10QSB 1 v038022_10qsb.htm
Back to Table of Contents
Index to Financial Statements

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

FORM 10-QSB

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended January 31, 2006

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT**
For the transition period from _____________ to _____________

Commission file number: 000-27667

METALLINE MINING COMPANY

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

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

1330 E. Margaret Ave.
Coeur d'Alene, ID 83815

(Address of principal executive offices)

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

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

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

There were 27,481,085 shares of the issuer's common stock, par value $0.01, outstanding as of February 1, 2006.

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

[Back to Table of Contents](#)
[Index to Financial Statements](#)

METALLINE MINING COMPANY QUARTERLY REPORT ON FORM 10-QSB FOR THE QUARTERLY PERIOD ENDED JANUARY 31, 2006

TABLE OF CONTENTS

Back to Table of Contents
Index to Financial Statements

PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements.

The reviewed consolidated financial statements of Metalline Mining Company (the "Company"), for the period covered by this report, are included elsewhere in this report, beginning at page F/S-1.

The reviewed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for the interim financial information with the instructions to Form 10-QSB and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of the Company's management, all adjustments (consisting of only normal accruals) considered necessary for a fair presentation have been included. Operating results for the three-month period ended January 31, 2006 are not necessarily indicative of the results that may be expected for the full year ending October 31, 2006.

For further information refer to the financial statements and footnotes thereto in the Company's Annual Report on Form 10-KSB for the year ended October 31, 2005 incorporated by reference herein.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

This Quarterly Report on Form 10-QSB, including Management's Discussion and Analysis of Financial Condition and Results of Operations, contains forward-looking statements regarding future events and the Company's future results that are subject to the safe harbors created under the Securities Act of 1933 (the "Securities Act") and the Securities Exchange Act of 1934 (the "Exchange Act"). These statements are based on current expectations, estimates, forecasts, and projections about the industry in which the Company operates and the beliefs and assumptions of the Company's management. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "continues," "may," variations of such words, and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to projections of the Company's future financial performance, the Company's anticipated growth and potentials in its business, and other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions that are difficult to predict, including those identified elsewhere herein and in the Company's Annual Report on Form 10-KSB for the fiscal year ended October 31, 2005 under "Risk Factors." Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. The Company undertakes no obligation to revise or update any forward-looking statements for any reason.

Back to Table of Contents
Index to Financial Statements

Overview

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 currently owns eight concessions that are located in the municipality of Sierra Mojada, Coahuila, Mexico. The Company's objective is to define sufficient mineral reserves on these concessions to justify the development of a mechanized mining operation (the "Project"). The Company conducts its operations in Mexico through its wholly owned Mexican subsidiary, Minera Metalin S.A. de C.V. The Company currently has a total of five employees, including four full-time employees.

The eight concessions total 7,108 hectares (17,563 acres). The Company owns 100% of the eight concessions pursuant to purchase agreements with the previous owners. A number of prior established concessions that are not owned by the Company are located within the largest concession, the Sierra Mojada concession. The Company holds title to the concessions that it owns subject to its obligation to maintain the concessions by conducting work on the concessions, recording evidence of the work with the Mexican Ministry of Mines and paying a semi-annual fee to the Mexican government.

Ownership of a concession provides the owner with exclusive exploration and exploitation rights of all minerals located on the concessions, but does not include the surface rights to the real property. Therefore, the Company will need to negotiate the necessary agreements, as needed, with the appropriate surface landowners if the Company determines that a mining operation is feasible for the concessions. The Company currently anticipates that it will build mining infrastructure needed on land owned by the local municipality. Initial communications with the municipality officials indicate that they will be willing to negotiate the necessary agreements.

The concessions are located within a mining district known as the Sierra Mojada District (the "District"). The District is located in the west central part of the state of Coahuila, Mexico, near the Coahuila-Chihuahua state border approximately 200 kilometers south of the Big Bend of the Rio Grande River. See Exhibit 99.1 attached hereto and incorporated herein by reference for a map showing the location of the mine. 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. The District has high voltage electric power supplied by the national power company, Comision Federal de Electricidad, C.F.E. and is supplied water by the municipality of Sierra Mojada. The District is accessible from Torreon by vehicle via 250 kilometers of paved road. There is a well maintained, 1100 meter, gravel airstrip in the District as well as a railroad connecting with the National Railway at Escalon and Monclova.

Over 45 mines have produced ore from underground workings throughout the approximately five kilometer by two kilometer area that comprises the District. The Company estimates that since its discovery in 1879, the District has produced about 10 million tons of high grade ore that was shipped directly to smelters. The District has never had a mill to concentrate ore and all mining conducted thus far has been limited to selectively mined ore of sufficient grade to direct ship to smelters. The Company believes that mill grade mineralization that was not mined remains available for extraction. The Company anticipates exploring and potentially developing the mill grade mineralization and the unexplored portions of the concessions.

Back to Table of Contents
Index to Financial Statements

The concessions contain two distinct mineral systems separated by the Sierra Mojada fault which trends east-west along the base of the range. North of the fault mineralization is composed of silver, copper, zinc, lead sulfide and oxide minerals. South of the fault the mineralization is oxide zinc and oxide lead minerals.

The sediments in the District are predominantly limestone and dolomite with some conglomerate, sandstone and shale and the bedding attitudes are near horizontal. The mines are dry and the rocks are competent. The thickness and attitude of the mineralized material is amenable to high volume mechanized mining methods and low cost production.

Mining operations are typically developed in phases. These phases include: 1) exploring to identify available mineral deposits and define a resource; 2) conducting a feasibility study to determine whether deposits may be profitably extracted; and 3) eventually developing mining operations. The Company has already conducted extensive exploration and identification of the mineralization located on the concessions. The Company has also initiated a feasibility study. If the results of the feasibility study are positive and the Company is able to secure sufficient financing, then the Company would proceed to the development stage, leading eventually to the operation of a mine on the concessions.

Thus far, the Company has spent a total of approximately $13.2 million during the exploration phase and continues to maintain a sampling and drilling program that is budgeted at approximately $50,000 per month, not including analytical costs which can vary from $20,000 to $40,000 per month. The Company estimates that completion of a feasibility study will cost approximately $5 million and the Company expects that it will take approximately 12 months to complete. Following the completion of a successful feasibility study, the Company would then proceed to the construction phase, which would entail construction of a mine and related infrastructure pursuant to a mine plan developed specifically for the Company's concessions, and construction of an extraction plant to extract metal from the ore that would be mined.

Much of the infrastructure required for a mine, including access to roads, electricity and rail lines, is already in place due to the historical mining operations conducted in the District. Results from mapping, sampling, drilling and inspection of existing workings indicate that large mineralized resources can be developed within and adjacent to the existing workings and in unexplored stratigraphic units outside of and below the existing mine workings. The Company anticipates that it would also build additional infrastructure, including mine access, a tailings pond and an extraction plant. The Company would also enter into agreements with the landowners of the concessions' surface rights upon completion of a feasibility study and finalization of a mine plan for the Project. The Company estimates that construction of a mine and extraction plant would cost approximately $400 million and take approximately 2 to 3 years to complete. The Company intends to finance this cost with a combination of equity and debt. In addition the Company may seek joint venture partners or other alternative financing sources as necessary to complete development of the Project.

A description of work completed in the exploration phase and initiated in the feasibility phase follows:

Back to Table of Contents
Index to Financial Statements

In 1997 the Company initiated exploration of the concessions by collecting and analyzing historical data from previous mining operations, surveying the locations of the mines, geological mapping, and sampling of the surface and some of the existing mines. Based on the information gained from this work, the Company has been exploring the tabular, nearly horizontal bodies of mineralized material located on the concessions that are known as mantos.

Exploration from 1997 to 1999 concentrated on the polymetallic copper, silver, zinc, lead mineralization north of the Sierra Mojada Fault. The Veta Rica, Once, San Jose and other mines located in the western part of the district were mapped and channel sampled. In the eastern part of the District in the Encantada and Fronteriza mines, the copper, silver, zinc, lead mineralization, known as the Polymetallic Manto, has been mapped, channel sampled and drilled.

Work on the polymetallic mineralization was put on standby in 1999 when the Company recognized the potential of the oxide zinc mineralization as a result of a positive feasibility study conducted on the Skorpion Mine located in Namibia, Africa, that demonstrated that the use of the solvent extraction electrowinning ("SXEW") process could make it profitable to mine oxide zinc deposits that would otherwise be unfeasible. Now that the Company's work on the oxide zinc mineralization is in the feasibility study stage, the Company anticipates continued exploration of the polymetallic mineral system north of the Sierra Mojada Fault. However, the Company has not yet allocated financial resources nor established a timeline for when it expects to initiate such additional exploration.

The Company initiated a diamond drill program in January 2004, and drilled over 30,000 meters in 2004 and 2005. In addition, over 9,000 meters of percussion drill and over 12,000 meters of channel samples of the oxide zinc mineralization in the San Salvador, Encantada and Fronteriza Mines has been completed by the Company and its joint venture partners. This work has defined a body of oxide zinc mineralization extending 1,500 meters in an east-west direction, 100 to 200 meters in a north-south direction, and 20 to 100 meters vertically. The Company intends to continue the drill program into the Esmeralda Mine, the next mine to the west of the San Salvador Mine, to further define the extent of the Iron Oxide Manto and the Smithsonite Manto.

Prior mining of oxide zinc mineralization has occurred intermittently over a distance in excess of 5 kilometers from the Oriental Mine located in the east end of the District to the Vasquez Tres Mine located in the west end of the District. Holes drilled 2,000 meters west of the San Salvador Mine intersected oxide zinc mineralization that is up to 140 meters (460 feet) thick and 10 meters (33 feet) below the surface. Drilling has also intersected oxide zinc mineralization intermittently over the 2,000 meters between the Fronteriza Mine and the Oriental Mine.

In 2004, the Company retained Reserva International, LLC, an independent contractor specializing in resource evaluation, to generate a block model evaluation based upon the data compiled from the Company's and its joint venture partner's accumulated database to determine the size and grade of the mineralization of the Iron Oxide Manto and the Smithsonite Manto. Based on the estimates generated from the block model evaluation, the Company has determined that the estimated mineralization justifies a feasibility study of the Iron Oxide Manto.

Back to Table of Contents
Index to Financial Statements

Although the Company is of the opinion that sufficient mineralized material has been defined to justify construction of a mine, extraction plant and refinery, the Company still must complete a feasibility study to determine whether a mining operation may be profitably conducted. This study will consist of a detailed engineering and economic valuation of the Iron Oxide Manto mineralized material to determine the viability and profitability of the potential operation.

The Company initiated the feasibility study in 2004, retaining Green Team Consultants International cc ("GTI"), of Johannesburg, South Africa. GTI was selected, in part, due to GTI's experience conducting the feasibility study for the Skorpion Mine in Namibia, Africa. GTI supervised the design, construction, and training of the Skorpion Zinc personnel and operated the mine and extraction plant through initial production and until the mine and plant were at 90% of capacity, at which point operation of the mine and plant was turned over to Skorpion Zinc, a subsidiary of Anglo American Corporation PLC.

The Skorpion Mine is the first, and to date only, mine in the world using the SXEW process for extracting zinc from oxide zinc ore and produces a refined product, Super High Grade ("SHG") zinc which is 99.995% zinc. SXEW is a hydrometallurgical process that has about a 30% lower cost for extracting zinc than the pyrometallurgical process used at smelters by essentially all other mining operations around the world. The Company anticipates that using the SXEW process will enable the Company to extract zinc more efficiently and economically than its competitors.

GTI, as general contractor for the feasibility study, has retained TWP Consulting (pty) Ltd. ("TWP") to prepare the mine plan as part of the feasibility study for the Project. TWP is a large South African mining consulting company that has worked on large mining projects in South Africa and internationally, including the mine plan at the Skorpion Mine.

GTI has also retained SRK Consulting ("SRK") as the auditing engineering firm for the feasibility study. SRK is a world-wide engineering consulting company that was the auditing engineering firm for the feasibility study of the Skorpion Mine.

Principals of GTI, TWP and SRK have completed a tour and examination of the Sierra Mojada property, reviewed the project data, conducted underground examination of the Iron Oxide, Smithsonite and Polymetallic Mantos, and selected surface locations for the mine and extraction plant facilities.

GTI has also retained Min-Tek, a South African consulting company specializing in mineral and metallurgical research and development, to complete the metallurgical work for the Project. Min-Tek was chosen, in part, because it performed the metallurgical work for the Skorpion feasibility studies.

Back to Table of Contents
Index to Financial Statements

On July 12, 2005, the Company released the results of Mint-Tek's metallurgical test work. The test work focused on demonstrating the viability of using a combination of dense media separation ("DMS") and flotation processes to successfully produce a zinc oxide concentrate from a variety of samples taken from the Sierra Mojada mineralization. The report included a conceptual block flow diagram showing the key DMS and flotation steps followed by conventional zinc refining using leach, solvent extraction and electrowinning. The Company believes that the ability to produce a concentrate which can be shipped economically would be a major contributing factor to the potential success of the Project because it would allow the Company to choose the best site for a refinery based upon the tax regime, cost of power and other capital and operating cost inputs available at various locations. In addition, the report noted that acid-consuming mineral such as limestone and dolomite would be discarded in the concentration process, which would reduce sulphuric acid consumption in the refinery process.

Min-Tek's test work of the Sierra Mojada samples indicated that a zinc oxide concentrate with a zinc content of 30% can be produced at an overall concentrator zinc recovery of 75%-80%. The concentrate produced responded well to atmospheric leaching with dilute sulphuric acid, and refinery leach extraction efficiency was above 98%. The concentrator operating cost is expected to be approximately $5-$8 per ton of ore treated, which is offset by the expectation that the sulphuric acid consumption in the refinery leach step will be 70% less than that achievable with direct leaching of the ore.

The Company expects to continue to optimize the concentrating process route by conducting further test work to confirm key aspects of the flowsheet and to enhance overall recovery and concentrate grade. In particular, the incorporation of cleaner and scavenger steps in the flotation circuit and the potential to recover zinc from slimes produced in the process (currently considered to be discarded) provides further upside potential.

Feasibility study work continues to determine the mining method and its related costs and to determine the production rate. Drilling continues to explore the Iron Oxide Manto mineralization to the west in the San Salvador and La Esmeralda mines. In addition, surveying, mapping and channel sampling is being conducted in the La Esmeralda mine to determine the location of historic workings. No historic data is available for the La Esmeralda mine, which produced ore from the Lead Manto south of the Sierra Mojada Fault and the copper, silver, polymetallic mineralization north of the Sierra Mojada Fault. The Company expects that the decline to access the Iron Oxide Manto mineralization will enter through ground upon which La Esmeralda is located, and the location of the existing workings must be determined as part of the mine plan for the feasibility study. Channel samples in these workings have been collected and have produced a few thousand samples of mineralized material, which consist of north side copper-silver mineralization and south side oxide zinc mineralization. Lead Manto stopes, which overlie the Iron Oxide Manto, have been located and are also being surveyed and sampled. These samples have been prepared for assay and results will be announced when available.

On March 6, 2006, Metalline closed its private placement as announced in its news release of March 6, 2006 and Form 8-K filed March 6, 2006. Placement funds totaled $11,156,509 and 13,945,638 shares were issued and 13,945,638 warrants were issued with a price of $1.25 and a term of five years.

Back to Table of Contents
Index to Financial Statements

The Company has had a mining operation in the Smithsonite Manto that has been shipping zinc carbonate ore to Cameron Chemical Company, for use as a micronutrient for the fertilizer industry. During the period ended January 31, 2006, the Company realized other income from the sale of zinc carbonate ore. The Company has ceased mining zinc carbonate ore, but anticipates continued sales from the existing inventory of mined ore until the inventory is depleted.

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. The Company's facilities in Mexico include offices, residences, shops, warehouse buildings and mining equipment located at Calle Maria #1, La Esmeralda, Coahuila, Mexico. The Company's telephone and FAX number in Mexico is 52 872 761 5129. Electric power has been upgraded to 13,200 volts and lines run to the compound, the shops and the San Salvador and Encantada mines. The San Salvador and the Encantada mines have been electrified and the main levels are wired. San Salvador and Encantada head frames and hoists have been rebuilt and upgraded. In management's opinion, the Company's properties may not be adequately covered by insurance. The Company has chosen not to obtain such insurance for the Company's properties in Mexico because it would be difficult to obtain and the cost of such insurance would outweigh its value. In management's opinion, the Company's plant and equipment are in good condition and well maintained.

Cautionary Note to Investors

The Company is an exploration stage company and does not currently have any known reserves and cannot be expected to have reserves unless and until a feasibility study is completed for the Sierra Mojada concessions that shows proven and probable reserves. There can be no assurance that the Company's concessions contain proven and probable reserves and investors may lose their entire investment in the Company.

Set forth in the Company's Annual Report on Form 10-KSB and in other documents we file with the Securities and Exchange Commission are risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements contained in this Quarterly Report on Form 10-QSB.

Results of Operations for the Period Ended January 31, 2006.

Three months ended January 31, 2006 compared to the three months ended January 31, 2005:

During the three months ended January 31, 2006, the Company realized other income of $52,038 from the sale of zinc carbonate ore from the Company's San Salvadore mine, in accordance with a contract with Cameron Chemicals Inc., Norfolk, Virginia. Costs associated with the sale of the ore totaled $93,575 the three-month period ended January 31, 2006. There were ore sales of $130,771 in the three-month period ended January 31, 2005. General and administrative expenses decreased to $456,149 for the three-month period ended January 31, 2006 as compared to $1,309,186 for the three-month period ended January 31, 2005. The decrease is primarily due to a cessation of drilling activity on the Company's property, resulting in a decrease in exploration expenditures of $446,633 and a decrease in consulting and professional services of $181,966, partially offset by an increase in taxes and fees of $99,459. Salaries and payroll expenses also decreased by $261,715 from the three-month period ended January 31, 2005 to the three-month period ended January 31, 2006. For the three months ended January 31, 2006, the Company experienced a loss of $467,250, or $0.02 per share, compared to a loss of $1,261,409, or $0.06 per share, during the comparable period in the previous year.

Back to Table of Contents
Index to Financial Statements

Three months ended January 31, 2005 compared to the three months ended January 31, 2004:

During the three months ended January 31, 2005, the Company realized other income of $130,771 from the sale of zinc carbonate ore from the Company's San Salvadore Mine located on the property, in accordance with a contract with Cameron Chemicals Inc., Norfolk, Virginia. Costs associated with the sale of the ore totaled $97,962 for the three-month period ended January 31, 2005. There were ore sales of $161,006 in the three-month period ended January 31, 2004. General and administrative expenses increased to $1,309,186 for the three-month period ended January 31, 2005 as compared to $377,701 for the three-month period ended January 31, 2004. The increase is primarily due to an increase in exploration expenditures of $454,268, an increase in consulting and professional services of $179,885, and an increase of $232,355 in payroll and related expenses. For the three months ended January 31, 2005, the Company experienced a loss of $1,261,409, or $0.06 per share, compared to a loss of $268,493, or $0.02 per share during the comparable period in the previous year.

Liquidity and Capital Resources.

The Company financed its obligations during the fiscal year ended October 31, 2005 by the sale of 7,580,150 shares of its common stock during the previous fiscal year at an average price of $1.00 per share, less issuance costs of $698,863, and the sale of 476,404 shares of common stock during the year ended October 31, 2005 at an average price of $0.98 per share. During the three months ended January 31, 2006 the Company sold 7,076,500 shares in private placement transactions at a price of $0.80 per share. Due to the Company's substantial losses and mineral revenues, the Company's independent certified public accountants included a paragraph in the Company's 2005 financial statements relative to a going concerning uncertainty.

The Company's management believes that private placements of its shares have provided sufficient cash for the Company to continue to operate based on current expense projections.

Cash flows for the three months ended January 31, 2006 were as follows:

During the three-month period ended January 31, 2006, the Company's cash position increased by $5,240,350, due to the sale of 7,076,500 shares of the Company's common stock at a price of $0.80 per share. Also during this period, the Company used $419,798 in operating activities, principally in connection with maintaining the property.

Back to Table of Contents
Index to Financial Statements

Effect of Recently Issued Accounting Pronouncements.

In May 2005, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 154 ("SFAS No. 154"), "Accounting Changes and Error Corrections." This statement requires entities that voluntarily make a change in an accounting principle to apply that change retrospectively to prior periods' financial statements, unless this would be impracticable. SFAS No. 154 supersedes APB Opinion No. 20, "Accounting Changes," which previously required that most voluntary changes in an accounting principle be recognized by including in the current period's net income the cumulative effect of changing to the new accounting principle. SFAS No. 154 also makes a distinction between "retrospective application" of an accounting principle and the "restatement" of financial statements to reflect the correction of an error. SFAS No. 154 applies to accounting changes and error corrections that are made in fiscal years beginning after December 15, 2005. Management believes the adoption of this statement will not have an immediate material impact on the financial statements of the Company.

In March 2005, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 47 ("FIN 47"), "Accounting for Conditional Asset Retirement Obligations." FIN 47 clarifies that the term "conditional asset retirement obligation," which as used in SFAS No. 143, "Accounting for Asset Retirement Obligations," refers to a legal obligation to perform an asset retirement activity in which the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the entity. The entity must record a liability for a "conditional" asset retirement obligation of the fair value of the obligation can be reasonably estimated. FIN 47 also clarifies when an entity would have sufficient information to reasonably estimate the fair value of an asset retirement obligation. FIN 47 is effective no later than the end of fiscal years ending after December 15, 2005. Management believes the adoption of this statement will not have an immediate material impact on the financial statements of the Company.

ITEM 3. Controls and Procedures.

Disclosure Controls and Procedures.

The Company's principal executive officer and principal financial officer have evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on such evaluation, the Company's principal executive officer and principal financial officer have concluded that, as of the end of such period, the Company's disclosure control and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act.

Back to Table of Contents
Index to Financial Statements

Changes in Internal Control Over Financial Reporting.

There was no change in the Company's internal control over financial reporting that occurred during the fiscal quarter to which this report relates that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

The Company is not currently a party to any legal proceedings.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

During the three months ended January 31, 2006, the Company sold 7,076,500 shares of the Company's common stock at a price of $0.80 per share. 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) of the Securities Act, and Rule 506 of Regulation D promulgated under the Securities Act.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

None.

Item 5. Other Information.

None.

Item 6. Exhibits.

(a) Documents which are filed as a part of this report:

1. Financial Statements: The required financial statements are contained in pages F/S-1 through F/S-11 of this Form 10-QSB.

2. Financial Statement Schedules: Financial statement schedules have been omitted as they are not applicable or the information is included in the Consolidated Financial Statements.

3. Exhibits: The exhibits filed as part of this report and the exhibits incorporated herein by reference are listed in the Exhibit Index at page E-1.

(b) See (a)(3) above for all exhibits filed herewith.

(c) All schedules are omitted as the required information is not applicable or the information is presented in the Consolidated Financial Statements or related notes.

Back to Table of Contents
Index to Financial Statements

METALLINE MINING COMPANY
An Exploration Stage Company

January 31, 2006

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

Date: March 17, 2006	By: /s/ MERLIN D. BINGHAM
	Merlin D. Bingham, its President
Date: March 17, 2006	By: /s/ WAYNE L. SCHOONMAKER
	Wayne L. Schoonmaker, its Principal Financial Officer

Back to Table of Contents
Index to Financial Statements

EXHIBIT INDEX

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 current report on Form 8-K on September 14, 2005 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 Reference is made to Exhibits 3.1, 3.2 and 3.3.

31.1 Certification of Principal Executive Officer pursuant to Rule 13a-14(a) of the Exchange Act. Filed herewith.

31.2 Certification of Principal Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act. Filed herewith.

32.1 Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350. Furnished herewith.

32.2 Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350. Furnished herewith.

99.1 Sierra Mojada location map. Filed herewith.

[Back to Table of Contents](#)
[Index to Financial Statements](#)

METALLINE MINING COMPANY

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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Back to Table of Contents
Index to Financial Statements

METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED BALANCE SHEETS

	January 31, 2006 (unaudited)	October 31, 2005
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 5,453,719	$ 213,369
Accounts receivable	44,793	23,620
Prepaid expenses	57,107	13,242
Employee advances	11,560	9,560
Total Current Assets	5,567,179	259,791
PROPERTY CONCESSIONS		
Sierra Mojada, Mojada 3	15,875	15,875
Fortuna	76,725	76,725
Esmeralda	255,647	255,647
Esmeralda I	180,988	180,988
U.M. Nortenos, Vulcano	3,682,772	3,682,772
La Blanca	122,760	122,760
Total Property Concessions	4,334,767	4,334,767
EQUIPMENT		
Office and mining equipment, net	470,284	490,884
Total Equipment	470,284	490,884
TOTAL ASSETS	$ 10,372,230	$ 5,085,442
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 84,161	$ 86,189
Accrued liabilities and expenses	290,837	189,046
Other liabilities	10,000	15,873
Note payable, current portion	4,209	4,209
Total Current Liabilities	389,207	295,317
LONG-TERM LIABILITIES		
Note payable, net of current portion	6,313	7,365
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Preferred stock, $0.01 par value; 1,000,000 shares authorized,no shares outstanding	—	—
Common stock, $0.01 par value; 50,000,000 shares authorized, 27,481,085 and 20,404,585 shares issued and outstanding, respectively	274,812	204,047
Additional paid-in capital	23,367,276	19,852,673

Stock options and warrants	3,423,671	1,347,839
Deficit accumulated during exploration stage	(17,089,049)	(16,621,799)
Total Stockholders' Equity	9,976,710	4,782,760
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 10,372,230	$ 5,085,442

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

Back to Table of Contents
Index to Financial Statements

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

	Three Months Ended January 31, 2006 (unaudited)	Three Months Ended January 31, 2005 (unaudited)	November 8, 1993 (Inception) to January 31, 2006 (unaudited)
REVENUES	$ —	$ —	$ —
GENERAL AND ADMINISTRATIVE EXPENSES			
Salaries and payroll expenses	130,696	392,411	3,368,313
Office and administrative expenses	50,873	65,561	1,039,819
Taxes and fees	119,542	20,083	608,983
Professional services	106,351	288,317	4,474,023
Property expenses	9,935	56,880	1,954,038
Depreciation	20,600	21,149	362,490
Exploration and research	18,152	464,785	5,352,238
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	456,149	1,309,186	17,159,903
LOSS FROM OPERATIONS	(456,149)	(1,309,186)	(17,159,903)
OTHER INCOME (EXPENSES)			
Miscellaneous ore sales, net of expenses	(41,537)	32,808	123,601
VAT tax refunds	13,045	—	132,660
Miscellaneous income	—	—	8,500
Interest and investment income	17,726	15,121	93,199
Interest and financing expense	(335)	(152)	(287,106)
TOTAL OTHER INCOME	(11,101)	47,777	70,854
LOSS BEFORE INCOME TAXES	(467,250)	(1,261,409)	(17,089,049)
INCOME TAXES	—	—	—
NET LOSS	$ (467,250)	$ (1,261,409)	$ (17,089,049)
BASIC AND DILUTED NET LOSS PER COMMON SHARE	$ (0.02)	$ (0.06)	
BASIC AND DILUTED WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	21,810,960	19,829,081	

See condensed notes to the consolidated financial statements

Back to Table of Contents
Index to Financial Statements

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

	Years Ended		Period from November 8, 1993 (Inception) to
	January 31, 2006	January 31, 2005	January 31, 2006
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$ (467,250)	$ (1,261,409)	$ (17,089,049)
Adjustments to reconcile net loss to net cash used by operating activities:			
Depreciation	20,600	21,149	362,520
Noncash expenses	—	—	126,864
Common stock issued for services	—	—	966,538
Common stock issued for compensation		176,772	820,231
Stock options issued for services	—	—	801,892
Stock options issued for financing fees	—	—	276,000
Common stock issued for payment of expenses	—	—	326,527
Stock warrants issued for services	—	—	688,771
(Increase) decrease in:			
Marketable securities		250,000	—
Accounts receivable	(21,173)	(60,402)	(44,793)
Prepaid expenses	(43,865)	(48,318)	(57,107)
Employee advances	(2,000)	(5,000)	(11,560)
Increase (decrease) in:			
Accounts payable	(2,028)	(52,292)	84,160
Contracts payable	—	34,765	4,209
Accrued liabilities and expenses	95,918	(51,578)	316,621
Net cash used by operating activities	(419,798)	(996,313)	(12,428,176)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of investments	—	—	(484,447)
Proceeds from investments	—	—	484,447
Equipment purchases	—	(7,598)	(792,781)
Mining property acquisitions	—	—	(4,452,631)
Net cash used by investing activities	—	(7,598)	(5,245,412)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from sales of common stock	5,661,200	—	22,031,387
Proceeds from sales of options and warrants	—	—	949,890
Deposits for sale of stock	—	—	125,500
Proceeds from shareholder loans	—	—	30,000
Payment of note payable	(1,052)	(1,052)	(9,470)
Net cash provided by financing activities:	5,660,148	(1,052)	23,127,307
Net increase (decrease) in cash and cash equivalents	5,240,350	(1,004,963)	5,453,719
Cash and cash equivalents beginning of period	213,369	1,384,030	—
Cash and cash equivalents end of period	$ 5,453,719	$ 379,067	$ 5,453,719

SUPPLEMENTAL CASH FLOW DISCLOSURES:

Income taxes paid	$ —	$ —	$ —
Interest paid	$ 335	$ 152	$ 287,106
NON-CASH INVESTING AND FINANCING ACTIVITIES:			
Common stock issued for services	$ —	$ —	$ 966,538
Common stock issued for compensation	$ —	$ 176,772	$ 820,231
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
Noncash expenses	$ —	$ —	$ 126,864

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

Back to Table of Contents
Index to Financial Statements

METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2006

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 concessions. 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 concessions located in a mining region known as the Sierra Mojada District that is located in the municipality of Sierra Mojada, Coahuila, Mexico. The Company conducts its operations in Mexico through its wholly owned subsidiary corporation, Minera Metalin S.A. de C.V. ("Minera Metalin").

NOTE 2 - BASIS OF PRESENTATION

The foregoing unaudited interim financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-QSB and Regulation S-B as promulgated by the Securities and Exchange Commission ("SEC"). Accordingly, these financial statements do not include all of the disclosures required by generally accepted accounting principles in the United States of America for complete financial statements. These unaudited interim financial statements should be read in conjunction with the audited financial statements for the year ended October 31, 2005. In the opinion of management, the unaudited interim financial statements furnished herein include all adjustments, all of which are of a normal recurring nature, necessary for a fair statement of the results for the interim period presented.

The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities known to exist as of the date the financial statements are published, and the reported amounts of revenues and expenses during the reporting period. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of the Company's financial statements; accordingly, it is possible that the actual results could differ from these estimates and assumptions and could have a material effect on the reported amounts of the Company's financial position and results of operations.

Operating results for the three-month period ended January 31, 2006 are not necessarily indicative of the results that may be expected for the year ending October 31, 2006.

Back to Table of Contents
Index to Financial Statements

METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2006

Going Concern
As shown in the accompanying financial statements, the Company has no revenues, has incurred a net loss of $467,250 for the three months ended January 31, 2006 and has an accumulated deficit of $17,089,049. 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 private placements of its shares have provided sufficient cash for the Company to continue to operate based on current expense projections.

NOTE 3 - RECENT ACCOUNTING PRONOUNCEMENTS

In May 2005, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 154 ("SFAS No. 154"), "Accounting Changes and Error Corrections." This statement requires entities that voluntarily make a change in an accounting principle to apply that change retrospectively to prior periods' financial statements, unless this would be impracticable. SFAS No. 154 supersedes APB Opinion No. 20, "Accounting Changes," which previously required that most voluntary changes in an accounting principle be recognized by including in the current period's net income the cumulative effect of changing to the new accounting principle. SFAS No. 154 also makes a distinction between "retrospective application" of an accounting principle and the "restatement" of financial statements to reflect the correction of an error. SFAS No. 154 applies to accounting changes and error corrections that are made in fiscal years beginning after December 15, 2005. Management believes the adoption of this statement will not have an immediate material impact on the financial statements of the Company.

In March 2005, the Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 47 ("FIN 47"), "Accounting for Conditional Asset Retirement Obligations." FIN 47 clarifies that the term "conditional asset retirement obligation," which as used in SFAS No. 143, "Accounting for Asset Retirement Obligations," refers to a legal obligation to perform an asset retirement activity in which the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the entity. The entity must record a liability for a "conditional" asset retirement obligation if the fair value of the obligation can be reasonably estimated. FIN 47 also clarifies when an entity would have sufficient information to reasonably estimate the fair value of an asset retirement obligation. FIN 47 is effective no later than the end of fiscal years ending after December 15, 2005. Management believes the adoption of this statement will not have an immediate material impact on the financial statements of the Company.

Back to Table of Contents
Index to Financial Statements

METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2006

NOTE 4 - CONCESSIONS IN THE SIERRA MOJADA DISTRICT

Sierra Mojada Mining Concessions
During the period of August 23, 1996 to July 18, 2000, the Company executed six separate agreements for the acquisition of eight concessions in the mining region known as the Sierra Mojada District located in Sierra Mojada, Coahuila, Mexico. Each agreement enabled the Company to explore the underlying concession in consideration for the payment of stipulated annual payments. Each of the concession agreements included an option to purchase the concession and the annual payments, which were applied in full toward the contracted purchase price of the related concession.

The Company subsequently completed the purchase of the eight concessions, as follows: Esmeralda, consisting of approximately 118 hectares, on March 20, 1997; Fortuna, consisting of approximately 14 hectares, on December 8, 1999; Sierra Mojada and Mojada 3, consisting of approximately 4,767 and 1,689 hectares, respectively, on May 30, 2000; Unificacion Mineros Nortenos and Vulcano, consisting of approximately 337 and 4 hectares, respectively, on August 30, 2000; Esmeralda I, consisting of approximately 98 hectares, on August 20, 2001; and La Blanca, consisting of approximately 34 hectares, on August 20, 2001. The Company has recorded the concessions at acquisition cost.

All of the concessions were acquired by purchase agreements with Mexican entities and/or Mexican individuals and all of the concessions were paid for in cash. In the acquisition of Sierra Mojada and Mojada 3 there was one purchase agreement for both concessions. Also, in the acquisition of Unificacion Mineros Nortenos and Vulcano, there was one purchase agreement for both concessions.

Because all eight concessions are located in the same mining region and in close proximity to one another, the concessions are routinely treated as one major prospect area and are collectively referred to as the Sierra Mojada Project. The primary work performed on the Company's concessions has consisted of geologic mapping, sampling, and drilling. This work has resulted in establishing the presence of mineralized material (zinc) of sufficient quantity and grade to justify in the Company's opinion a feasibility study which commenced in 2005.

Back to Table of Contents
Index to Financial Statements

METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2006

NOTE 5 - PROPERTY AND EQUIPMENT

The following is a summary of the Company's property and equipment at January 31, 2006 and October 31, 2005, respectively:

	January 31, 2006	October 31, 2005
Mining equipment	$ 514,855	$ 514,855
Buildings and structures	141,061	141,061
Land - non mineral	15,839	15,839
Vehicles	42,068	42,068
Computer equipment	88,787	88,787
Office equipment	4,183	4,183
Furniture and fixtures	8,185	8,185
	814,978	814,978
Less: Accumulated depreciation	(344,694)	(324,094)
	$ 470,284	$ 490,884

NOTE 6 - CAPITAL STOCK

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 January 31, 2006, there were no shares of preferred stock issued or outstanding.

Common Stock
In March 2005, the Company's board of directors authorized a private placement of up to 5,333,334 shares of the Company's restricted common stock at a price of $1.125 per share for total proceeds of $6,000,000. Purchasers of these shares also received a warrant to purchase one share of the Company's common stock at an exercise price of $2.00 per share with an exercise period of five years. In September 2005, a modification of the private placement terms was authorized. The modified terms allow for the issuance of 7,500,000 shares of common stock at a price of $0.80 per share, a warrant exercise price of $1.25 per share and an exercise period of five years. During the three months ended January 31, 2006, the Company issued 7,076,500 shares of common stock under the aforementioned private placement, for cash consideration at $0.80 per share with attached warrants valued at an average of $0.29 per share.

Back to Table of Contents
Index to Financial Statements

METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2006

During the year ended October, 2005 the Company issued 476,404 shares of common stock as part of the private placement offering, for cash consideration of an average of $0.98 per share with attached warrants valued at an average of $0.28 per share.

Stock Options
On March 1, 2001, the Company's shareholders approved a qualified stock option plan. The number of shares eligible for issuance under the qualified plan is to be determined by the Company's board of directors. As of January 31, 2006, there were 670,000 options outstanding and exercisable. Of this amount, 250,000 were granted to officers and directors of the Company.

Summarized information regarding stock options outstanding and exercisable at January 31, 2006 is as follows:

Options Outstanding				Options Exercisable	
Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$1.25	100,000	3.52	$ 1.25	100,000	$ 1.25
1.32	370,000	0.67	1.32	370,000	1.32
2.15	200,000	4.08	2.15	200,000	2.15
$1.25-2.15	670,000	2.12	$ 1.60	670,000	$ 1.56

Warrants
During the three months ended January 31, 2006, the Company issued 7,076,500 common stock warrants, exercisable at $1.25 per share. The value allocated to these warrants was $2,075,832.

NOTE 7 - INCOME TAXES

At January 31, 2006, the Company had net deferred tax assets calculated at an expected rate of 34% of approximately $4,773,000, 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.

Back to Table of Contents
Index to Financial Statements

METALLINE MINING COMPANY
(AN EXPLORATION STAGE COMPANY)
CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2006

The significant components of the deferred tax assets at January 31, 2006 and October 31, 2005 are as follows:

	January 31, 2006	October 31, 2005
Net operating loss carryforward	$ 14,039,000	$ 13,572,000
Deferred tax asset	$ 4,773,000	$ 4,614,000
Deferred tax asset valuation allowance	$ (4,773,000)	$ (4,614,000)

As of January 31, 2006, the Company had net operating loss carryforwards of approximately $14,039,000, which expire in the years 2008 through 2026. The Company has recognized approximately $1,491,000 of losses from the issuance of stock options and warrants for services through fiscal 2005, which were not deductible for tax purposes. The change in the allowance account from October 31, 2005 to January 31, 2006 was $159,000. The Company has immaterial temporary differences resulting from differences in tax depreciation of equipment.