

METALLINE MINING CO
Form PRE 14A
May 16, 2006

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

**SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934
(Amendment No.)**

Filed by the Registrant [XX]
Filed by a Party other than the Registrant []

Check the appropriate box:

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| <input checked="" type="checkbox"/> [X] | Preliminary Proxy Statement | <input type="checkbox"/> [] | Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2)) |
| <input type="checkbox"/> [] | Definitive Proxy Statement | | |
| <input type="checkbox"/> [] | Definitive Additional Materials | | |
| <input type="checkbox"/> [] | Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12 | | |

METALLINE MINING COMPANY
(Name of Registrant as Specified In Its Charter)

Merlin D. Bingham, President
(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate Box:)

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| <input checked="" type="checkbox"/> [XX] | No fee required. |
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| | (1) Title of each class of securities to which transaction applies: |
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| (1) | Amount Previously Paid: |
| (2) | Form, Schedule or Registration Statement No.: |
| (3) | Filing Party: |
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June 5, 2006

To Our Shareholders:

You are cordially invited to the annual meeting of Shareholders (the "Meeting") of Metalline Mining Company (the "Company") to be held at the Coeur d'Alene Inn, West 414 Appleway, Coeur d'Alene, Idaho on Friday, July 7, 2006 at 10:00 a.m. local time.

The formal Notice of the Meeting and Proxy Statement describing the matters to be acted upon at the Meeting are contained in the following pages. Shareholders also are entitled to vote on any other matters which properly come before the Meeting.

Enclosed is a proxy which will enable you to vote your shares on the matters to be considered at the Meeting even if you are unable to attend the Meeting. Please mark the proxy to indicate your vote, date and sign the proxy and return it in the enclosed envelope as soon as possible for receipt prior to the Meeting.

WHETHER YOU OWN FEW OR MANY SHARES OF STOCK, PLEASE BE SURE YOU ARE REPRESENTED AT THE MEETING EITHER BY ATTENDING IN PERSON OR BY RETURNING YOUR PROXY AS SOON AS POSSIBLE.

Sincerely,

Merlin D. Bingham, President

METALLINE MINING COMPANY
1330 E. Margaret Avenue
Coeur d'Alene, Idaho 83815

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON JULY 7, 2006

June 5, 2006

To the Shareholders of Metalline Mining Company:

The Annual Meeting of Shareholders (the "Meeting") of Metalline Mining Company, a Nevada corporation (the "Company"), will be held at the Coeur d'Alene Inn, West 414 Appleway, Coeur d'Alene, Idaho on Friday, July 7, 2006 at 10:00 a.m. local time, for the purpose of considering and voting upon proposals to:

1. Elect three directors to serve until the next annual meeting of shareholders or until their successors are elected and qualified.
2. Approve an expansion of the board to four directors and elect a fourth director to serve until the next annual meeting of shareholders or until his successor is elected and qualified.
3. Approve an amendment to the Company's Articles of Incorporation authorizing the Company to issue 160,000,000 shares of which 150,000,000 shares shall be Common Stock, \$0.01 par value, and 10,000,000 shares shall be Preferred Stock, \$0.01 par value.
4. Approve an amendment to the Company's Articles of Incorporation to delete the requirement that shareholders must decide the maximum number of directors to hold office during the ensuing term.
5. Approve the adoption of the Company's 2006 Stock Option Plan.
6. Transact such other business as may lawfully come before the Meeting or any adjournment(s) thereof.

The Board of Directors is not aware of any other business to come before the Meeting. Pursuant to the Company's Bylaws, the Board of Directors has fixed the close of business on Wednesday, May 24, 2006 as the record date for determination of the shareholders entitled to vote at the Meeting and any adjournments thereof.

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You are requested to complete and sign the enclosed proxy which is solicited by the Board of Directors and to return it promptly in the enclosed envelope. The proxy will not be used if you attend the Meeting and vote in person.

EACH SHAREHOLDER, WHETHER OR NOT HE PLANS TO ATTEND THE MEETING, IS REQUESTED TO COMPLETE, SIGN, DATE AND PROMPTLY RETURN THE ENCLOSED PROXY CARD. ANY PROXY GIVEN BY THE SHAREHOLDER MAY BE REVOKED BY FILING WITH THE SECRETARY OF THE COMPANY A WRITTEN REVOCATION OR A DULY EXECUTED PROXY BEARING A LATER DATE. ANY SHAREHOLDER PRESENT AT THE MEETING MAY REVOKE HIS OR HER PROXY AND VOTE IN PERSON ON EACH MATTER BROUGHT BEFORE THE MEETING. HOWEVER, IF YOU ARE A SHAREHOLDER WHOSE SHARES ARE NOT REGISTERED IN YOUR OWN NAME, YOU WILL NEED ADDITIONAL DOCUMENTATION FROM YOUR RECORD HOLDER TO VOTE IN PERSON AT THE MEETING.

BY ORDER OF THE BOARD OF DIRECTORS,

Merlin D. Bingham, President and Chairman of the Board

METALLINE MINING COMPANY
1330 E. Margaret Avenue
Coeur d'Alene, Idaho 83815

PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
JULY 7, 2006

June 5, 2006

To Our Shareholders:

This proxy statement (the "Proxy Statement") is furnished in connection with the solicitation by the Board of Directors of Metalline Mining Company (the "Company") of proxies to be used at the Annual Meeting of Shareholders (the "Meeting") to be held at the Coeur d'Alene Inn, West 414 Appleway, Coeur d'Alene, Idaho on Friday, July 7, 2006 at 10:00 a.m. local time, and at any adjournments or postponements thereof. The Meeting is being held for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders. This Proxy Statement, the accompanying proxy card and the Notice of Annual Meeting of Shareholders (collectively, the "Proxy Materials") are first being mailed to shareholders beginning on or about June 5, 2006.

GENERAL INFORMATION

Solicitation

The enclosed proxy is being solicited by the Company's Board of Directors and the Company's transfer agent, OTC Stock Transfer. The costs of the solicitation will be borne by the Company. Proxies may be solicited personally or by mail, telephone, facsimile or telegraph by directors and officers of the Company, none of whom will receive any additional compensation for such solicitations, or by OTC Stock Transfer, which will receive compensation in the amount of \$_____. The Company will reimburse banks, brokers, nominees, custodians and fiduciaries for their reasonable out-of-pocket expenses incurred in sending the proxy materials to beneficial owners of the shares.

Voting Rights and Votes Required

Holders of shares of Metalline Mining Company common stock (the "Common Stock"), at the close of business on Wednesday, May 24, 2006 (the "Record Date") are entitled to notice of, and to vote at, the Meeting. On the Record Date, _____ shares of Common Stock were outstanding. Holders of Common Stock are entitled to one vote per share.

The presence, in person or by proxy, of holders of one-third of all of the shares entitled to vote at the Meeting constitutes a quorum for the transaction of business at the Meeting. In the event there are not sufficient votes for a quorum or to approve any proposals at the time of the Meeting, the Meeting may be adjourned in order to permit further solicitation of proxies. Abstentions will count towards quorum requirements.

As to the election of directors under Proposal One, the proxy card being provided by the Board enables a shareholder to vote for the election of each of the nominees proposed by the Board, or to withhold authority to vote for one or more of the nominees being proposed. Directors are elected by a plurality of votes cast, without respect to either (i) broker non-votes, or (ii) proxies as to which authority to vote for one or more of the nominees being proposed is withheld.

The affirmative vote of a majority of the shares outstanding and entitled to vote on the matter is required to approve Proposals Three and Four. As to these proposals, a shareholder may: (i) vote "FOR" the proposals, (ii) vote "AGAINST" the proposals, or (iii) "ABSTAIN" with respect to the proposals.

The affirmative vote of a majority of the shares cast at the meeting and entitled to vote on the matter is required to approve Proposals Two and Five. As to these proposals, a shareholder may: (i) vote "FOR" the proposals, (ii) vote "AGAINST" the proposals, or (iii) "ABSTAIN" with respect to the proposals.

The proposed corporate actions on which the shareholders are being asked to vote are not corporate actions for which shareholders of a Nevada corporation have the right to dissent under the Nevada General Corporation Law.

Voting and Revocability of Proxies

Shares of Common Stock represented by all properly executed proxies received at the Company's transfer agent by Monday, July 3, 2006 will be voted as specified in the proxy. Unless contrary instructions are indicated on the proxy, the shares of Common Stock represented by such proxy will be voted "FOR" the slate of directors described herein; "FOR" adoption of the amendments to the Articles Incorporation of the Company; and "FOR" adoption of the 2006 Stock Option Plan as described herein. Management and the Board of Directors of the Company know of no other matters to be brought before the Meeting other than as described herein. If any other matters properly are presented to the shareholders for action at the Meeting and any adjournments or postponements thereof, the proxy holder named in the enclosed proxy intends to vote in his discretion on all matters on which the shares of Common Stock represented by such proxy are entitled to vote.

The giving of the enclosed proxy does not preclude the right to vote in person should the shareholder giving the proxy so desire. A proxy may be revoked at any time prior to its exercise by (i) providing notice in writing to the Company's corporate secretary that the proxy is revoked; (ii) presenting to the Company a later-dated proxy; or (iii) by attending the Meeting and voting in person.

**SECURITY OWNERSHIP OF
CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth as of May 15, 2006, the number of shares of the Company's outstanding \$0.01 par value common stock beneficially owned by each of the Company's current directors and the Company's executive officers and the number of shares beneficially owned by all of the Company's current directors and named executive officers as a group:

<u>Name and Address of Beneficial Owner</u>	<u>Position</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Common Stock</u>
Merlin D. Bingham 1330 E. Margaret Avenue Coeur d'Alene, ID 83815	P r e s i d e n t and Director	2,295,639 ⁽¹⁾	6.7%
Roger Kolvoord 1330 E. Margaret Ave. Coeur d'Alene, ID 83815	V i c e President-Business and Director	1,110,406 ⁽²⁾	3.2%
Wayne Schoonmaker 1330 E. Margaret Ave. Coeur d'Alene, ID 83815	Treasurer, Secretary	89,568	Less than 1.0%
Wesley Pomeroy 1330 E. Margaret Ave. Coeur d'Alene, ID 83815	Director	300,000 ⁽³⁾	Less than 1.0%
Terry Brown 1330 E. Margaret Ave. Coeur d'Alene, ID 83815	V i c e President-Operations	302,500 ⁽⁴⁾	Less than 1.0%
All current directors and executive officers as a group (five persons)		4,098,113 ⁽⁵⁾	12.0%

(1) Includes options to acquire 1,000,000 shares of the Company's common stock at \$2.59 per share until May 1, 2016. These options do not vest until the 2006 Stock Option Plan (Proposal Five) and the increase in authorized common stock (Proposal Three) are approved.

(2) Includes options to acquire 750,000 shares of the Company's common stock at \$2.59 per share until May 1, 2016. These options do not vest until the 2006 Stock Option Plan (Proposal Five) and the increase in authorized common stock (Proposal Three) are approved.

(3) Includes options to acquire 250,000 shares of the Company's common stock at \$2.59 per share until May 1, 2016. These options do not vest until the 2006 Stock Option Plan (Proposal Five) and the increase in authorized common stock (Proposal Three) are approved.

(4) Includes options to acquire 250,000 shares of the Company's common stock at \$2.59 per share until May 1, 2016. These options do not vest until the 2006 Stock Option Plan (Proposal Five) and the increase in authorized common stock (Proposal Three) are approved.

(5) Includes securities reflected in footnotes 1 - 4.

b) Security Ownership of Certain Beneficial Owners

In addition to the security ownership of the Company's officers and directors, the following table sets forth as of May 15, 2006, the number of shares of the Company's Common Stock beneficially owned by each person who owned of record, or was known to own beneficially, more than 5% of the Company's outstanding shares of Common Stock:

<u>Name and Address of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percentage of Common Stock</u>
Britannia Holdings King's House The Grange St. Peter Port Guernsey Channel Islands	2,769,000	8.12%

MANAGEMENT

Executive officers of the Company are elected by the Board of Directors, and serve for a term of one year and until their successors have been elected and qualified or until their earlier resignation or removal by the Board of Directors. There are no family relationships among any of the directors and executive officers of the Company.

The following table sets forth the names and ages of all executive officers and directors whose terms will not expire prior to the annual meeting, and all persons nominated to serve as directors and the positions and offices that each person hold with the Company:

<u>Name of Director or Officer and Position in the Company</u>	<u>Officer or Director Since</u>	<u>Age</u>	<u>Office(s) Held and Other Business Experience</u>
Merlin Bingham President and Chairman of the Board of Directors	1996	72	Since October 1996, Mr. Bingham has been the President and Chairman of the Board of Directors of the Company. From 1963 to 1983 Mr. Bingham worked in exploration for mining and oil companies in the western U.S. and Alaska, Zambia, the United Arab Emirates, Ecuador and Mexico. From 1983 to 1996, Mr. Bingham has been a consulting geologist. Mr. Bingham received a B.S. degree in Mineralogy from the University of Utah in 1963

<u>Name of Director or Officer and Position in the Company</u>	<u>Officer or Director Since</u>	<u>Age</u>	<u>Office(s) Held and Other Business Experience</u>
Roger Kolvoord, Vice President and Director	Director since 2002; Officer since 2003	66	Dr. Kolvoord has been a director of the Company since August 2002 and was appointed Vice President, Business in April 2003. Dr. Kolvoord has a B.S. degree in geology from the University of Michigan, a M.S. in Mineralogy from the University of Utah, and a Ph.D. in geochemistry from the University of Texas at Austin. He worked in exploration and exploration research for Kennecott Copper Company, Ranchers Exploration and Development Corporation, and ARCO, and operated a services company providing field services to oil and gas and mining companies. He has extensive mining and energy exploration experience. He was a manager with the Boeing Company for 14 years, working mainly in program management and new business development capacities in information systems and in remote sensing and geospatial information (mapping) ventures. An Associate Technical Fellow of the Boeing Company, he returned to private consulting practice in 2000. Mr. Kolvoord is an active member of the American Association of Petroleum Geologists and the Society of Mining Engineers. He resides in the Puget Sound region of Washington.

<u>Name of Director or Officer and Position in the Company</u>	<u>Officer or Director Since</u>	<u>Age</u>	<u>Office(s) Held and Other Business Experience</u>
Wesley Pomeroy, Director ^{(1), (2), (3)}	2005	51	Mr. Pomeroy was appointed to the Board of Directors in September 2005 to fill an existing vacancy. Mr. Pomeroy is currently President of The Joe Dandy Mining Company, which has had gold properties in Cripple Creek, Colorado since 1887. He is a member of the Front Range Oil and Gas LLC and the POMOCO LLC (Pomeroy Oil Company). He is also currently a consulting geologist with Vortex Petroleum Inc. and has been associated since 1977 with various exploration and oil and gas companies. Also since 1977 Mr. Pomeroy has been a member in good standing of the American Association of Petroleum Geologists and the Rocky Mountain Association of Geologists. Mr. Pomeroy received a Bachelor of Science degree in geology from Colorado State University in 1977 and an MBA from the University of Colorado in 1990. Mr. Pomeroy is registered Professional Geologist PG-2858 for the State of Wyoming. He resides in the Denver, Colorado area.

<u>Name of Director or Officer and Position in the Company</u>	<u>Officer or Director Since</u>	<u>Age</u>	<u>Office(s) Held and Other Business Experience</u>
Terry Brown, Vice President-Operations	2005	46	Mr. Brown was appointed Vice President-Operations in September 2005. Mr. Brown has 22 years experience in the mining industry in the United States, Mexico and Chile and has most recently been active as a consulting geologist in Mexico. His background is in exploration and project management, mine development and feasibility studies, and mining operations. Mr. Brown is a Certified Professional Geologist and is a member of the American Institute of Professional Geologists and the Society of Economic Geologists. He received a Bachelor of Science degree in geology from the New Mexico Institute of Mining & Technology in 1983. Mr. Brown resides in Chihuahua, Mexico.
Wayne Schoonmaker, Treasurer and Secretary	1997	68	Mr. Schoonmaker was appointed Secretary & Treasurer of the Company in August 1997 and has held that position since that time. He is also currently Secretary & Treasurer of Hanover Gold Company, Inc. of Spokane, Washington and Secretary & Treasurer and Director of Independence Lead Mines Company of Wallace, Idaho. During the period of 1979 through 1993, Mr. Schoonmaker was employed at Asarco Incorporated as Chief Accountant of the Troy Mine and as Financial Manager of Asarco's Northwest Mining Department. From July 1978 to December 1978, Mr. Schoonmaker was Assistant Treasurer of the Bunker Hill Mining Company, and from 1964 to 1978, he was Assistant Secretary of Hecla Mining Company. Mr. Schoonmaker received a Bachelor of Science degree in Accounting from the University of Montana in 1962 and an MBA from the University of Idaho in 1987. Mr. Schoonmaker is a Certified Public Accountant in the states of Idaho and Montana.

<u>Name of Director or Officer and Position in the Company</u>	<u>Officer or Director Since</u>	<u>Age</u>	<u>Office(s) Held and Other Business Experience</u>
Robert Kramer, Director ^{(1), (2), (3)}	Nominated 2006	60	Robert Kramer, C.A., C.P.A. is nominated to the Board of Directors as part of this proxy statement. Mr. Kramer is the co-founder and Chief Executive Officer of Current Technology Corporation (OTCBB:CRTCF). The company was formed in 1987 to research, develop and commercialize electrotherapeutic products for the treatment of hair loss. An entrepreneur by nature, with a particular interest in the financial sector, he has been a founder/principal of a number of private companies offering commercial mortgages, venture capital and tax driven investments. Prior to co-founding Current Technology, he was a joint venture partner in an enterprise that raised funding for approximately 20 public mining companies conducting exploration activities in Western Canada. A graduate of the University of California, Berkeley with a degree in economics, Mr. Kramer has been a member of the Canadian Institute of Chartered Accountants and the Institute of Chartered Accountants of British Columbia for over 30 years. In 2000, he earned his designation as a Certified Public Accountant in the State of Illinois. In 2005 he was admitted as a Fellow to The Institute of Chartered Securities and Administrators.

Except as indicated in the above table, no director of the Company is a director of an entity that has its securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

- (1) Mr. Pomeroy is the only member of the Audit Committee. Mr. Kramer will also be a member if he is elected to the Board of Directors.
- (2) Mr. Pomeroy is the only member of the Nominating Committee. Mr. Kramer will also be a member if he is elected to the Board of Directors.
- (3) Mr. Pomeroy is the only member of the Compensation Committee. Mr. Kramer will also be a member if he is elected to the Board of Directors.

Meetings of the Board and Committees

The Company's Board of Directors held _____ meetings during the Company's year ended October 31, 2005, and _____ additional meetings through the date of this Proxy Statement. Such meetings consisted of consent Directors' minutes signed by all Directors and actual meetings at which all of the Directors were present in person or by telephone. The Company does not have a formal policy with regard to board members' attendance at annual meetings, but encourages them to attend shareholder meetings. All Board members attended each meeting of the Directors during the past fiscal year.

There is no arrangement or understanding between any Director and any other person pursuant to which any person was selected as a Director.

Directors of the Company are not paid for their services as such. The directors are reimbursed for all expenses incurred by them in attending board meetings.

Committees

Audit Committee: The Company has a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. The Board of Directors has adopted a written charter for the audit committee, which is available on our website at www.metalin.com. The audit committee did not hold any meetings through the Record Date.

The Audit Committee's responsibility is to monitor and oversee management's internal controls and financial reporting process, and the Company's independent accountants. The following generally describes the functions performed by the audit committee:

- reviews and discusses audited financial statements with management and the independent accountants;
- discusses with the independent accountants the matters required to be discussed by SAS 61 (Codification of Statements on Auditing Standards, AU section 380), as modified by SAS 89 and SAS 90; and
- receives the written disclosures and the letter from the independent accountants required by Independence Standards Board Standard No. 1 (Independence Standards Board Standard No.1, *Independence Discussions with Audit Committees*), as may be modified or supplemented, and discusses with the independent accountant the accountant's independence.

Nominating Committee: Our Nominating Committee oversees the process by which individuals may be nominated to our board of directors. Our Nominating Committee's charter, which is available on our website at www.metalin.com, was adopted by the board of directors on May 1, 2006.

The functions performed by the Nominating Committee include identifying potential directors and making recommendations as to the size, functions and composition of the Board and its committees. In making nominations, our Nominating Committee is required to submit candidates who have the highest personal and professional integrity, who have demonstrated exceptional ability and judgment and who shall be most effective, in conjunction with the other nominees to the board, in collectively serving the long-term interests of the shareholders.

The Nominating Committee considers nominees proposed by our shareholders. To recommend a prospective nominee for the Nominating Committee's consideration, you may submit the candidate's name by delivering notice in writing to Metalline Mining Company, c/o Burns, Figa and Will, P.C., 6400 S. Fiddlers Green Circle, Suite 1000, Greenwood Village, CO 80111, USA.

A shareholder nomination submitted to the Nominating Committee must include at least the following information (and can include such other information the person submitting the recommendation desires to include), and must be submitted to the Company by the date mentioned in this proxy statement under the heading "Proposal From Shareholders" as such date may be amended in cases where the annual meeting has been changed as contemplated in SEC Rule 14a-8(e), Question 5: