward	10,368,340	\$103,685	\$10,280,713	\$ -	\$1,497,967	\$(7,175,605) \$4,706,760
Issuances of common stock as follows:						
- for cash at \$2.00 per share	100,000	1,000	199,000	-	-	200,000
- for cash at an average of \$0.98 per share	849,000	8,489	821,510	-	-	829,999
- for cash and warrants at \$1.50 per share	7,000	70	9,847	583	-	10,500
- for compensation at an average of \$1.25 per share	391,332	3,913	487,275	-	-	491,188
- for services at an average of \$1.23 per share	91,383	941	119,320	-	-	120,234
- for subscriptions receivable at \$1.00 per share	38,000	380	37,620 (38,000)	-	-	-
Net loss for the year ended October 31, 2003	-	-	-	-	(1,107,228)	(1,107,228)
Balance, October 31, 2003	11,845,055	118,451	11,955,285	(38,000)	1,498,550	(8,282,833) 5,251,453

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

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS

<table>

<caption>

	Years Ended October 31, 2003	October 31, 2002	Period from November 8, 1993 (Inception) to October 31, 2003
	----- ----- -----	----- ----- -----	----- ----- -----
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$(1,107,228)	\$(765,765)	\$(8,282,833)
Adjustments to reconcile net loss to net cash used by operating activities:			
Depreciation	25,008	35,829	177,493
Noncash expenses	-	-	126,864
Payment of services from issuance of stock	611,422	104,875	1,302,512

Payment of services from issuance of options	-	61,000	801,892
Payment of financing fees from the issuance of stock options	-	276,000	
Payment of expenses with issuance of stock Warrants issued for services	-	-	326,527
		688,771	
(Increases) decreases in:			
Foreign property tax refund receivable	59,287	-	-
Accounts receivable	62,501	(62,501)	-
Prepaid expenses	1,794	1,929	(126)
Employee advances	(7,479)	(2,275)	(20,900)
Increases (decreases) in:			
Accounts payable	(325)	105,948	110,898
Contracts payable	4,209	-	4,209
Accrued liabilities	(169,562)	179,208	23,744
	-----	-----	-----
Net cash used by operating activities	(520,373)	(341,752)	(4,464,949)
	----	----	----
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Investments	-	-	(484,447)
Proceeds from Investments	-	484,447	484,447
Equipment purchases	(3,120)	(301,364)	(438,612)
Mining property acquisitions	-	-	(4,452,631)
	-----	-----	-----
Net cash used by investing activities	(3,120)	183,083	(4,891,243)
	-----	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from sales of common stock	1,040,499	329,360	9,022,171
Proceeds from sales of options and warrants	-	14,640	949,890
Deposits for sale of stock	-	-	87,500
Proceeds from shareholder loans	-	-	30,000
	-----	-----	-----
Net cash provided by financing activities:	1,040,499	344,000	10,089,561
	-----	-----	-----
Net increase (decrease) in cash and cash equivalents	517,006	185,331	733,369
Cash beginning of period	216,363	31,032	-
	-----	-----	-----
Cash at end of period	\$733,369	\$216,363	\$733,369
	=====	=====	=====

Table continued on next page.

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

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(continued)

<table>

<caption>

	Years Ended	Period from
	-----	November 8, 1993
	October 31,	October 31, (Inception) to
	2003	October 31, 2003
	-----	-----

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SUPPLEMENTAL CASH FLOW DISCLOSURES:

Income taxes paid	\$ -	\$ -	\$ -
Interest paid	\$ -	\$ -	\$ -

NON-CASH FINANCING ACTIVITIES:

Common stock issued for services	\$611,422	\$104,875	\$1,302,512
Common stock issued for payment of expenses	\$ -	\$ -	\$326,527
Common stock issued for equipment	\$ -	\$ -	\$25,000
Common stock options issued for financing fees	\$ -	\$ -	\$276,000
Options issued for services	\$ -	\$61,000	\$801,892
Warrants issued for services	\$ -	\$ -	\$688,771
Non cash expenses	\$ -	\$ -	\$126,864

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

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</table>

<page>

METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2003

NOTE 1 ORGANIZATION AND DESCRIPTION OF BUSINESS

Metalline Mining Company ("the Company") was incorporated in the State of Nevada on November 8, 1993 as the Cadgie Company for the purpose of acquiring and developing mineral properties. The Cadgie Company was a spin-off from its predecessor, Precious Metal Mines, Inc. On June 28, 1996, at a special directors meeting, the Company's name was changed to Metalline Mining Company. The Company's fiscal year-end is October 31.

The Company is engaged in the business of mining. The Company currently owns one mining property located in Mexico known as the Sierra Mojada Property. The Company conducts its operations in Mexico through its wholly owned subsidiary corporation, Minera Metalin S.A. de C.V. ("Minera Metalin").

The Company's efforts have been concentrated in expenditures related to exploration properties, principally in the Sierra Mojada project located in Coahuila, Mexico. The Company has not determined whether the exploration properties contain ore reserves that are economically recoverable. The ultimate realization of the Company's investment in exploration properties is dependent upon the success of future property sales, the existence of economically recoverable reserves, the ability of the Company to obtain financing or make other arrangements for development, and upon future profitable production. The ultimate realization of the Company's investment in exploration properties cannot be determined at this time, and accordingly, no provision for any asset impairment that may result, in the event the Company is not successful in developing or selling these properties, has been made in the accompanying financial statements.

The Company is actively seeking additional capital and management believes its properties can ultimately be sold or developed to enable the Company to continue its operations. However, there are inherent uncertainties in mining operations and management cannot provide assurances that it will be successful in this endeavor. Furthermore, the Company is in the exploration stage, as it has not realized any revenues from its planned operations.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the U.S. and have been consistently applied in the preparation of the financial statements.

Accounting Method

The Company's financial statements are prepared using the accrual method of accounting.

Accounts Receivable

The Company carries its accounts receivable at cost. As the receivable results from a recently contracted obligation, the Company believes an allowance for doubtful accounts is not necessary. On a periodic basis, the Company will evaluate its accounts receivable and determine if an allowance for doubtful accounts becomes necessary, based on a history of past write-offs and collections and current credit conditions.

The Company has not yet established a policy regarding accruing interest on trade receivables. Accounts will be written off as uncollectible when it is determined that collection will be unlikely.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2003
(CONTINUED)

Compensated Absences

The Company's policy is to recognize the cost of compensated absences when actually paid to employees. If the amount were estimatable, it would not be currently recognized as the amount would be deemed immaterial.

Concentration of Risk

The Company maintains its domestic cash in primarily one commercial bank in Coeur d'Alene, Idaho. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At October 31, 2003, the Company exceeded the insured amount by \$562,268. The Company also maintains cash in banks in Mexico. These accounts, which had U.S. dollar balances of \$40,968 and \$69,932 at October 31, 2003 and 2002 respectively, are denominated in pesos and are considered uninsured.

Derivative Instruments

The Financial Accounting Standards Board issued Statement of Financial

Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," (hereinafter "SFAS No. 133") as amended by SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities-Deferral of the Effective Date of FASB No. 133", and SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities" and SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities". These statements establish accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. They require that an entity recognize all derivatives as either assets or liabilities in the consolidated balance sheet and measure those instruments at fair value.

Derivative Instruments

If certain conditions are met, a derivative may be specifically designated as a hedge, the objective of which is to match the timing of gain or loss recognition on the hedging derivative with the recognition of (i) the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk or (ii) the earnings effect of the hedged forecasted transaction. For a derivative not designated as a hedging instrument, the gain or loss is recognized in income in the period of change.

Historically, the Company has not entered into derivatives contracts to hedge existing risks or for speculative purposes.

In the years ended October 31, 2003 and 2002, the Company has not engaged in any transactions that would be considered derivative instruments or hedging activities.

Earnings per Share

The Company has adopted SFAS No. 128, which provides for calculation of "Basic" and "Diluted" earnings per share. Basic earnings per share includes no dilution and is computed by dividing net income available to common shareholders by the weighted average common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity similar to fully diluted earnings per share. Although there were common stock equivalents outstanding October 31, 2003 and 2002, they were not included in the calculation of earnings per share because they would have been considered anti-dilutive. Common stock equivalents outstanding were 2,058,055 and 2,051,055 at October 31, 2003 and 2002, respectively.

Estimates

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 disclosure 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.

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METALLINE MINING COMPANY

(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2003
(CONTINUED)

Exploration Stage Activities

The Company has been in the exploration stage since November 8, 1993 and has no revenues from operations. The Company is primarily engaged in the acquisition and exploration of mineral properties. Should the Company locate a commercial minable reserve, the Company would expect to actively prepare the site for extraction.

Exploration Costs

In accordance with accounting principles generally accepted in the United States of America, the Company expenses exploration costs as incurred. Exploration costs expensed during the year ended October 31, 2003 and 2002 were \$74,553 and \$50,986, respectively. The exploration costs expensed during the Company's exploration stage are \$293,153.

Fair Value of Financial Instruments

The Company's financial instruments as defined by SFAS No. 107, "Disclosures about Fair Value of Financial Instruments," include cash, receivables, advances to employee, foreign tax return receivable, accounts payable and accrued expenses. All instruments are accounted for on a historical cost basis, which, due to the short maturity of these financial instruments, approximates fair value at October 31, 2003 and 2002.

Foreign Currency Translation

Assets and liabilities of the Company's foreign operations are translated into U.S. dollars at the year-end exchange rates, and revenue and expenses are translated at the average exchange rates during the period. Exchange differences arising on translation are disclosed as a separate component of shareholders' equity. Realized gains and losses from foreign currency transactions are reflected in the results of operations.

Foreign Operations

The accompanying balance sheet contains Company assets in Mexico, including: \$4,334,767 of the Company's mineral properties; \$359,044 (before accumulated depreciation) of mining equipment; and \$40,968 and \$69,932 of cash in 2003 and 2002, respectively. Although this country is considered economically stable, it is always possible that unanticipated events in foreign countries could disrupt the Company's operations.

The Mexican government does not require foreign entities to maintain cash reserves in Mexico.

Going Concern

As shown in the accompanying financial statements, the Company has no revenues, has incurred a net loss of \$1,107,228 for the year ended October 31, 2003 and has an accumulated deficit of \$8,282,833. These

factors indicate that the Company may be unable to continue in existence. The financial statements do not include any adjustments related to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

The Company's management believes that significant and imminent private placements of stock and continuing contracted agreements will generate sufficient cash for the Company to continue to operate based on current expense projections. The Company anticipates it will require approximately \$1,200,000 to continue operations in the fiscal year 2004. Management plans to sell stock through a private placement offering.

Mineral Properties

Costs of acquiring mineral properties are capitalized by project area upon purchase or staking of the associated claims. Costs to maintain the mineral rights and leases are expensed as incurred. When a property reaches the production stage, the related capitalized costs will be amortized, using the units of production method on the basis of periodic estimates of ore reserves.

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(CONTINUED)

Mineral properties are periodically assessed for impairment of value and any diminution in value is charged to operations at the time of impairment. Should a property be abandoned, its capitalized costs are charged to operations. The Company charges to operations the allocable portion of capitalized costs attributable to properties sold. Capitalized costs are allocated to properties abandoned or sold based on the proportion of claims abandoned or sold to the claims remaining within the project area.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, after elimination of the intercompany accounts and transactions. Wholly owned subsidiaries of the Company are listed in Note 1.

Property and Equipment

Property and equipment are recorded at cost. Major additions and improvements are capitalized. Minor replacements, maintenance and repairs that do not increase the useful life of the assets are expensed as incurred. Depreciation of property and equipment is determined using the straight-line or accelerated methods over the expected useful lives of the assets.

Provision for Taxes

Income taxes are provided based upon the liability method of accounting pursuant to Statement of Financial Accounting Standards No. 109 "Accounting for Income Taxes." Under this approach, deferred income taxes are recorded to reflect the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. A valuation allowance is recorded against deferred tax assets if management does not believe the Company has met the "more likely than not" standard imposed by SFAS No. 109 to allow recognition of such an asset.

At October 31, 2003, the Company had net deferred tax assets calculated at an expected rate of 34% of approximately \$2,300,000, principally arising from net operating loss carryforwards for income tax purposes. As management of the Company cannot determine that it is more likely than not that the Company will realize the benefit of the net deferred tax asset, a valuation allowance equal to the net deferred tax asset has been established at October 31, 2003.

The significant components of the deferred tax assets at October 31, 2003 and 2002 were as follows:

	October 31, 2003	October 31, 2002
	-----	-----
	<c>	<c>
Net operating loss carryforward	\$2,300,000	\$1,290,000
Stock options issued under a non-qualified plan:		
For the year ended		
October 31, 2003 and 2002	540,000	540,000
Deferred tax asset	2,300,000	1,290,000
Deferred tax asset valuation allowance	(2,300,000)	(1,290,000)

At October 31, 2003, the Company has net operating loss carryforwards of approximately \$6,400,000, which expire in the years 2009 through 2022. The Company recognized approximately \$1,483,000 of losses from the issuance of stock options for services in fiscal 2003, which were not deductible for tax purposes. The change in the allowance account from October 31, 2002 to 2003 was \$1,010,000. The Company has immaterial temporary differences resulting from differences in tax depreciation of equipment.

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2003
(CONTINUED)

Recent Accounting Pronouncements

In May 2003, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 150, "Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity" (hereinafter "SFAS No.150"). SFAS No.150 establishes standards for classifying and measuring certain financial instruments with characteristics of both liabilities and equity and requires that those instruments be classified as liabilities in statements of financial

position. Previously, many of those instruments were classified as equity. SFAS No.150 is effective for financial instruments entered into or modified after May 31, 2003 and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003. The Company has determined that this standard does not affect it at this time.

In April 2003, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities" (hereinafter "SFAS No. 149"). SFAS No. 149 amends and clarifies the accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities". This statement is effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. The adoption of SFAS No. 149 is not expected to have a material impact on the financial position or results of operations of the Company.

In December 2002, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No.148, "Accounting for Stock-Based Compensation- Transition and Disclosure" (hereinafter "SFAS No.148"). SFAS 148 amends SFAS 123, "Accounting for Stock-Based Compensation," to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, the statement amends the disclosure requirements of SFAS 123 to require prominent disclosure in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. The provisions of the statement are effective for financial statements for fiscal years ending after December 15, 2002. As the Company accounts for stock-based compensation using the fair value method, the adoption of SFAS 148 has no material impact on the Company's financial condition or results of operations.

In June 2002, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No.146, "Accounting for Costs Associated with Exit or Disposal Activities" (hereinafter "SFAS No. 146"). SFAS No.146 addresses significant issues regarding the recognition, measurement, and reporting of costs associated with exit and disposal activities, including restructuring activities. SFAS No. 146 also addresses recognition of certain costs related to terminating a contract that is not a capital lease, costs to consolidate facilities or relocate employees, and termination benefits provided to employees that are involuntarily terminated under the terms of a one-time benefit arrangement that is not an ongoing benefit arrangement or an individual deferred-compensation contract. SFAS No.146 was issued in June 2002, effective December 31, 2002. The Company's financial position and results of operations have not been affected by adopting SFAS No. 146.

In April 2002, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No.145, "Rescission of FASB Statements No.4, 44 and 64, Amendment of FASB Statement No.13, and Technical Corrections" (hereinafter "SFAS No.145") which updates, clarifies and simplifies existing accounting pronouncements. FASB No. 4, which required all gains and losses from the extinguishment of debt to be aggregated and, if material, classified as an extraordinary item,

net of related tax effect was rescinded. As a result, FASB No.64, which amended FASB No.4, was rescinded as it was no longer necessary. SFAS No.14 amended FASB No.13 to eliminate an inconsistency between the required accounting for sale-leaseback transactions and the required accounting for certain lease modifications that have economic effects that are similar to sale-leaseback transactions. Management's adoption of this statement has not affected the financial position or results of operations at October 31, 2003.

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METALLINE MINING COMPANY
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(CONTINUED)

Revenue Recognition Policy

Revenues from sales of product will be recognized when the product is shipped.

Stock-Based Compensation

Statement of Financial Accounting Standards No.123, "Accounting for Stock-Based Compensation" (hereinafter "SFAS No.123"), defines a fair value-based method of accounting for stock options and other equity instruments. The Company has adopted this method, which measures compensation costs based on the estimated fair value of the award and recognizes that cost over the service period.

NOTE 3 INVESTMENTS

Property and equipment are stated at cost. Depreciation is provided using the straight-line or accelerated methods over the estimated useful lives of the assets. The useful lives of property, plant and equipment for purposes of computing depreciation are five to seven years for equipment, and 39 years for buildings. The following is a summary of property, equipment, and accumulated depreciation:

<table>

<caption>

	October 31, 2003	October 31, 2002
	-----	-----
<s>	<c>	<c>
Mining equipment	\$ 202,144	\$ 202,144
Building and structures	141,061	141,061
Vehicles	25,301	23,618
Computer equipment	81,922	80,485
Office Equipment	4,183	4,183
Furniture fixtures	8,186	8,186
Non mineral property	15,838	15,838
	----	----
Total assets	478,635	475,515
Less accumulated depreciation	(177,493)	(152,485)
	----	----
	\$ 301,142	\$ 323,030
	=====	=====

</table>

On June 21, 2002, the Company authorized the purchase of property and equipment from the Minerios Nortenos Cooperativa, located at the

Company's Sierra Mojada Project at La Esmeralda, Coahuila, Mexico. Total purchase price, after conversion to U.S. dollars, amounted to \$276,616, of which \$149,616 remained to be paid under the Property and Equipment Purchase Agreement. In December 2002, the Company paid the remaining amount due under the agreement.

Depreciation expense for the years ended October 31, 2003 and 2002 was \$42,833 and \$35,829, respectively. The Company evaluates the recoverability of property and equipment when events and circumstances indicate that such assets might be impaired. The Company determines impairment by comparing the undiscounted future cash flows estimated to be generated by these assets to their respective carrying amounts. Maintenance and repairs are expensed as incurred. Replacements and betterments are capitalized. The cost and related reserves of assets sold or retired are removed from the accounts, and any resulting gain or loss is reflected in results of operations.

NOTE 4 MINERAL PROPERTIES

Sierra Mojada Mining Concessions

In June of 1996, USMX (now named Dakota) and the Company entered into a joint venture agreement, whereby the Company could acquire a 65% interest in a mining concession named the Sierra Mojada Project, located in Coahuila, Mexico. Under the terms of the agreement, the Company was to contribute two million dollars (\$2,000,000) in work commitments over the following seven years.

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METALLINE MINING COMPANY
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(CONTINUED)

After the execution of the USMX agreement, Dakota's interest (35%) in the joint venture was sold to an entity, which subsequently defaulted on its joint venture obligations. This action in 1998 triggered the elimination of the joint venture and resulted in the Company assuming 100% control of the Sierra Mojada concession without the need to spend \$2,000,000 to vest its interest.

During the period August 23, 1996 to September 2, 1997, the Company executed five separate agreements for the acquisition of exploration concessions in the same mining region as the Sierra Mojada Project in Mexico. Each agreement enables the Company to explore the underlying property by paying stipulated annual payments, which shall be applied in full toward the contracted purchase price of the related concession.

During August 2000, the Company made the final payment for the first year and acquired title to the Unificacion Mineros Nortenos Concession in the Sierra Mojada Project. With this transaction, the Company has acquired title to all of its concessions at Sierra Mojada.

Under the terms of the above agreements, the Company was obligated to pay and in fact did pay \$103,076 during the year ended October 31, 2001.

NOTE 5 RELATED PARTY TRANSACTIONS

The Company receives rent-free office space in Coeur d'Alene, Idaho from its president. The value of the space is not considered materially significant for financial reporting purposes. The Company also has given \$20,900 in cash advances for travel to three of its officers at October 31, 2003 under an accountable plan per IRS Regulation Section 1.62.

NOTE 6 PREFERRED STOCK

At its March 1, 2001 annual shareholders meeting, the Company approved a change to its articles of incorporation whereby the Company is authorized to issue 1,000,000 shares of \$0.01 par value preferred stock. The specific features of the preferred stock are to be determined by the Company's board of directors.

NOTE 7 COMMON STOCK

During the year ended October 31, 2003, the Company sold 7,000 common stock units with an ascribed cash value of \$10,500. The Company also sold 849,000 shares (without warrants) at an average price of \$0.98 per share. The Company also issued 100,000 shares of common stock under the Penoles agreement for cash, at \$2.00 per share (see Note 11). Additionally, 373,925 shares of common stock valued at \$468,771 were issued as compensation for officers.

On May 20, 2002, the Company authorized the offering of 1,000,000 common stock units, with each unit consisting of one share of common stock and one warrant equal to 1/3 of a share of common stock.

During the year ended October 31, 2002, the Company sold 162,667 common stock units with an ascribed cash value of \$229,360 for common stock, and \$14,640 for warrants. The Company also issued 50,000 shares of common stock under the Penoles agreement for cash at \$2.00 a share. (See Note 12.) Additionally, 86,078 shares of common stock valued at \$104,875 were issued as compensation to officers.

During the year ended October 31, 2001, the Company issued 20,000 shares of common stock for the exercise of warrants valued at \$10,760 and for cash of \$15,000. Additionally, 57,000 shares of common stock were issued for services valued at \$112,680 and for cash of \$390, and 250,000 shares of common stock with 125,000 warrants attached were issued for \$500,000 in cash.

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METALLINE MINING COMPANY
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(CONTINUED)

During the year ended October 31, 2000, the Company sold 1,440,500 shares of its common stock for \$3,968,625 cash, issued 120,000 shares of common stock for services valued \$153,360, issued 15,000 shares of common stock for equipment valued at \$25,000 and issued 950,000 shares of common stock for options exercised at \$0.86 per share.

During the year ended October 31, 1999, the Company sold 1,068,800

shares of common stock for \$1,075,900 cash. In addition the Company received \$37,500 as a deposit toward the purchase of 50,000 shares (this stock was issued in December 1999) and \$300,000 for payment of subscriptions receivable. The Company also issued 55,556 shares for payment of drilling expenses valued at \$50,000.

In February 1998, 200,000 shares of common stock were issued for a mine database. The shares were valued at \$1.625 per share, resulting in a transaction valued at \$325,000. Services valued at \$22,300 were paid with 41,800 shares of common stock. An additional 1,398,500 shares of common stock were issued for \$1,065,445 cash and receivables, and a subscription receivable of \$300,000, between February and October 1998.

In April 1997, 250,000 common stock shares were issued for cash of \$87,500 and 133,800 shares of common stock were issued for services valued at \$45,583. In May and June 1997, 181,600 shares of common stock were issued for \$63,560 cash and 62,500 shares of common stock were issued for services valued at \$21,875. In August and October 1997, 420,000 and 75,000 shares of common stock were issued for cash of \$378,000 and \$75,000, respectively. Additionally, during August 1997, 100,200 shares of common stock were issued for debt of \$31,530 and 95,000 shares of common stock were issued for services valued at \$95,000.

During November 1995, the Company's directors approved the issuance of 45,000 shares of common stock for services rendered at \$0.01 per share. During June 1996, the Company issued 900,000 shares of common stock for the assignment of mineral rights in the Sierra Mojada Project in Coahuila, Mexico valued at \$0.01 per share to Mr. John Ryan, Merlin Bingham, and Daniel Gorski, who had formed a partnership to advance development of the mining concession located in Coahuila, Mexico. The partnership had an informal joint venture agreement with USMX, Inc. covering the mining concessions. By acquiring the partnership interest, the Company was able to negotiate and sign a formal joint venture agreement with USMX in July 1996.

During the year ended October 31, 1996, Metalline Mining Company issued 1,320,859 shares of common stock for \$146,359 in cash. During October 1996, the Company issued 150,000 shares of common stock for computer equipment valued at \$15,000. Also during October 1996, the Company issued 120,000 shares of common stock to Mr. Gorski and an additional 20,000 shares of common stock to Mr. Ryan for services rendered valued at \$14,000.

In January 1996, Mr. Carmen Ridland, in a private sale, sold a controlling interest in the corporation to Mr. Howard Crosby. On January 12, 1996, Mr. Ridland transferred control of Cadgie Co. to Mr. Crosby and Mr. Robert Jorgensen.

On August 4, 1995 the directors of Cadgie Co. declared a 3:1 forward stock split of the outstanding Cadgie Co. shares, thus increasing the number of outstanding shares from 192,160 to 576,480.

On August 31, 1994, the directors of Cadgie Co. declared a 1:5 reverse stock split of the outstanding Cadgie Co. shares, thus reducing the number of outstanding shares from 960,800 to 192,160 shares.

The Company (Cadgie Co.) was formed in August of 1993 and incorporated

in November 1993 by Mr. Carman Ridland of Las Vegas, Nevada as a spin-off from its predecessor, Precious Metal Mines, Inc. The Company issued 960,800 of its \$0.01 par value shares to Precious Metal Mines, Inc. for 16 unpatented mining claims located near Philipsburg, Montana comprising the Kadex property group. Precious Metal Mines, Inc. distributed the 960,800

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(CONTINUED)

shares of Cadgie Company to its shareholders. One share of Cadgie Co. was exchanged for each share of Precious Metallines, Inc. held by holders of record as of August 31, 1993.

NOTE 8 STOCK OPTIONS

In 2003, the Company issued no stock options. In 2002, the Company granted 100,000 options with an exercise price of \$1.25 and an expiration of seven years. The fair value of these options was determined using the Black-Scholes option pricing model using a risk free interest rate of 3.25% and a volatility of 42.49%. The total value was calculated at \$61,000.

On March 1, 2001, the Company's shareholders approved a qualified stock option plan. The number of shares eligible for issuance under the qualified plan is to be determined by the Company's board of directors.

During the year ended October 31, 2001, the Company granted 720,000 options with exercise prices ranging from \$1.32 to \$2.15 and and expirations at various dates through 2010. The fair value of each option is estimated on the issue date using the Black-Scholes Option Price Calculation. The following assumptions were made in estimating fair value: risk free interest rate of 5%, volatility of 50% and expected life of 5 to 9 years. Consulting expenses recognized for these options were \$740,892 for the year ended October 31, 2001.

Following is a summary of the stock options during the years ending October 31, 2003 and 2002:

<Table>
<caption>

	Number Of Shares	Weighted Average Exercise Price	
	----	----	
<s>	<c>	<c>	
Outstanding at 11/01/01	720,000	\$ 1.73	
Granted	100,000	1.25	
Exercised	-	-	
Forfeited	-	-	
Expired	-	-	
	----	----	
Outstanding at 10/31/01	820,000	\$ 1.67	
	=====	=====	
Options exercisable at 10/31/02	820,000		
	=====		

	Number Of Shares	Weighted Average Exercise Price
Outstanding at 11/01/02	820,000	\$1.67
Granted	-	-
Exercised	-	-
Forfeited	-	-
Expired	-	-
Outstanding at 10/31/03	820,000	\$1.67
Weighted average fair value of options granted during 2003	\$ 0.00	=====
Options exercisable at 10/31/03	820,000	=====

</table>

NOTE 9 WARRANTS

During the year ended October 31, 2003, the Company issued 7,000 common stock units that were made up of 7,000 shares of common stock and warrants to purchase an additional 2,333 shares of common stock. As part of the total cash purchase, the warrants have a value of \$583.

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METALLINE MINING COMPANY
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During the year ended October 31, 2002, the Company issued 162,667 common stock units that were made up of 162,667 shares of common stock and warrants to purchase an additional 54,222 shares of common stock. As part of the total cash purchase, the warrants had a value of \$14,640.

During the year ended October 31, 2001, the Company issued 250,000 shares of stock with 125,000 warrants attached. These warrants were valued at \$3,424. Additionally 20,000 warrants were exercised for \$15,000 in cash and services valued at \$10,760. The Company also issued 80,000 warrants for services, which were valued at \$144,791.

At October 31, 2000, there were outstanding warrants to purchase 996,500 shares of the Company's common stock, at prices ranging from \$0.75 to \$2.00 per share. The warrants, which became exercisable in 1999, but have not been exercised, expire at various dates through 2005. The Company has reserved 996,500 shares for the expected exercise of these warrants. These warrants are valued at \$543,980 using the method described below.

The fair value of each warrant is estimated on the issue date using the Black-Scholes Option Price Calculation. The following assumptions were made in estimating fair value: risk free interest of 5%, volatility of 0.3 and 0.5 and expected life of 5 to 10 years.

NOTE 10 COMMITMENTS AND CONTINGENCIES

Compliance with Environmental Regulations

The Company's mining activities are subject to laws and regulations controlling not only the exploration and mining of mineral properties, but also the effect of such activities on the environment. Compliance with such laws and regulations may necessitate additional capital outlays, affect the economics of a project, and cause changes or delays in the Company's activities.

NOTE 11 JOINT VENTURE AGREEMENT

Penoles Agreement

On November 15, 2001, the Company entered into an agreement with Compania Minera La Parrena S.A. de C.V. ("Penoles") whereby Penoles may earn the right to acquire a 60% interest in certain mining concessions located in the Sierra Mojada region of Coahuila, Mexico. The earn-in right is contingent upon the following: delivery by Penoles within four years of a pre-feasibility study, completion by Penoles of \$1,000,000 of qualified expenditures on the aforementioned mining concessions, and Penoles purchase of up to 250,000 shares of Metalline's common stock \$2.00 per share. As of October 31, 2003, Penoles had purchased 150,000 shares of common stock under this agreement. (See Note 7.)

During the year ended October 31, 2003, the Company received reimbursement of \$151,536 from Penoles for expenses incurred by Metalline, which were applied toward an aggregate \$85,712 of qualified expenditures incurred by Penoles. In November 2003, the agreement between the Company and Minas Penoles entered into on November 15, 2001 was terminated by the Company.

Northern Limited

On October 7, 1999, the Company announced that it entered into a five-year "earn-in" type of a joint venture agreement with North Limited. The agreement gives North Limited the right to earn into 60% of the Company's Sierra Mojada Project by providing all funds necessary to complete a feasibility study delivered in no more than five years that is acceptable to international banking institutions for lending development capital. North Limited is a large Australian mining company based in Melbourne, Australia and was known as North Broken Hill Peko before a name change in 1994. In August 2000, Rio Tinto Limited purchased North Limited for its iron ore holdings and subsequently terminated its agreement with the Company.

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2003
(CONTINUED)

NOTE 12 SUBSEQUENT EVENTS

Legal Contingencies

In December 2002, Minera Metalin, the Company's Mexican subsidiary, has been named as a co-defendant in a lawsuit filed in Mexico regarding the Company's purchase of two mining concessions. Any potential liability

resulting from the lawsuit would be directed against the other named defendant, and according to the Company's legal counsel, the chance of an adverse judgment for Metalin is negligible.

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METALLINE MINING COMPANY
AN EXPLORATION STAGE COMPANY
OCTOBER 31, 2003

SIGNATURES

In accordance with Section 12, 13 or 15(d) 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.

METALLINE MINING COMPANY

BY: /s/ Merlin Bingham

Merlin Bingham,
its President

Date: January 27, 2004

By: /s/ Wayne Schoonmaker

Wayne Schoonmaker, its
Principal Accounting Officer

Date: January 27, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

By: /s/ Merlin Bingham

By: /s/ Roger Kolvoord

Merlin Bingham
President/Director

Roger Kolvoord
Director

Date: January 27, 2004

Date: January 27, 2004

By: /s/ Daniel Gorski

By: /s/Wayne Schoonmaker

Daniel Gorski
Vice President/Director

Wayne Schoonmaker
Secretary/Treasurer

Date: January 27, 2004

Date: January 27, 2004

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METALLINE MINING COMPANY
AN EXPLORATION STAGE COMPANY
OCTOBER 31, 2003

CERTIFICATIONS

I, Merlin D. Bingham, certify that:

1. I have reviewed this annual report on Form 10-KSB of Metalline Mining Company.

2. Based on my knowledge, this annual 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 annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual report;

4. The registrant's other certifying officer and I, are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize, and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: January 27, 2004

/s/ Merlin D. Bingham

President

METALLINE MINING COMPANY
AN EXPLORATION STAGE COMPANY
OCTOBER 31, 2003

CERTIFICATIONS

I, Wayne L. Schoonmaker , certify that:

1. I have reviewed this annual report on Form 10-KSB of Metalline Mining Company.

2. Based on my knowledge, this annual 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 annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual report;

4. The registrant's other certifying officer and I, are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize, and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's

internal controls; and

6. The registrant's other certifying officer and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: January 27, 2004

/s/ Wayne L. Schoonmaker

Principal Accounting Officer

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

In connection with the Annual Report of Metalline Mining Company (the "Company") on Form 10-KSB for the period ended October 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Merlin D. Bingham, President of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. 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.

/s/ Merlin D. Bingham

President

Dated: January 27, 2004

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

In connection with the Annual Report of Metalline Mining Company (the "Company") on Form 10-KSB for the period ended October 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Wayne L. Schoonmaker, Principal Accounting Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. 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.

/s/ Wayne L. Schoonmaker

Principal Accounting Officer

Dated: January 27, 2004

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