

[Table of Contents](#)


---



---

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

**FORM 10-QSB**

(Mark One)

**QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period from 4-01-05 to 6-30-05

**TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES ACT.**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 000-31025

**METALINE CONTACT MINES**

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

Washington

91-0779945

(State or jurisdiction of incorporation or organization)

(IRS Employer Identification No.)

W. 3848 Turtle Patch Road, Pine River WI 54965

(Address of principal executive offices)

920-987-5317

(Issuer's telephone number)

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practical date:  
13,783,189

Transitional Small Business Disclosure Format (Check one): Yes  No

---



---

**TABLE OF CONTENTS**

PAGE

**PART I — FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**F-1**

<b>Item 2. Management's Discussion and Analysis</b>	<b>3</b>
<b>Item 3. Controls and Procedures</b>	<b>4</b>
<b>PART II — OTHER INFORMATION</b>	
<b>Item 1. Legal Proceedings</b>	<b>4</b>
<b>Item 2. Changes in Securities</b>	<b>5</b>
<b>Item 3. Defaults Upon Senior Securities</b>	<b>5</b>
<b>Item 4. Submission of Matters to a Vote of Security Holders</b>	<b>5</b>
<b>Item 5. Other Information</b>	<b>5</b>
<b>Item 6. Exhibits and Reports on Form 8-K</b>	<b>5</b>
<b>SIGNATURES</b>	<b>5</b>
EXHIBIT 31.1	
EXHIBIT 31.2	
EXHIBIT 32.1	
EXHIBIT 32.2	

**Table of Contents****PART I — FINANCIAL INFORMATION****Item 1. Financial Statements**

The Company has prepared the unaudited financial statements presented below in accordance with accounting principles generally accepted in the United States for interim financial information, as well as the instructions to Form 10-QSB. Accordingly, they do not include all the information and footnotes required by generally accepted accounting principles for complete financial statements. However, the financial statements have been reviewed by the Company's independent auditors, Williams & Webster, P.S., using professional standards and procedures for conducting such reviews established by generally accepted auditing standards, and we include herewith their report. It is the opinion of the Company's management that all adjustments considered necessary for the fair presentation of the interim financial statements have been included. Operating results for the three-month period ended June 30, 2005 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2005.

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 December 31, 2004.

F-1

---

[Table of Contents](#)**METALINE CONTACT MINES****BALANCE SHEETS**

	June 30, 2005 (unaudited)	December 31, 2004
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 80,794	\$ 90,652
Prepaid expenses	4,000	—
Total Current Assets	<u>84,794</u>	<u>90,652</u>
<b>OTHER ASSETS</b>		
Related party receivable	109,413	109,413
Accrued interest — related party receivable	34,466	30,637
Investments	25,600	5,100
Website, net of amortization	750	917
Other asset	350	350
Total Other Assets	<u>170,579</u>	<u>146,417</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 255,373</u></b>	<b><u>\$ 237,069</u></b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Unearned royalty income	\$ 3,880	\$ 3,880
Total Current Liabilities	<u>3,880</u>	<u>3,880</u>
<b>COMMITMENTS AND CONTINGENCIES</b>		
	<u>—</u>	<u>—</u>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock, \$0.05 par value; 20,000,000 shares authorized, 14,531,254 issued and 13,783,189 outstanding	726,570	726,570
Additional paid-in capital	283,040	283,040
Stock options	47,907	47,907
Accumulated deficit	(806,024)	(824,328)
Total Stockholders' Equity	<u>251,493</u>	<u>233,189</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b><u>\$ 255,373</u></b>	<b><u>\$ 237,069</u></b>

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

[Table of Contents](#)**METALINE CONTACT MINES  
STATEMENTS OF OPERATIONS**

	Three Months Ended		Six Months Ended	
	June 30, 2005 (unaudited)	June 30, 2004 (unaudited)	June 30, 2005 (unaudited)	June 30, 2004 (unaudited)
<b>REVENUES</b>				
Royalty income	\$ 5,204	\$ 8,680	\$ 50,084	\$ 12,560
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>				
Property expense	—	—	—	37,765
Administrative expenses	12,403	14,672	36,343	15,773
<b>TOTAL EXPENSES</b>	<u>12,403</u>	<u>14,672</u>	<u>36,343</u>	<u>53,538</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(7,199)</u>	<u>(5,992)</u>	<u>13,741</u>	<u>(40,978)</u>
<b>OTHER INCOME (EXPENSE)</b>				
Dividend income	427	59	734	113
Interest income	1,914	1,914	3,829	3,829
Loss from investment in LLC	—	(148)	—	(248)
<b>TOTAL OTHER INCOME</b>	<u>2,341</u>	<u>1,825</u>	<u>4,563</u>	<u>3,694</u>
<b>INCOME (LOSS) BEFORE TAXES</b>	(4,858)	(4,167)	18,304	(37,284)
<b>INCOME TAX EXPENSE</b>	—	—	—	—
<b>NET INCOME (LOSS)</b>	<u>\$ (4,858)</u>	<u>\$ (4,167)</u>	<u>\$ 18,304</u>	<u>\$ (37,284)</u>
NET INCOME (LOSS) PER COMMON SHARE, BASIC AND DILUTED	<u>\$ nil</u>	<u>\$ nil</u>	<u>\$ nil</u>	<u>\$ nil</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC	<u>13,783,189</u>	<u>14,453,428</u>	<u>13,783,189</u>	<u>14,453,428</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, DILUTED	<u>13,783,189</u>	<u>14,453,428</u>	<u>15,533,189</u>	<u>14,453,428</u>

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

[Table of Contents](#)**METALINE CONTACT MINES  
STATEMENTS OF CASH FLOWS**

	Six Months Ended	
	June 30, 2005 (unaudited)	June 30, 2004 (unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income (loss)	\$ 18,304	\$ (37,284)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Amortization expense	167	—
Loss in LLC investment	—	248
Rent expense paid with NJMC stock	20,500	—
Royalty income received in NJMC stock	(41,000)	—
Common stock issued in payment of expenses	—	37,765
Stock options issued for directors' fees	—	—
Changes in assets and liabilities:		
Increase in accrued interest receivable	(3,829)	(3,829)
Increase in prepaid expenses	(4,000)	—
Net cash used by operating activities	<u>(9,858)</u>	<u>(3,100)</u>
<b>CASH FLOWS USED BY INVESTING ACTIVITIES:</b>	<u>—</u>	<u>(2,400)</u>
<b>CASH FLOWS PROVIDED BY FINANCING ACTIVITIES:</b>	<u>—</u>	<u>—</u>
Net decrease in cash and cash equivalents	(9,858)	(5,500)
<b>Cash at beginning of period</b>	<u>90,652</u>	<u>105,687</u>
<b>Cash at end of period</b>	<u>\$ 80,794</u>	<u>\$100,187</u>
<b>SUPPLEMENTAL CASH FLOW DISCLOSURES:</b>		
Income taxes paid	\$ —	\$ —
Interest paid	\$ —	\$ —
<b>NON-CASH TRANSACTIONS:</b>		
Loss in LLC investment	\$ —	\$ 248
Common stock issued in payment of expenses	\$ —	\$ 37,765
Rent expense paid with NJMC stock	\$ 20,500	\$ —
Royalty income received in NJMC stock	\$ 41,000	\$ —

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

[Table of Contents](#)**METALINE CONTACT MINES****CONDENSED NOTES TO THE FINANCIAL STATEMENTS****JUNE 30, 2005**

---

**NOTE 1 — ORGANIZATION AND DESCRIPTION OF BUSINESS**

Metaline Contact Mines (hereinafter “Metaline” or “the Company”) was incorporated in November of 1928 under the laws of the State of Washington for the purpose of engaging in mining and the buying and selling of ores, metals, and minerals.

The Company was reorganized and recapitalized in 1960 and its articles of incorporation were amended to expand its business purposes to include various additional business activities. Metaline has continued its operations since its formation and has historically acquired land, mineral rights, patented lode mining claims, and timber in the Pacific Northwest.

In the last quarter of 1996, Metaline transferred substantially all of its assets to a limited liability company.

The Company’s fiscal year-end is December 31.

**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 December 31, 2004. 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 six month period ended June 30, 2005 are not necessarily indicative of the results that may be expected for the year ending December 31, 2005.

[Table of Contents](#)**METALINE CONTACT MINES****CONDENSED NOTES TO THE FINANCIAL STATEMENTS****JUNE 30, 2005**

---

**NOTE 3 — RECENT ACCOUNTING PRONOUNCEMENTS**

In December 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 153 (hereinafter "SFAS 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. SFAS No. 153 amends APB 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.

**NOTE 4 — MINERAL PROPERTIES**Pend Oreille/Metaline Zinc Mines

The Company is receiving royalty payments related to a lease agreement with Teck Cominco American, Inc. (hereinafter "Teck Cominco"). Under the terms of the agreement, Teck Cominco has the right to explore, develop, and mine the Company's underground mineral rights in Pend Oreille County, Washington for a period of twenty years with an option renewal period of the same length. Teck Cominco is currently obligated to pay the Company \$3,880 per quarter, with ascending quarterly increments at each successive five year interval. The lease characterizes the aforementioned quarterly disbursements as "advance royalty payments" which may be fully offset against a three-percent production royalty retained by the Company. The lease agreement gives Teck Cominco the option to purchase 200 surface acres of the leased property for fair market value during the lease term. From the inception of the lease through June 30, 2005, the Company has received \$113,379 in payments from Teck Cominco.

Golden Chest Mine

In January 2004, the Company issued 466,954 shares of its common stock to Paymaster Resources Incorporated (hereinafter "Paymaster"), a related party (due to common officers and directors), in order to acquire Paymaster's interest in the Golden Chest Mine minerals lease to patented mining claims in Shoshone County, Idaho. In this transaction, the Company also acquired Paymaster's interest in an exploration agreement with New Jersey Mining Company, which relates to the aforementioned mining claims.

During the 2<sup>nd</sup> quarter of 2005, the Company received production royalties from New Jersey Mining Company of \$1,324 from development ore mined in 2004. The terms of the lease require the owner of the real property (mine) to receive one-half of the royalty payments in the form of rent.

[Table of Contents](#)**METALINE CONTACT MINES****CONDENSED NOTES TO THE FINANCIAL STATEMENTS****JUNE 30, 2005****NOTE 5 — RELATED PARTY TRANSACTIONS**

During 1998, Metaline Contact Mines, LLC (“The LLC”) sold property for a net gain of \$5,958,762. Metaline’s share of this gain, before adjustments of the Company’s investment from The LLC’s operating results and write down from its substantial decrease in ownership of The LLC, was \$507,858. The Company recorded a related party receivable of \$109,413 for the balance of the distribution. Due to uncertainty as to the date this receivable will be collected, this asset together with accrued interest at the rate of 7 percent per annum is recorded as a non-current asset.

Over the years, Metaline has executed agreements with Nor-Pac Limited Company (hereinafter “Nor-Pac”), an affiliated company. In November of 2004, The LLC assigned its rights, title and interest in the Company’s aforementioned related party receivable of \$109,413 and accrued interest to Nor-Pac.

**NOTE 6 — INCOME TAXES**

At June 30, 2005, the Company had a net deferred tax asset of approximately \$218,000, principally arising from net operating loss carryforwards for income tax purposes, which was calculated using a 34% tax rate. This resulted in a decrease to the net deferred tax asset of approximately \$8,000 for the three months ended June 30, 2005. 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, the Company has a valuation allowance equal to the net deferred tax asset.

At June 30, 2005, the Company has a net operating loss carryforward of approximately \$641,000, which will fully expire in the year 2024.

**NOTE 7 — STOCK OPTIONS**

The Company did not engage in stock option activity during the first two quarters of 2005. Summarized information about stock options outstanding and exercisable at June 30, 2005 is as follows:

Exercise Price	Options Outstanding			Options Exercisable	
	Number of Shares Under Options Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number of Shares Under Options Exercisable	Weighted Average Exercise Price
\$ 0.06	500,000	4.37	\$ 0.06	500,000	\$ 0.06
0.125	1,000,000	4.37	0.125	1,000,000	0.125
0.15	250,000	4.37	0.15	250,000	0.15
<u>\$0.06-0.15</u>	<u>1,750,000</u>	<u>4.37</u>	<u>\$ 0.11</u>	<u>1,750,000</u>	<u>\$ 0.11</u>

F-7

[Table of Contents](#)**METALINE CONTACT MINES****CONDENSED NOTES TO THE FINANCIAL STATEMENTS****JUNE 30, 2005**

---

**NOTE 8 — SUBSEQUENT EVENT**

On July 22, 2005, the Company issued 1,000,000 shares of its authorized, but previously unissued, common stock to Paymaster Resources Incorporated. The share payment was made pursuant to the Company's agreement to acquire the lease on the Golden Chest Mine from Paymaster in the event the properties subject to the lease ever went into "commercial production" as defined in the agreement. Golden Chest Mine went into commercial production on July 4, 2005. The Company capitalized the share issuance at \$250,000.

F-8

---

## Table of Contents

### Item 2. Management's Discussion and Analysis and Results of Operations

#### RESULTS OF OPERATIONS

The Company had gross operating revenues from its 2 mineral projects of \$5,204 during the second quarter of 2005, versus \$8,680 in 2004, broken down as follows:

##### Golden Chest Mine

The Company's Golden Chest Mine generated revenues from operations of \$1,324 in the second quarter of 2005, versus \$4,800 in the second quarter of 2004. The decrease of \$3,476 was the difference between the fair market value of the stock payment received during the second quarter of 2004 from New Jersey Mining Company (hereinafter "New Jersey") during the exploration agreement on the mine, and actual cash NSR royalty payments received in the second quarter of 2005 from the development ore mined during the 2004 ramp project.

##### Pend Oreille/Metaline Zinc Mines

The amount of the advanced royalties received from Teck Cominco American Incorporated (hereinafter "Teck Cominco") under the New Cominco Lease remained constant at \$3,880 in the second quarters of 2005 and 2004.

##### Operating Loss

The Company experienced an overall operating loss of \$7,199 in the second quarter of 2005, versus \$5,992 in the second quarter of 2004. The increased loss was mainly due the decrease in revenues received from the Golden Chest Mine project discussed above.

There was a \$2,269 decrease in administrative expenses in the second quarter of 2005 to \$12,403, versus \$14,672 in the second quarter of 2004. The decrease is attributable to: a decrease of \$490 in accounting fees; \$608 in financial printing expenses; \$1,738 in rent expense; and \$1,760 in transfer agent fees. These decreases were, however, offset by increases of \$1,345 in promotional fees, and other office expense-type items. Promotional expenses have been increasing due to management's efforts to introduce the Company and its projects to the investment community.

##### Other Income

During the second quarter of 2005, the Company's other income increased by \$516, to \$2,341, from \$1,825 in 2004, due to an increase in dividend income of \$368, and the Company having no loss on its 7% membership interest in Metaline Contact Mines LLC. Interest income remained constant at \$1,915 for the second quarters of 2005 and 2004.

#### FINANCIAL CONDITION

It is management's opinion that the Company can continue as an on-going business at its current level of operations for approximately 2 years without the infusion of additional capital. Additional capital could be obtained from: increased revenues from operations; the sale of shares of the Company's authorized, but unissued, common stock; and/or the sale of certain of the Company's assets.

## Table of Contents

On the subject of increasing revenues from operations, production decisions on the Company's mineral projects are under the sole control of third parties; namely, Teck Cominco and New Jersey. However, during the second quarter of 2005, New Jersey commenced commercial mining operations at the Company's Golden Chest Mine. Anticipated production is 50 metric ton per day from which the Company will receive NSR production royalties. At this time, however, the Company is unable to project the impact these NSR royalty revenues will have on the Company's future earnings due to the newness of the mining operation.

### LIQUIDITY AND CAPITAL RESOURCES

Traditionally, the Company has funded its capital requirements from revenues from operations, dividends earned on its cash accounts, and other income. As of June 30, 2005, the Company's cash position was \$84,794, compared to \$90,652 on June 30, 2004. The Company has no debt, and does not expect to incur any debt in the immediate future. The Company's most significant cash requirements are professional fees and expenses associated with its Securities and Exchange Commission reporting requirements.

The Company has a related party receivable from Nor-Pac Limited Company in the amount of \$109,413, with accrued interest of \$34,466, as of June 30, 2005. The Company believes it has the ability to collect this receivable in the event of a shortfall of cash. In addition, the Company owns 60,000 shares of New Jersey common stock with a recorded value of \$25,600, which shares could be sold pursuant to Rule 144 of the Securities Act of 1933, as amended.

#### Subsequent Event

On July 28, 2005, the Company received NSR production royalties from New Jersey, as follows: \$777.00 from the sale of sulfide concentrates generated from commercial mining operations at the Golden Chest Mine during a portion of the second quarter of 2005; and \$75.31 from the sale of the balance of the higher-grade material recovered from the cleanout of New Jersey's ball mill from development ore mined during the 2004 ramp project.

### Item 3. Controls and Procedures

The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") performed an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures. On that evaluation, the CEO and CFO concluded that the Company's current disclosure controls and procedures were effective as of March 31, 2005 in ensuring that all material information required in this quarterly report has been made known to them in a timely fashion.

There have been no changes in the Company's internal controls over financial reporting during the quarter ended March 31, 2005 that has materially affected, or is reasonably likely to materially affect, its internal controls over financial reporting.

For further information refer to the Controls and Procedures section in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2004, incorporated herein by reference.

## PART II — OTHER INFORMATION

### Item 1. Legal Proceedings

The Company is not a party to any legal proceedings, and management is not aware of any threatened litigation, claims or assessments.

## Table of Contents

### Item 2. Changes in Securities

There has been no change in securities for the quarter ending June 30, 2005.

#### Subsequent Event

On July 22, 2005, the Company issued 1,000,000 of its authorized, but unissued, common stock to Paymaster Resources Incorporated ("Paymaster") pursuant to its agreement with Paymaster to acquire the lease on the Golden Chest Mine.

### 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 and Reports on Form 8-K

- (a) Exhibit 31.1 — Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- Exhibit 31.2 — Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- Exhibit 32.1 — Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- Exhibit 32.2 — Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- (b) No Form 8-K's were filed during the 2nd quarter of 2005.

## SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DATED this the 12th day of August, 2005

METALINE CONTACT MINES

By: /s/ John W. Beasley

John W. Beasley

Secretary/Treasurer/CFO

-5-

## EXHIBIT 31.1

### CERTIFICATION PURSUANT TO

SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Richard I. Howell, President and Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-QSB being filed for Metaline Contact Mines (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in the 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 quarterly report;

4. The Registrant's other certifying officers 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 have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made to us by others within those entities, particularly during the period in which this quarterly 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 quarterly report (the "Evaluation Date"); and

(c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures 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 the Registrant's Board of Directors (or persons performing the equivalent functions):

(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 weakness 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 controls.

6. The Registrant's other certifying officer and I have indicated in this quarterly 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: August 12, 2005*

*/s/ Richard L. Howell*

-----  
*Richard L. Howell  
President and Chief Executive  
Officer*

**EXHIBIT 31.2****CERTIFICATION PURSUANT TO****SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, John W. Beasley, Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-QSB being filed for Metaline Contact Mines (the "Registrant");
2. Based on my knowledge, the 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in the 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 quarterly report.
4. The Registrant's other certifying officers 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 have:
  - (i) designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made to us by others within those entities, particularly during the period in which this quarterly report is being prepared.
  - (ii) 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
  - (iii) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures 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 the Registrant's Board of Directors (or persons performing the equivalent functions):
  - (i) 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 weakness in internal controls; and
  - (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's controls; and
6. The Registrant's other certifying officer and I have indicated in this quarterly 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: August 12, 2005*

*/s/ John W. Beasley*

-----  
*John W. Beasley*

*Secretary/Treasurer & CFO*

**EXHIBIT 32.1****METALINE CONTACT MINES****CERTIFICATION PURSUANT TO  
18 U.S.C. OF SECTION 1350,  
AS ADOPTED PURSUANT TO****SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Metaline Contact Mines (the "Company") on Form 10-QSB for the period ending June 30, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Richard L. Howell, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 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.

By:           /s/ Richard L. Howell            
-----  
*Richard L. Howell*  
*President & Chief Executive*  
*Officer*  
*August 12, 2005*

**EXHIBIT 32.2****METALINE CONTACT MINES****CERTIFICATION PURSUANT TO  
18 U.S.C. OF SECTION 1350,  
AS ADOPTED PURSUANT TO****SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Metaline Contact Mines (the "Company") on Form 10-QSB for the period ending June 30, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John W. Beasley, Secretary, Treasurer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 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.

By:           /s/ John W. Beasley          

-----  
*John W. Beasley*  
*Secretary, Treasurer & Chief*  
*Financial Officer*  
*August 12, 2005*

---

**End of Filing**

Powered By **EDGAR**  
Online

© 2005 | **EDGAR Online, Inc.**