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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-KSB

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED OCTOBER 31, 2004
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 of incorporation)	(IRS Employer Identification No.)

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 ch
eck 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 [X] 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 14, 2005 was $24,904,458. The number of shares of common stock outstanding at such date was 19,751,409 shares. An additional 1,996,554 were deemed outstanding at such date pursuant to presently exercisable options and warrants.
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ON FORM 10-KSB FOR THE FISCAL YEAR
ENDED OCTOBER 31, 2004

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METALLINE MINING COMPANY ANNUAL REPORT
ON FORM 10-KSB FOR THE FISCAL YEAR
ENDED OCTOBER 31, 2004

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, 2004

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

The Company expects to engage 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 Sierra Mojada Property

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 owns title to 100% of the concessions.

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 on paved road to Sierra Mojada. There is a well maintained, 1200 meter, gravel airstrip. The District has high voltage electric power and is served by a railroad that connects with the National Railway at Escalon and Monclova.

History

The Sierra Mojada Property has produced in excess of 10 million tons of high-grade ore that graded in excess of 30% lead, 20% zinc, 1% copper and 1 kg (31 ounces) silver per ton 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 not mined. 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, the ore thickness and attitude is amenable to high volume mechanized mining methods and low cost production.

Based upon the foregoing, the Company is of the opinion that the magnitude of the Sierra Mojada mineral system has exploration potential for continued development of future reserves. However, there is no assurance as to the quantity or quality of the undeveloped reserves and there is 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.

Exploration and Development.

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 La Parrena, S.A. de C.V. The Agreement allowed Minas Penoles to earn a 60% interest in the Sierra Mojada project by completing a feasibility study over an "Earn in Period" of not more than 5 years. Penoles and Metalline, by mutual agreement of the parties, have terminated that agreement as of November 15, 2003.

Since November 15, 2003 Metalline has been the operator of the project. Metalline is conducting a reserve definition diamond drill program at Sierra Mojada. The drill program was initiated in January and through December 2004 25,143 meters were completed.

Reserva International, a company that specializes in ore reserve evaluation, has been retained to conduct a block model evaluation of the Sierra Mojada data with the objective of determining the size and grade of the deposit.

In a news release dated September 13, 2004 Metalline released the results of the first block model evaluation of the data for the Iron Oxide (Red Zinc) Manto, 22.6 million metric tons grading 8.11% zinc using a cut off grade of 5%.

All data generated after the above work and through November 9, 2004 has been added to the GEMCOM database and a second block model evaluation is in progress. The results of which will be announced when completed. The block model evaluation will be periodically updated as additional results are received.

Green Team International (GTI), Johannesburg, S. Africa has been retained to do a feasibility study on the project. The feasibility study will address metallurgy, mine plan, extraction method and economic evaluation studies.

GTI is the firm that conducted the feasibility studies on the Skorpion Mine for Reunion Ltd. and Anglo American. GTI designed, supervised the construction, and operated the Skorpion mine and extraction plant through initial production and until turning operation over to Skorpion Zinc an Anglo American company. The Skorpion Mine is the first mine in the world to use the solvent extraction electrowinning process for extracting SHG grade zinc from oxide zinc ore.

Metalline's objectives are to complete the definition of a body of mineralization containing sufficient zinc metal to justify a mine and extraction plant. Based on this body of mineralization a feasibility study will be completed for a mine and zinc solvent extraction electrowinning plant at Sierra Mojada.

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.

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 COMMERCIALLY 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 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.

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.

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 five 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.

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".

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:

<table>
<caption>

Concession	Title No.	Hectares
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

</table>

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. During the nine months ended July 31, 2003 the Company settled this suit for approximately $36,000. The Company paid approximately $13,800 at the time of settlement, with the balance payable in six equal installments of approximately $3,700. The Company has met its obligation under the settlement.

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.

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 2004, 2003, and 2002 are as follows:

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Fiscal Quarter	High Bid<F1>	Low Bid<F1>
<s>	<c>	<c>
2001		
Fourth Quarter	2.10	1.57
Third Quarter	3.25	1.64
Second Quarter	2.45	1.75
First Quarter	3.21	1.60
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

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

As of October 31, 2004, the Company has approximately 300 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 19,751,409 shares of Common Stock issued and outstanding as of October 31, 2004. Of the total shares of the Company's Common Stock outstanding, 5,333,212 shares are freely tradable and 14,418,197 shares can only be resold in compliance with Reg. 144 adopted under the Securities Act of 1933 (the "Act").

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.

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.

During the year ended October 31, 2004, the Company issued a total of 7,580,150 shares of common stock to accredited investors for cash at $1.00 per share, realizing $6,881,287 after private placement costs of $698,863. Additionally, 141,286 shares of common stock valued at an aggregate of $155,214 were issued for services and 120,655 shares of common stock valued at an aggregate of $152,271 were issued as compensation to officers. These shares were issued in private placement transactions without registration under the Securities Act in reliance upon the exemptions from the registration requirements provided by section 4(2) and Rule 506 of Regulation D under the Securities Act.

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, 2004 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>
<caption>
Selected Financial Data

<s>	2004 <c>	2003 <c>
Summary of Balance Sheets:		
Working capital	$2,551,383	$615,544
Current assets	2,758,268	754,395
Total assets	7,659,878	5,390,304
Current liabilities	206,885	138,851
Long-term obligation	11,574	0
Total liabilities	218,459	138,851
Stockholder's equity	7,441,419	5,251,453
Summary of Statements of Operations:		
Revenues	0	0
Net loss <F1>	(5,036,805)	(1,107,228)
Net loss per share	(0.30)	(0.10)

<FN>
<F1> Cumulative losses for period from inception (Nov. 8, 1993) through October 31, 2004 were $13,319,638.
</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, 2004, 19,751,409 shares are issued and outstanding of which 5,333,212 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, 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.

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 1,996,554 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, 2004 to March 1, 2010.

Transfer Agent

The transfer agent for the Company's Common Stock is OTC Stock Transfer Inc., 231 East 2100 South, Salt Lake City, Utah 84115.

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

Results of Operations - Inception (August 20, 1993) through October 31, 2004.

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 2004 financial statements relative to a going concern uncertainty. The Company has financed its obligations during the 2003-2004 fiscal year by its sale of 7,580,150 shares at an average price of $1.00 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").

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, 2004.

ITEM 12. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The financial statements of the Company for the years ended October 31, 2004, and 2003 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	71	President and Chairman of the Board of Directors
Roger Kolvoord	64	Vice President-Business and Member of the Board of Directors
Wayne Schoonmaker	67	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. Mr. Daniel Gorski resigned as a director and as vice president of operations in September 2004.

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.

Roger Kolvoord   Vice President-Business and 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 form 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 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 Hanover Gold Company, Inc. of Spokane, Washington and 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.

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.

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, 2000 through December 31, 2004, 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

<table>

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	Annual Compensation				Long-Term Compensation Awards		
Names Executive Officer and Principal Position	Year Ended	Salary (US$)	Bonus (US$)	Other Annual Compen- sation (US$)	Securities Under Options/ SARs Granted (#)	Restricted Shares or Restricted Share Units(US$)	LTIP Payouts (US$)
<s>	<c>	<c>	<c>	<c>	<c>	<c>	<c>
Merlin	2004	101,563	0	60,938	0	0	0
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
Roger	2004	118,750	0	74,479	0	0	0
Kolvoord	2003	33,854	0	155,729	0	0	0
Vice	2002	0	0	0	100,000	0	0
President	2001	0	0	0	0	0	0
	2000	0	0	0	0	0	0
Wayne	2004	20,250	0	18,563	0	0	0
Schoonmaker	2003	8,438	0	35,438	0	0	0
Secretary/	2002	12,000	0	10,125	0	0	0
Treasurer	2001	18,000	0	0	50,000	0	0
	2000	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.

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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 Underlying Options SARs Granted	Number of Securities Underlying Options/SARs Granted During Last 12 Months	Exercise or Base Price($/Sh)	Number of Options Exercised	Expiration Date
----	-------	------	-----	-----	-----
<s>	<c>	<c>	<c>	<c>	<c>
Merlin D. Bingham	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

</Table>

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, 2004. Options for 100,000 shares granted to Daniel E. Gorski expired upon his resignation in September 2004.

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.

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Name of owner	Number of Shares	Position	% of Outstanding Shares
Merlin Bingham	1,233,139	President, CEO and Chairman of the Board of Directors	6.24%
Roger Kolvoord	258,453	Vice President - Business and Member of the Board of Directors	1.31%
Wayne Schoonmaker	57,928	Secretary & Treasurer	0.29%
All officers and directors as a group (3 persons)	1,549,520		7.85%
Britannia Holdings King's House The Grange St. Peter Port Guernsey Channel Islands	3,190,500		16.15%

</table>

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

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.

During the year ended October 31, 2004, the Company issued 120,655 shares valued at $152,271 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
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have audited the accompanying consolidated balance sheets of Metalline Mining Company (a Nevada corporation and an exploration stage company) as of October 31, 2004 and 2003, 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, 2004. 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 audit.

We conducted our audit in accordance with standards of the Public Company Accounting Oversight Board (United States). 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 audit provides 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 as of October 31, 2004 and 2003, the results of its operations, stockholders' equity and it's cash flows for the years then ended and for the period from November 8, 1993 (inception) to October 31, 2004 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 21, 2005
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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED BALANCE SHEETS

<table>
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<s>	October 31, 2004 <c>	October 31, 2003 <c>
ASSETS		
CURRENT ASSETS		
Cash	$ 1,384,030	$ 733,369
Marketable securities	1,250,000	0
Accounts receivable	88,164	0
Prepaid expenses	2,052	126
Employee advances	34,022	20,900
Total Current Assets	2,758,268	754,395
MINERAL PROPERTIES	4,334,767	4,334,767
PROPERTY AND EQUIPMENT		
Office and mining equipment, net of accumulated depreciation	566,843	301,142
Total Property and Equipment	566,843	301,142
TOTAL ASSETS	$ 7,659,878	$ 5,390,304
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 57,231	$ 110,898
Accrued liabilities and expenses	145,445	7,961
Note payable, current portion	4,209	4,209
Total Current Liabilities	206,885	123,068
LONG-TERM LIABILITIES		
Note payable, net of current portion	11,574	15,783
COMMITMENTS AND CONTINGENCIES	0	0
STOCKHOLDERS' EQUITY		
Prefered 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, 19,751,409 shares issued and 11,845,055 shares issued and outstanding, respectively	197,515	118,451
Stock subscriptions receivable	0	(38,000)
Additional paid-in capital	19,064,992	11,955,285
Stock options and warrants	1,498,550	1,498,550
Deficit accumulated during exploration stage	(13,319,638)	(8,282,833)
	---------	----------
Total Stockholders' Equity	7,441,419	5,251,453
	---------	---------
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 7,659,878	$ 5,390,304
	========	=======

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

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

<table>
<caption>

	Years Ended		Period from
	October 31, 2004	October 31, 2003	November 8, 1993 (Inception) to October 31, 2004
	--------	--------	------------
<s>	<c>	<c>	<c>
REVENUES	$ 0	$ 0	$ 0
	------	------	-------
GENERAL AND ADMINISTRATIVE EXPENSES			
Salaries and payroll expenses	633,019	575,912	2,440,513
Office and administrative expenses	299,172	24,651	679,463
Taxes and fees	108,220	141,533	394,088
Professional services	516,015	253,419	4,038,658
Property expenses	233,148	66,501	1,758,046
Depreciation	63,045	42,833	258,393
Exploration and research	3,374,049	74,553	3,667,202
	-------	-------	--------
Total General and Administrative Expenses	5,226,667	1,179,402	13,236,362
	-------	-------	-------
LOSS FROM OPERATIONS	(5,226,667)	(1,179,402)	(13,236,362)
	=======	========	========
OTHER INCOME (EXPENSES)			
Miscellaneous ore sales,			

net of expenses	170,217	72,091	157,174
Interest and investment income	20,251	83	45,715
Interest and financing expense	(606)	0	(286,165)
	------	-----	-------
Total Other Income	189,861	72,174	(83,277)
	=======	======	=======
LOSS BEFORE INCOME TAXES	(5,036,805)	(1,107,228)	(13,319,638)
INCOME TAXES	0	0	0
	-----	----	-----
NET LOSS	$(5,036,805)	$(1,107,228)	$(13,319,638)
	=======	========	========
BASIC AND DILUTED LOSS PER COMMON SHARE	$ (0.30)	$ (0.10)	
	=====	=====	
BASIC AND DILUTED WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	17,025,631	10,955,423	
	======	=====	

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

F/S 3

</table>

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

<table>
<caption>

	Common Stock Number of Shares	Common Stock Amount	Additional Paid-in Capital	Stock Sub-scriptions Receivable	Stock Options and Warrants	Accumulated Deficit During Ex-ploration Stage	Total
	----	----	----	-----	----	-----	---
<s>	<c>	<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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</Table>

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

<table>
<caption>

	Common Stock Number of Shares	Amount	Additional Paid-in Capital	Stock Sub-scriptions Receivable	Stock Options and Warrants	Accumulated Deficit During Ex-ploration Stage	Total
	----	----	----	-----	----	-----	---
<s>	<c>	<c>	<c>	<c>	<c>	<c>	<c>
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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</Table>

METALLINE MINING COMPANY

(An Exploration Stage Company)

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(continued)

<table>

<caption>

	Common Stock		Additional	Stock	Stock	Accumulated Deficit	

	Number of Shares	Amount	Additional Paid-in Capital	Stock Sub-scriptions Receivable	Stock Options and Warrants	Accumulated Deficit During Ex-ploration Stage	Total
	----	----	----	-----	----	-----	---
<s>	<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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</table>

METALLINE MINING COMPANY

(AN EXPLORATION STAGE COMPANY)

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(continued)

<table>
<caption>

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	Common Stock Number of Shares	Common Stock Amount	Additional Paid-in Capital	Stock Sub-scriptions Receivable	Stock Options and Warrants	Accumulated Deficit During Ex-ploration Stage	Total
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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</table>

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

<table>
<caption>

<s>	Common Stock Number of Shares <c>	Amount <c>	Additional Paid-in Capital <c>	Stock Sub-scriptions Receivable <c>	Stock Options and Warrants <c>	Accumulated Deficit During Exploration Stage <c>	Total <c>
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
Issuance of common stock as follows:							
- for cash at $1.00 per share, less issuance costs of $698,863	7,580,150	75,802	6,805,485	-	-	-	6,881,287
- for compensation at an							

average of $1.26 per share	120,655	1,207	151,064	-	-	-	152,271
- for services at various prices	141,286	1,413	153,801	-	-	-	155,214
Stock subscription received	-	-	-	38,000	-	-	38,000
Miscellaneous corrections and adjustments	64,263	643	(643)	-	-	-	-
Net loss for the year ended October 31, 2004	-	-	-	-	-	(5,036,805)	(5,036,805)
	------	----	-----	---	-----	------	------
Balance, October 31, 2004	19,751,409	$197,515	$19,064,992	$ -	$1,498,550	$(13,319,638)	$7,441,419
	======	====	=====	===	=====	=====	=====

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, 2004	Years Ended October 31, 2003	Period from November 8, 1993 (Inception) to October 31, 2004
	-----	-----	-------
<s>	<c>	<c>	<c>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$(5,036,805)	$(1,107,228)	$(13,319,638)
Adjustments to reconcile net loss to net cash used by operating activities:			
Depreciation	63,045	25,008	240,538
Noncash expenses	-	-	126,864
Payment of services from issuance of stock	155,214	120,234	966,538
Issuance of stock for compensation	152,271	491,188	643,459
Payment of services from issuance of options	-	-	801,892
Payment of financing fees from the issuance of stock options	-	-	276,000
Payment of expenses with issuance of stock	-	-	326,527
Warrants issued for services	-	-	688,771
(Increases) decreases in:			
Foreign property tax refund receivable	-	59,287	-
Marketable securities	(1,250,000)	-	(1,250,000)
Accounts receivable	(88,164)	62,501	(88,164)
Prepaid expenses	(1,926)	1,794	(2,052)
Employee advances	(13,122)	(7,479)	(34,022)
Increases (decreases) in:			
Accounts payable	(53,667)	(325)	57,231
Contracts payable	-	4,209	4,209
Accrued liabilities and expenses	137,484	(169,562)	161,228
	-----	-----	-----
Net cash used by operating activities	(5,935,671)	(520,373)	(10,382,795)
	----	-----	-----

CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Investments	-	-	(484,447)
Proceeds from Investments	-	-	484,447
Equipment purchases	(328,746)	(3,120)	(767,358)
Mining property acquisitions	-	-	(4,452,631)
	-----	------	------
Net cash used by investing activities	(328,746)	(3,120)	(5,219,989)
	-----	-----	------
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from sales of common stock	6,881,287	1,040,499	15,903,458
Proceeds from sales of options and warrants	-	-	949,890
Deposits for sale of stock	38,000	-	125,500
Proceeds from shareholder loans	-	-	30,000
Payment of note payable	(4,209)	-	(4,209)
	-----	-----	-------
Net cash provided by financing activities:	6,915,078	1,040,499	17,004,639
	-----	-----	------
Net increase (decrease) in cash and cash equivalents	650,661	517,006	1,384,030
Cash and cash equivalents beginning of period	733,369	216,363	-
	------	-----	------
Cash and cash equivalents end of period	$1,384,030	$733,369	$1,384,030
	=====	====	====

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 (Inception) to October 31, 2004
	October 31, 2004	October 31, 2003	
	-----	-----	-------
<s>	<c>	<c>	<c>
SUPPLEMENTAL CASH FLOW DISCLOSURES:			
Income taxes paid	$ -	$ -	$ -
Interest paid	$ 606	$ -	$ 606
NON-CASH FINANCING ACTIVITIES:			
Common stock issued for services	$155,214	$611,422	$966,538
Common stock issued for compensation	$152,271	$491,188	$643,459
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	$ -	$ -	$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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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2004

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 expects to engage 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. On a periodic basis, the Company evaluates 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 un-collectible when it is determined that collection will be unlikely.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all bank accounts, certificates of deposit, money market accounts, and short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Compensated Absences

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

Concentration of Risk

The Company maintains its domestic cash in two commercial depository accounts. One of these accounts is insured by the Federal Deposit Insurance Corporation (FDIC) for up to $100,000. The other account consists of money market funds, certificates of deposit and preferred securities, all of which are not insured. The Company also maintains cash in banks in Mexico. These accounts, which had U.S. dollar balances

of $60,616 and $40,968 at October 31, 2004 and 2003 respectively, are denominated in pesos and are considered uninsured. Additionally, the Company maintained Mexican petty cash balances of $4,864 and $29,862 at October 31, 2004 and 2003, respectively. At October 31, 2004, the Company's cash balances exceeded the federally insured amount by $1,357,926.

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.

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.

During the years ended October 31, 2004 and 2003, the Company has not engaged in any transactions that would be considered derivative instruments or hedging activities.

Earnings per Share

The Company has adopted Statement of Financial Accounting Standards 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, 2004 and 2003, they were not included in the calculation of earnings per share because they would have been considered anti-dilutive. Common stock equivalents outstanding were 1,096,554 and 2,058,055 at October 31, 2004 and 2003, respectively.

METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2004
(CONTINUED)

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.

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, 2004 and 2003 were $3,374,049 and $74,553, respectively. The exploration costs expensed during the Company's exploration stage amount to $3,667,202.

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 commercially minable reserve, the Company would expect to actively prepare the site for extraction.

Fair Value of Financial Instruments

The Company's financial instruments as defined by Statements of Financial Accounting Standards No. 107, "Disclosures about Fair Value of Financial Instruments," include cash and cash equivalents, marketable securities, receivables, advances to employees, 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, 2004 and 2003.

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 at October 31, 2004 contains Company assets in Mexico, including: $4,334,767 in mineral properties; $507,257 (before accumulated depreciation) of mining equipment; and $66,480 in cash. 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 $5,036,805 for the year ended October 31, 2004 and has an accumulated deficit of $13,319,638. 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 is currently operating on the cash proceeds of a private placement offering completed in the second quarter of the year ended October 31, 2004.

Marketable Securities

Pursuant to Statement of Financial Accounting Standards No. 115, the Company classifies marketable securities as trading, available-for-sale, or held-to-maturity. During the year ended October 31, 2004, the Company purchased $1,250,000 in various preferred equity securities and has classified them as available-for-sale. The Company did not incur unrealized gains or losses related to its available-for-sale securities during the year ended October 31, 2004.

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.

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 subsidiary, after elimination of the inter-company accounts and transactions. The wholly owned subsidiary of the Company is 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. See Note 3.

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" (hereinafter "SFAS No.19"). 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, 2004, the Company had net deferred tax assets calculated at an expected rate of 34% of approximately $4,000,000, 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, there is a valuation allowance equal to the net deferred tax asset.

The significant components of the deferred tax assets at October 31, 2004 and 2003 were as follows:
<table>
<caption>

<s>	October 31, 2004 <c>	October 31, 2003 <c>
Net operating loss carryforward	$11,800,000	$6,800,000
	==========	=========
Deferred tax asset	4,000,000	2,300,000
Deferred tax asset valuation allowance	(4,000,000)	(2,300,000)

</table>

At October 31, 2004, the Company has net operating loss carryforwards of approximately $11,800,000, which expire in the years 2008 through 2024. The Company recognized approximately $1,483,000 of losses from the issuance of stock options for services in fiscal 2004, which were not deductible for tax purposes. The change in the allowance account from October 31, 2003 to 2004 was $1,700,000. The Company has immaterial temporary differences resulting from differences in tax depreciation of equipment.

Recent Accounting Pronouncements

In December 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 153. This Statement addresses the measurement of exchanges of nonmonetary assets. The guidance in APB Opinion No. 29, "Accounting for Nonmonetary Transactions," is based on the principle that exchanges of nonmonetary assets should be measured based on the fair value of the assets exchanged. The guidance in that Opinion, however, included certain exceptions to that principle. This statement amends Opinion 29 to eliminate the exception for nonmonetary exchanges of similar productive assets and replaces it with a general exception for exchanges of nonmonetary assets that do not have commercial substance. A nonmonetary exchange has commercial substance if the future cash flows of the entity are expected to change significantly as a result of the exchange. This statement is effective for financial statements for fiscal years beginning after June 15, 2005. Earlier application is permitted for nonmonetary asset exchanges incurred during fiscal years beginning after the date of this statement is issued. Management believes the adoption of this statement will not impact the financial statements of the Company.

In December 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 152, which amends SFAS Statement No. 66, "Accounting for Sales of Real Estate," to reference the financial accounting and reporting guidance for real estate time-sharing transactions that is provided in AICPA Statement of Position

(SOP) 04-2, "Accounting for Real Estate Time-Sharing Transactions." This statement also amends SFAS No. 67, "Accounting for Costs and Initial Rental Operations of Real Estate Projects," to state that the guidance for (a) incidental operations and (b) costs incurred to sell real estate projects, does not apply to real estate time-sharing transactions. The accounting for those operations and costs is subject to the guidance in SOP 04-2. This statement is effective for financial statements for fiscal years beginning after June 15, 2005. Management believes the adoption of this Statement will not impact the financial statements of the Company.

In November 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 151, "Inventory Costs - an amendment of ARB No. 43, Chapter 4" (hereinafter "SFAS No. 151"). This statement amends the guidance in ARB No. 43, Chapter 4, "Inventory Pricing," to clarify the accounting for abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage). Under some circumstances, SFAS No. 151 mandates that items such as idle facility expense, excessive spoilage, double freight, and re-handling costs be recognized as current-period charges. In addition, this statement requires that allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. This statement is effective for inventory costs incurred during fiscal years beginning after June 15, 2005. Management believes the adoption of this statement will not have immediate material impact on the financial statements of the Company, as the Company maintains no inventory.

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. Management believes the adoption of this Statement will not impact the financial statements of the Company.

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.

Revenue Recognition Policy

The Company recognizes revenue when there is a mutually executed contract, the contract price is fixed and determinable, delivery of the product has occurred, and collectibility of the contract price is considered probable. As of October 31, 2004, the Company has not recognized revenues.

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 PROPERTY AND EQUIPMENT

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 at October 31, 2004 and 2003:
<table>
<caption>

<s>	October 31, 2004 -------- <c>	October 31, 2003 -------- <c>
Mining equipment	$ 507,257	$ 202,144
Building and structures	141,061	141,061
Land non mineral	15,839	15,839
Vehicles	42,068	25,301
Computer equipment	88,787	81,922
Office Equipment	4,183	4,183
Furniture fixtures	8,185	8,185
	----	----
	807,380	478,635
Less: accumulated depreciation	(240,537)	(177,493)
	----	----
	$ 566,843	$ 301,142

==== ====

</table>

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.

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 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 LONG-TERM LIABILITIES

The Company's long-term liabilities at October 31, 2004 and 2003 are as follows:
<table>
<caption>

<s>	2004 <c>	2003 <c>
Note payable to bank, due July of 2008, monthly principal and interest payments at 4.94%, collateralized by a vehicle	$ 15,783	$ 19,992
Less: Current portion	(4,209)	(4,209)
	$ 11,574	$ 15,783

</table>
Loan maturities for each of the five years following October 31, 2004 are as follows:

2005	$ 4,111
2006	4,319
2007	4,537
2008	2,816
2009	-
	$ 15,783

NOTE 6 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 $34,022 in cash advances for travel to three of its officers at October 31, 2004 under an accountable plan per IRS Regulation Section 1.62.

NOTE 7 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. At October 31, 2004, there were no shares of preferred stock issued or outstanding.

NOTE 8 COMMON STOCK

During the year ended October 31, 2004, the Company issued 7,580,150 shares of common stock for cash consideration at $1.00 per share less issuance costs of $698,863. Officers of the Company were issued 120,655 shares at an average of $1.26 per share in payment of accrued wages. The Company also issued 141,286 shares in exchange for services received. See Note 13.

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. Additionally, 373,925 shares of common stock valued at $468,771 were issued as compensation for officers.

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. Additionally, 86,078 shares of common stock valued at $104,875 were issued as compensation to 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, 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.

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 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 9 STOCK OPTIONS

During the years ended October 31, 2004 and 2003, the Company did not grant common 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.

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Following is a summary of the stock options during the years ending October 31, 2004 and 2003:

<Table>
<caption>

	Number Of Shares	Weighted Average Exercise Price
Options outstanding at November 1, 2002	820,000	$ 1.67
Granted	-	-
Canceled	-	-
Exercised	-	-
Options outstanding at October 31, 2003	820,000	$ 1.67
Granted	-	-
Canceled	(100,000)	-
Exercised	-	-
Options outstanding at October 31, 2004	720,000	$1.60

</table>

On March 1, 2001, the Company's shareholders approved a qualified stock option plan (the "Plan"), which provides for non-statutory and incentive stock options for employees, directors and consultants, and has reserved a total of 1,000,000 shares of common stock for issuance pursuant to the Plan. Summarized information about stock options outstanding and exercisable at October 31, 2004 is as follows:

<table>
<caption>

	Options outstanding			Options Exercisable	
Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
<s>	<c>	<c>	<c>	<c>	<c>
$ 1.25	100,000	4.77	$1.25	100,000	$ 1.25
1.32	320,000	1.93	1.32	320,000	1.32
1.75	100,000	3.35	1.75	100,000	1.75
2.15	200,000	5.33	2.15	200,000	2.15
$1.25-2.15	720,000	3.47	$ 1.60	720,000	$ 1.60

</table>

NOTE 10 WARRANTS

The Company did not issue common stock warrants during the year ended October 31, 2004.

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 were valued at $583.

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 were valued at $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.

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METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2004
(CONTINUED)

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 were 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 11 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.

Loss Contingencies

In December 2002, Minera Metalin, the Company's Mexican subsidiary, was named as a co-defendant in a lawsuit filed in Mexico regarding the Company's purchase of two mining concessions. During the year ended October 31, 2003 the Company settled this suit for approximately $36,000. The Company paid approximately $13,800 at the time of settlement, with the balance payable in six equal installments of approximately $3,700. The Company has met its obligation under the settlement at October 31, 2004.

NOTE 12 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 was 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 8.

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 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, 2004
(CONTINUED)

NOTE 12 SUBSEQUENT EVENTS

In December 2004, the Company issued 139,272 shares of its common stock at $1.00 per share to officers in payment of accrued wages.

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METALLINE MINING COMPANY
AN EXPLORATION STAGE COMPANY
OCTOBER 31, 2004

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 28, 2005

By: /s/ Wayne Schoonmaker

Wayne Schoonmaker, its
Principal Accounting Officer
Date: January 28, 2005

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	Roger Kolvoord
President/Director	Vice President-Business/Director
Date: January 28, 2005	Date: January 28, 2005

By: /s/Wayne Schoonmaker

Wayne Schoonmaker
Secretary/Treasurer
Date: January 28, 2005

</page>
<page>

METALLINE MINING COMPANY
AN EXPLORATION STAGE COMPANY
OCTOBER 31, 2004

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 28, 2005

/s/ Merlin D. Bingham

President

METALLINE MINING COMPANY
AN EXPLORATION STAGE COMPANY
OCTOBER 31, 2004

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 28, 2005

/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, 2004, 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 28, 2005

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, 2004, 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 28, 2005

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