

Edgar Filing: MINERAL MOUNTAIN MINING & MILLING CO - Form 10-K

MINERAL MOUNTAIN MINING & MILLING CO

Form 10-K

July 01, 2002

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934

- [X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the fiscal year ended March 31, 2002
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No. 001-03317

MINERAL MOUNTAIN MINING & MILLING COMPANY
(Exact name of Registrant as specified in its charter)

IDAHO 82-0144710
(State or other jurisdiction of (IRS Employer
incorporation or organization) Identification Number)

421 Coeur d'Alene Ave - Suite 3, Coeur d' Alene, Idaho 83814-2862
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (208) 664-3544
Registrant's fax number, including area code: (208) 664-3543

Securities registered pursuant to Section 12(b) of the Act

Table with 2 columns: Title of each class, Name of each exchange on which registered. Row 1: Common capital stock, 5 cent par value, None

Securities registered pursuant to Section 12(g) of the Act: NONE

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period 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 (X)

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 information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K (X)

The aggregate market value based on the bid price of the shares of Common Stock held by non-affiliates of the Registrant at April 30, 2002 was approximately \$45,451. For purposes of this computation, all officers, directors and 10% shareholders of the Registrant are deemed to be affiliates. Such determination should not be deemed an admission that such officers, directors, and 10% shareholders are affiliates.

Indicate the number of shares outstanding of the Registrant's classes of Common Stock, as of the latest practicable date.

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Title of Each Class of Common Stock	Number of Shares Outstanding
Common Stock five cent par value	3,117,531

## MINERAL MOUNTAIN MINING & MILLING COMPANY FORM 10-K March 31, 2002

### TABLE OF CONTENTS

	PAGE
	----
PART I	
-----	
Item 1. Business	3
Item 2. Properties	3
Item 3. Legal Proceedings	3
Item 4. Submission of Matters to a Vote of Security Members	4
PART II	
-----	
Item 5. Market for Registrant's Common Equity and Related Stockholder Matters	4
Item 6. Selected Financial Data	5
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	5
Item 8. Financial Statements and Supplementary Data	6
Item 9. Changes in and Disagreements with accountants on Accounting and Financial Disclosure	6
PART III	
-----	
Item 10. Directors and Executive Officers of the Registrant	7
Item 11. Executive Compensation	7
Item 12. Security Ownership of Certain Beneficial Owners and Management	8
Item 13. Certain Relationships and Related Transactions	9
PART IV	
-----	
Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K	9 - 17
Signature Page	18

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MINERAL MOUNTAIN MINING & MILLING COMPANY  
FORM 10-K - PARTS I, II, III & IV  
March 31, 2002

## PART I

### ITEM 1 - BUSINESS

#### (a) General Developments of Business:

The Registrant was incorporated under the laws of the state of Idaho on August 4, 1932 and is a mining company in the exploration stage. It is engaged in exploring for non-ferrous and precious metals, principally silver, lead and copper. The mining properties of the Registrant are located in Shoshone County, Idaho. For further description of the Registrant's properties see ITEM 2 of this report. If any ores should be developed and produced, these would be milled and the concentrates sold to metal smelters at prices determined by the metals on the open market.

### ITEM 2 - PROPERTIES

#### (a) The Registrant has the following properties:

The Registrant is the owner of an undivided one-third interest in the "Mineral Mountain Area" situated near Osburn, Idaho consisting of the four original Mineral Mountain patented lode mining claims together with those portions of six Chester and three Polaris claims which lie northerly from a warped plane lying parallel and 300 feet northerly from the center of the Chester Vein.

The property of the Registrant lies between the main workings of the Sunshine Mine on the west, and the Consolidated Silver property on the east. Both of these properties are owned by Sunshine Mining Company.

Sunshine Mining Company discontinued all mining operations in Idaho during the first quarter of 2002.

### ITEM 3 - LEGAL PROCEEDINGS

The Registrant has no legal actions pending against it and it is not a party to any suits in any court of law, nor are the directors aware of any claims which could give rise to litigation. No director, officer, or affiliate of the Registrant or owner of 5% or more of the Registrant's securities, or any associate is an adverse party to the Registrant.

There are no letters of inquiry, or proceedings by the Federal Government, or any State agency directed toward the Registrant.

The Registrant is not involved in any civil rights negotiations or proceedings.

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MINERAL MOUNTAIN MINING & MILLING COMPANY  
 FORM 10-K - PARTS I, II, III & IV  
 March 31, 2002

PART II

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

No matters were submitted to a vote of the security holders in 2001 or the first quarter of 2002.

ITEM 5 - MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDERS MATTERS

(a) Market information:

The Registrant's stock was formerly traded on the Spokane Stock Exchange, Spokane, Washington which closed on May 24, 1991. Quotation for the Registrant's shares are now reported by the Spokane Quotation Bureau.

The bid prices for the Registrant's stock for the period ending March 31, 2002 are as follows:

	High	Low
	-----	-----
2000		
First Quarter	.02	.02
Second Quarter	.02	.02
Third Quarter	.02	.02
Fourth Quarter	.03	.02
2001		
First Quarter	.05	.02
Second Quarter	.02	.02
Third Quarter	.02	.02
Fourth Quarter	.02	.02
2002		
First Quarter	.02	.02

(b) Approximate Number of Equity Security Holders:

Title of Class	Number of Record Holders
-----	-----
Common Non-Assessable Capital Stock, par value five cents (.05) per share	Approximately 1,439 as of March 31, 2002

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MINERAL MOUNTAIN MINING & MILLING COMPANY  
 FORM 10-K - PARTS I, II, III & IV  
 March 31, 2002

PART II

ITEM 6 - SELECTED FINANCIAL DATA

The following data should be read in conjunction with the Registrant's financial statements and the notes thereto:

	Year Ended 3-31-2002	Year Ended 3-31-2001	Year Ended 3-31-2000	Year Ended 3-31-99	Year Ended 3-31-98
	-----	-----	-----	-----	-----
Operating Revenue	\$ 620	\$ 748	\$ 901	\$ 928	\$ 1,192
Net Income (Loss)	\$ (2,466)	\$ (2,171)	\$ (1,578)	\$ (3,823)	\$ (4,891)
Net Income (Loss) Per Share	(0.0008)	\$ (0.0007)	\$ (0.0005)	\$ (0.0012)	\$ (0.0015)
Total Assets	\$ 64,175	\$ 66,441	\$ 67,972	\$ 69,652	\$ 72,496
Working Capital	\$ 7,967	\$ 10,433	\$ 12,604	\$ 14,182	\$ 18,005

ITEM 7 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(a) Full fiscal year:

The Registrant is an exploration stage mining company and does not at present have any operating income. The Registrant does not anticipate any material changes in its financial position in the immediate future.

(1) Liquidity:

As the Registrant has limited operations, the only funds required at this time are for corporate administrative costs. The annual net cash needs of the Registrant are approximately \$3,000. These funds can be made available in the future by the Registrant issuing stock on a private-placement basis or borrowing from the officers and directors after present cash resources are depleted.

(2) Capital Resources:

At the present time the Registrant does not have any commitments for capital expenditures. Any capital expenditures would be very small, and would probably be financed by loans from the officers and directors.

(3) Results of Operations:

The patented claims are being maintained and the financial records are updated quarterly.

MINERAL MOUNTAIN MINING & MILLING COMPANY  
FORM 10-K - PARTS I, II, III & IV  
March 31, 2002

PART II

ITEM 8 - FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

See Item 14 Index

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

There were no disputes or disagreements with or changes of accountants.

ITEM 10 - DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

(a) Identification of Directors:

Name	Age
-----	---
Earl T. Siler	87
Donald L. Hess	73
Forrest Godde	85
Richard L. Schwary	74
Josef Suveg	74

The Directors serve until the next meeting of the shareholders or until their successors are elected and qualified.

Earl Siler served as a director since 1993

Donald L. Hess has served as a director since 1993

Forrest Godde has served as a director since 1993

Richard L. Schwary has served as a director since 1985

Josef Suveg has served as a director since 1993

There are no arrangements or understandings between any of the directors and any other persons pursuant to which any director is to be selected as a director or nominee.

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FORM 10-K - PARTS I, II, III & IV  
March 31, 2002

PART III

ITEM 10 - DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT (continued)

(b) Identification of Executive Officers:

Name	Age	Title
Earl T. Siler	87	President and Chief Executive Officer
Donald L. Hess	73	Secretary/Treasurer and Principal Financial Officer

The officers serve in the positions indicated after their names for a period of one year or until a successor is elected and qualified.

(I) Background.

Earl T. Siler, 87, is the President of the Registrant and is a Director. He is a retired Mining Equipment Dealer and has served on the Board of Directors for several mining companies over the past 25 years.

Donald L. Hess, 73, is the Secretary-Treasurer of the Registrant and is a Director. He is a Certified Public Accountant with over 40 years of experience in public accounting, and also is the principal owner of the Columbia Stock Transfer Company which is the Registrant's transfer agent.

(II) Directorships.

Earl T. Siler is the President and Director of the Registrant. He is a retired Mining Equipment Dealer and has served on the Board of Directors for several mining companies over the past 25 years.

Donald L. Hess is the Secretary-Treasurer and Director of the Registrant. He was a Certified Public Accountant with over 40 years of experience in public accounting.

Forrest Godde is a businessman and Director of Mineral Mountain Mining & Milling Company.

Josef Suveg is a retired mining engineer and Director of Mineral Mountain Mining & Milling Company.

Richard L. Schwary is a Director of Mineral Mountain Mining and Milling Company.

ITEM 11 - EXECUTIVE COMPENSATION

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(a) (1) All executive officers  
Total annual compensation received by all executive officers is \$600 per year.

MINERAL MOUNTAIN MINING & MILLING COMPANY  
FORM 10-K - PARTS I, II, III & IV  
March 31, 2002

PART III

ITEM 12 - SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

(a) Security ownership of certain beneficial owners.

Title of Class	Name of Beneficial Owner	Amount & Nature of Beneficial Ownership	Percent of Class
Common Shares	Borjessan Family Trust	Direct 312,046 shares	10.01%
Common Shares	Cede & Co	On Deposit for brokers 320,542 shares	10.28%

(b) Security ownership of management.

Title of Class	Name of Beneficial Owner	Amount & Nature of Beneficial Ownership	Percent of Class
Common Shares	Earl T. Siler	91,000 Direct	2.92%
Common Shares	Donald L. Hess	326,713 Direct	10.48%
Common Shares	Forrest Godde	40,000 Direct	1.28%
Common Shares	Josef Suveg	31,000 Direct	.99%
Common Shares	Richard Schwary	44,200 Direct	1.42%

Total of all Officers and Directors: 532,913  
Shares of Record & Beneficially 17.09%



MINERAL MOUNTAIN MINING & MILLING COMPANY  
FORM 10-K - PARTS I, II, III & IV  
March 31, 2002

PART III

ITEM 13 - CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

(a) Transactions with Management and Others.

There have been no transactions of the type set forth in Item 404(a) of Regulation S-X.

(b) Certain Business Relationships.

Donald L. Hess, Secretary of the Registrant, maintains the financial records of the Registrant. He is also the owner of the Columbia Stock Transfer Company which acts as transfer agent and registrar of the Registrant's outstanding stock.

PART IV

ITEM 14 - EXHIBITS, FINANCIAL STATEMENTS SCHEDULES AND REPORTS ON FORM 8-K

(a) Financial Statements.

Statements of Financial Position, March 31, 2002, 2001, and 2000	10
Statements of Operations for the years ended March 31, 2002, 2001, and 2000 and cumulative from August 4, 1932 to March 31, 2002	11
Statements of Stockholders' Equity from August 4, 1932 to March 31, 1994 and for the years ended March 31, 1995 through March 31, 2002	12
Statements of Cash Flows for the years ended March 31, 2002, 2001, and 2000	13
Notes to Financial Statements, March 31, 2002, 2001, and 2000	14-17

The Registrant's financial statements are unaudited in reliance upon Section 210.3-11 of Regulations S-X adopted by the Securities and Exchange Commission.

(b) Reports on Form 8-K.

No reports were filed by the Registrant on Form 8-K during the last quarter of

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2001 or the first quarter of 2002.

MINERAL MOUNTAIN MINING & MILLING COMPANY  
 (An Exploratory Stage Mining Company)  
 Statements of Financial Position, March 31, 2002, 2001, and 2000  
 (UNAUDITED)

	Notes	2002	2001	2000
	-----	-----	-----	-----
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash in bank		\$ 1,867	\$ 1,574	\$ 672
Certificate of deposit		8,500	10,000	13,000
Receivables and prepaids		-	1,059	492
		-----	-----	-----
TOTAL CURRENT ASSETS		10,367	12,633	14,164
		-----	-----	-----
<b>PROPERTY</b>				
Mining Property	(Notes 2&3)	53,808	53,808	53,808
		-----	-----	-----
TOTAL ASSETS		\$ 64,175	\$ 66,441	\$ 67,972
		=====	=====	=====
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable to Officers and Directors		\$ 2,400	\$ 2,200	\$ 1,560
		-----	-----	-----
TOTAL CURRENT LIABILITIES		2,400	2,200	1,560
		-----	-----	-----
<b>SHAREHOLDERS' EQUITY</b>				
Capital Stock, non-assessable, par value five cents per share, authorized 10,000,000 shares, issued 3,078,049 shares in 2000 (Note 4)		-	-	153,902
3,117,531 shares in 2002 and 2001		155,877	155,877	-
Paid-in surplus		338,003	338,003	339,978
(Deficit) accumulated during the exploration stage		(432,105)	(429,639)	(427,468)
		-----	-----	-----
TOTAL SHAREHOLDERS' EQUITY		61,775	64,241	66,412
		-----	-----	-----
TOTAL LIABILITIES AND				

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SHAREHOLDERS' EQUITY	\$ 64,175	\$ 66,441	\$ 67,972
	=====	=====	=====

PREPARED FROM THE RECORDS WITHOUT AUDIT.

The accompanying notes to financial statements are an integral part of this financial statement.

MINERAL MOUNTAIN MINING & MILLING COMPANY

(An Exploratory Stage Mining Company)

Statements of Operations for the years ended March 31, 2002, 2001, and 2000 and cumulative from August 4, 1932 to March 31, 2002

(UNAUDITED)

Notes	2002	2001	2000	08/04/1932 to 03/31/2002
	-----	-----	-----	-----
<b>INCOME</b>				
Sale of timber	-	-	-	\$ 22,155
Interest income	\$ 620	\$ 748	\$ 901	6,232
	-----	-----	-----	-----
TOTAL INCOME	620	748	901	28,387
	-----	-----	-----	-----
<b>EXPENSES</b>				
Officers and Directors fees and expenses (Notes 4 and 6)	600	600	600	120,472
Professional fees (Note 6)	1,723	1,415	913	33,686
SEC & stock exchange fees	-	-	166	6,398
Office supplies & expenses	37	178	38	11,330
Property & other taxes	26	26	36	1,494
Transfer Agency fees (Note 6)	400	400	426	3,401
Spokane Quotation Bureau	300	300	300	2,250
Engineering & property costs	-	-	-	9,426
Net general & administrative expenses August 4, 1932 through March 31, 1962	-	-	-	92,402
	-----	-----	-----	-----
TOTAL EXPENSES	3,086	2,919	2,479	280,859
	-----	-----	-----	-----
(LOSS) BEFORE OTHER INCOME AND EXPENSES	(2,466)	(2,171)	(1,578)	(252,472)
Total capitalized exploration costs Written-off	-	-	-	(196,997)
Prior year debt adjustment	-	-	-	17,364
	-----	-----	-----	-----
NET (LOSS) BEFORE TAXES	(2,466)	(2,171)	(1,578)	(432,105)
INCOME TAXES (Note 5)	0	0	0	0

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NET (LOSS)	\$ (2,466)	\$ (2,171)	\$ (1,578)	\$ (432,105)
NET (LOSS) PER SHARE	\$ (0.0008)	\$ (0.0007)	\$ (0.0005)	\$ (0.1386)

PREPARED FROM THE RECORDS WITHOUT AUDIT.

The accompanying notes to financial statements are an integral part of this financial statement.

MINERAL MOUNTAIN MINING & MILLING COMPANY  
 (An Exploratory Stage Mining Company)  
 Statements of Stockholders' Equity from August 4, 1932 to March 31, 1994,  
 And for the years ended March 31, 1995 through March 31, 2002  
 (UNAUDITED)

	Number of Shares Issued	Par Value	Paid-In Surplus	Accumu- lated (Deficit)	Cost of Treasury Stock	Total
From 08-04-32 to 3-31-94	2,711,649	135,582	341,967	(425,056)	(2,355)	50,138
March 31, 1995						
Net Income	-	-	-	12,791	-	12,791
Stock Issuances	175,820	8,791	-	-	-	8,791
Treasury Stock Issued	-	-	(1,989)	-	2,355	366
BALANCES 03-31-95	2,887,469	144,373	339,978	(412,265)	0	72,086
March 31, 1996						
Net Loss	-	-	-	(2,269)	-	(2,269)
BALANCES 03-31-96	2,887,469	144,373	339,978	(414,534)	0	69,817
March 31, 1997						
Net Loss	-	-	-	(2,642)	-	(2,642)
BALANCES 03-31-97	2,887,469	144,373	339,978	(417,176)	0	67,175
March 31, 1998						
Stock Issuances for services	190,580	9,529	-	-	-	9,529
Net Loss	-	-	-	(4,891)	-	(4,891)
BALANCES 03-31-98	3,078,049	153,902	339,978	(422,067)	0	71,813
March 31, 1999						
Net Loss	-	-	-	(3,823)	-	(3,823)
BALANCES 03-31-99	3,078,049	153,902	339,978	(425,890)	0	67,990
March 31, 2000						
Net Loss	-	-	-	(1,578)	-	(1,578)
BALANCES 3-31-2000	3,078,049	153,902	339,978	(427,468)	0	66,412
March 31, 2001						
Net Loss	-	-	-	(2,171)	-	(2,171)
Correction to adjust records to Number of outstanding						

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Shares per stockholder	39,482	1,975	(1,975)	0	0	0
BALANCES 3-31-2001	3,117,531	155,877	338,003	(429,639)	0	64,241
March 31, 2002 Net Loss	-	-	-	(2,466)	-	(2,466)
BALANCES 3-31-2002	3,117,531	\$ 155,877	\$ 338,003	\$ (432,105)	0	\$ 61,775

PREPARED FROM THE RECORDS WITHOUT AUDIT.

The accompanying notes to financial statements are an integral part of this financial statement.

MINERAL MOUNTAIN MINING & MILLING COMPANY  
(An Exploratory Stage Mining Company)  
Statements of Cash Flows for the years ended March 31, 2002, 2001, and 2000  
(UNAUDITED)

	2002	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (Loss)	\$ (2,466)	\$ (2,171)	\$ (1,578)
Adjustments to reconcile to net cash provided or (used):			
Increase(decrease) receivables & prepaids	1,059	(567)	(492)
Increase (decrease) to payables	200	640	(102)
NET CASH USED IN OPERATING ACTIVITIES	(1,207)	(2,098)	(2,172)
NET INCREASE (DECREASE) TO CASH	(1,207)	(2,098)	(2,172)
CASH BEGINNING OF PERIOD	11,574	13,672	15,844
CASH END OF PERIOD	\$ 10,367	\$ 11,574	\$ 13,672
NON-CASH TRANSACTIONS	NONE	NONE	NONE
INTEREST AND INCOME TAXES PAID	NONE	NONE	NONE

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PREPARED FROM THE RECORDS WITHOUT AUDIT.

The accompanying notes to financial statements are an integral part of this financial statement.

MINERAL MOUNTAIN MINING & MILLING COMPANY  
(An Exploratory Stage Mining Company)  
Notes to Financial Statements, March 31, 2002, 2001, and 2000  
(UNAUDITED)

## NOTE 1 - COMPANY BUSINESS

Mineral Mountain Mining & Milling Company ("The Company") was incorporated under the laws of the state of Idaho on August 4, 1932, and has been in the exploratory stage since its inception. It is engaged in the business of mining and is exploring for non-ferrous and precious metals, primarily silver, lead and copper. The property of the Company is situated in the Coeur d'Alene Mining District of Shoshone County, Idaho. The Company has no commercial production operations.

## NOTE 2 - ACCOUNTING POLICIES

### Use of Estimates in the Preparation of Financial Statements:

This summary of significant accounting policies is presented to assist in understanding the Company's 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 generally accepted accounting principles of the United States of America and have been consistently applied in the preparation of the financial statements.

The significant accounting principles and practices of the Company are as follows:

- a. The financial statements are prepared on the accrual basis of accounting.
- b. The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.
- c. In accord with Statement No. 7 of the Financial Accounting Standards Board ("SFAS 7") for development stage companies (which classification includes exploratory stage mining companies), the Company charges costs related to exploration to operations with the exception of those which in the opinion of management have a continuing value. Statement No. 7 provides that financial statements issued by a development enterprise shall present the same financial information that is required of established operating enterprises.

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d. The Company is unable to present cumulative statements of income, shareholders' equity and cash flows from inception of exploration stage activities due to incomplete prior year accounting records. Presentation of cumulative statements is required by SFAS 7.

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

f. The Company reports comprehensive income (loss) in accordance with Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income." Accordingly, accumulated other comprehensive income or loss is included in the Stockholders' Equity section of the Balance Sheet. Amounts are reported net of tax and include gains or losses on available for sale securities.

### MINERAL MOUNTAIN MINING & MILLING COMPANY

(An Exploratory Stage Mining Company)

Notes to Financial Statements, March 31, 2002, 2001, and 2000

(UNAUDITED)

#### NOTE 2 ACCOUNTING POLICIES (continued)

g. The Company capitalizes costs incurred to purchase mineral property and to purchase or lease mineral rights. Exploration and development costs associated with mineral properties and claims not yet in production are expensed as incurred.

h. Earnings per share are computed using the weighted average of shares outstanding.

i. Income tax provisions are calculated using an asset and liability method.

j. Long-lived assets are reviewed for impairment when circumstances indicate that their carrying value may not be recoverable. In assessing recoverability, estimates of future cash flows expected to result from the use of the asset and/or its disposition is used. If the sum of expected future cash flows (undiscounted and without interest charges) is less than the carrying amount of the asset, an impairment loss should be recognized based on the fair value of the asset.

k. The Financial Accounting Standards Board issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," in June 1998 and SFAS No. 138, "Accounting for Derivative Instruments and Certain Hedging Activities", in June 2000. These standards establish accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities on the balance sheet and measure those instruments at fair value, at the appropriate date. At March 31, 2000, 2001, and 2002, the Company has not engaged in any transactions that would be considered derivative instruments or hedging activities.

l. As of March 31, 2002, the Company has a recorded cost of \$53,808 in exploratory stage mining properties which represents 83.85% of total assets. The ultimate realization of the Company's carrying costs in these assets is dependent upon the discovery and the ability of the Company to finance successful exploration and development of commercial ore deposits, if any, in the mining properties in sufficient quantity for the Company to recover its recorded cost or to sell such assets for greater than their recorded values. The likelihood of such discovery and development of ore in the exploratory mining properties, or sale thereof at March 31, 2002 cannot presently be

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determined. Therefore the recoverability of the recorded amounts of mining properties is uncertain. No provision for any ultimate decline in the realizable value of these assets has been made in the financial statements.

### MINERAL MOUNTAIN MINING & MILLING COMPANY

(An Exploratory Stage Mining Company)

Notes to Financial Statements, March 31, 2002, 2001, and 2000  
(UNAUDITED)

#### NOTE 3 - MINING PROPERTY AND AGREEMENTS

The Company's mining property consists of four patented mining claims which were acquired by the issuance of 1,100,000 shares of common capital stock. Prior to 1946, the Company performed a limited amount of exploration work on its claims over a number of years. An agreement was entered into on October 16, 1946 between Polaris Mining Company (now Hecla Mining Company) and Chester Mining Company providing for exploration and development work on a unitized area consisting of the four Mineral Mountain claims plus specifically defined portions of six Chester and three Polaris claims. Polaris was to perform the exploration work which was to be paid by Mineral Mountain. If the venture was successful, ores mined from the Mineral Mountain Area were to be divided on a basis of one-third each after 2/3 of all exploratory costs advanced by the Company had been reimbursed from net smelter returns. The costs paid out by the Company were included in the capitalized exploratory costs previously shown on the balance sheet. All capitalized exploration costs were written off on March 31, 1994. Work under the 1946 agreement was completed in the year 1948 without discovery of commercial ore.

Another agreement on the "Mineral Mountain Area" was entered into on July 24, 1957. The 1957 agreement refers to termination of the 1946 agreement and that Polaris (Hecla Mining Company), Chester Mining Company and the Company each owned an undivided one third interest in any commercial ore, which may be found in the area. The 1957 agreement also provided that the Company would not be reimbursed for 2/3 of the exploration costs it had expended on the unitized property under the 1946 agreement.

The 1957 agreement further provided that Polaris (Hecla) was to perform exploratory work on the unitized area. Polaris (Hecla) reported that it had expended \$102,067 under the 1957 agreement and that work was suspended in July 1958. The percentage interests set out in the 1957 agreement were Polaris, 50%, and the Company and Chester, 25% each. Hecla Mining Company deeded all their interest in the Mineral Mountain Area to Sunshine Mining Company on June 26, 1984.

Sunshine Mining Company discontinued all operations in the state of Idaho during the first quarter of 2002.



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MINERAL MOUNTAIN MINING & MILLING COMPANY  
 (An Exploratory Stage Mining Company)  
 Notes to Financial Statements, March 31, 2002, 2001, and 2000  
 (UNAUDITED)

NOTE 4 - CAPITALIZATION

The Company was originally incorporated on August 4, 1932, with an authorized capital of 2,000,000 shares of common capital stock with a par value of 5 cents per share. On March 31, 1952, the shareholders amended the authorized capital to 3,000,000 shares of 5 cents par value capital stock. On August 21, 1984, the shareholders amended the authorized capital to 10,000,000 shares of 5 cent par value capital stock.

A summary of the Company shares issued since inception to March 31, 2002 is as follows (Note: the respective Boards of Directors determined the basis of each consideration of capital stock issuance in non-cash transactions):

	August 4, 1932 (inception) to March 31, 2002
	-----
Cash	1,077,700
Services	597,729
Property	1,100,000
Payment of liabilities	302,620
Adjustment to reconcile with stock transfer records	39,482
	-----
TOTAL OUTSTANDING	3,117,531
	=====

A summary of items making up the paid-in surplus account at March 31, 2002 is as follows:

Premium on shares	\$ 452,662
Discount on shares	(39,472)
Reacquired shares - discount	(15,423)
Commission & other	(57,789)
Adjustment to reconcile with stock transfer records	(1,975)
	-----
TOTAL	\$ 338,003

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During the year ended March 31, 1998, a total of 190,580 shares were issued for services rendered or in the payment of accounts payable for services rendered in prior years.

During the year ended March 31, 2001 an adjustment of 39,482 shares (\$1,975) was made to reconcile the accounting records with the capital stock transfer records. A corresponding adjustment of \$1,975 was made to paid-in surplus.

MINERAL MOUNTAIN MINING & MILLING COMPANY  
 (An Exploratory Stage Mining Company)  
 Notes to Financial Statements, March 31, 2002, 2001, and 2000  
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NOTE 5 - INCOME TAXES

The Company has a net operating loss carryover for income tax purposes of \$208,647 which expires as follows:

03-31-09	\$ 188,807
03-31-11	2,269
03-31-12	2,642
03-31-13	4,891
03-31-19	3,823
03-31-20	1,578
03-31-21	2,171
03-31-22	2,466

At March 31, 2002, 2001, and 2000, deferred tax differences primarily relate to capitalization of exploration costs for income tax purposes. The Company's deferred tax liabilities are completely offset by its net operating loss carryovers. As there is no certainty as to the utilization of these items, the benefit attributable thereto is fully offset by a valuation allowance.

The deficit accumulated during the exploratory stage in the amount of \$196,997 had been capitalized for income tax purposes to March 31, 1993. As no known ore bodies or productive vein systems had been discovered, these costs were written off for income tax purposes on March 31, 1994

NOTE 6-RELATED PARTY TRANSACTIONS

Amounts were paid or accrued to officers of the Company in the fiscal years ended March 31, 2002, 2001, and 2000 as follows:

	Fiscal Year ended March 31		
	2002	2001	2000
Accounting and stock transfer expense	\$ 1,723	\$ 1,415	\$ 913
Officer Compensation	600	600	600
Stock Transfer services	400	400	426

SIGNATURES  
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Pursuant to the requirements of Section 13, of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MINERAL MOUNTAIN MINING & MILLING COMPANY  
(REGISTRANT)

/S/ Donald L. Hess  
-----

Donald L. Hess  
Secretary - Treasurer and  
Principal Financial Officer

Date: June 28, 2002

/S/ Earl T. Siler  
-----

Earl T. Siler  
President, Chief Administrative  
Officer and Director

Date: June 28, 2002

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 as of the date indicated.

Date: June 28, 2002

/S/ Earl T. Siler  
-----

Earl T. Siler  
President, Director and  
Principal Executive Officer

Date: June 28, 2002

/S/ Donald L. Hess  
-----

Donald L. Hess  
Secretary - Treasurer, Director and  
Principal Financial Officer

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Date: June 28, 2002 /S/ Forrest Godde  
-----  
Forrest Godde  
Director

Date: June 28, 2002 /S/ Josef Suveg  
-----  
Josef Suveg  
Director

Date: June 28, 2002 /S/ Richard Schwary  
-----  
Richard L. Schwary  
Director