

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

UNITED STATES ANTIMONY CORP  
Form 10QSB  
August 16, 2004

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 ended June 30, 2004

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934  
For the transition period to

Commission file number 33-00215

UNITED STATES ANTIMONY CORPORATION

(Name of small business issuer in its charter)

MONTANA  
-----  
(State or other jurisdiction  
of incorporation or organization)

81-0305822  
-----  
(I.R.S. Employer  
Identification No.)

P.O. BOX 643, THOMPSON FALLS, MONTANA  
-----  
(Address of principal executive offices)

59873  
-----  
(Zip code)

Registrant's telephone number, including area code: (406) 827-3523

Check whether the issuer (1) filed all reports required to be filed by Section  
13 or 15(d) of the Exchange Act 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      X                      No  
-----                      -----

At August 12, 2004, the registrant had outstanding 30,748,816 shares of par  
value \$0.01 common stock.

UNITED STATES ANTIMONY CORPORATION

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

QUARTERLY REPORT ON FORM 10-QSB  
FOR THE QUARTERLY PERIOD  
ENDED JUNE 30, 2004

TABLE OF CONTENTS

	Page
PART I - FINANCIAL INFORMATION	
Item 1: Financial Statements . . . . .	1
Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations . . . . .	6
Item 3: Controls and Procedures . . . . .	8
PART II - OTHER INFORMATION	
Item 1: Legal Proceedings . . . . .	9
Item 2: Changes in Securities . . . . .	9
Item 3: Defaults among Senior Securities. . . . .	9
Item 4: Submission of Matters to a Vote of Security Holders . . . . .	9
Item 5: Other Information . . . . .	9
Item 6: Exhibits and Reports on Form 8-K. . . . .	9
SIGNATURE . . . . .	10
CERTIFICATIONS. . . . .	11

[The balance of this page has been intentionally left blank.]

PART I-FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS  
UNITED STATES ANTIMONY CORPORATION AND SUBSIDIARY  
CONSOLIDATED BALANCE SHEETS

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

	(UNAUDITED) JUNE 30, 2004	DECEMBER 2003
ASSETS		
Current assets:		
Accounts receivable, less allowance for doubtful accounts of \$30,000 . . . . .	\$ 42,551	\$ 51,081
Inventories . . . . .	140,136	153,053
	-----	-----
Total current assets . . . . .	182,687	204,134
Investment in USAMSA, net . . . . .	11,113	11,913
Properties, plants and equipment, net . . . . .	633,400	554,311
Restricted cash for bank note payable . . . . .	0	105,649
Restricted cash for reclamation bonds . . . . .	99,043	99,043
Deferred financing costs . . . . .	26,251	30,000
	-----	-----
Total assets . . . . .	\$ 952,494	\$ 1,005,050
	=====	=====
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Checks issued and payable . . . . .	\$ 103,625	\$ 87,927
Accounts payable . . . . .	559,824	909,696
Accrued payroll and property taxes . . . . .	158,583	197,761
Accrued payroll and other . . . . .	90,324	88,085
Judgment payable . . . . .	54,830	53,130
Accrued interest payable . . . . .	19,606	16,645
Payable to related parties . . . . .	241,854	232,111
Notes payable to bank, current . . . . .	139,736	144,391
Accrued reclamation costs, current . . . . .	151,000	151,000
	-----	-----
Total current liabilities . . . . .	1,519,382	1,880,746
Secured convertible and convertible notes payable . . . . .	350,000	350,000
Notes payable to bank, noncurrent . . . . .	393,827	409,141
Accrued reclamations costs, noncurrent . . . . .	57,500	57,500
	-----	-----
Total liabilities . . . . .	2,320,709	2,697,387
	-----	-----
Commitments and contingencies (Note 3)		
Stockholders' deficit:		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized:		
Series A: 4,500 shares issued and outstanding (liquidation preference \$123,750 at December 31, 2003) . . . . .	45	45
Series B: 750,000 shares issued and outstanding (liquidation preference \$825,000 at December 31, 2003) . . . . .	7,500	7,500
Series C: 177,904 shares issued and outstanding (liquidation preference \$97,847 at December 31, 2003) . . . . .	1,779	1,779
Series D: 1,836,672 shares issued and outstanding (liquidation preference \$4,659,180 at December 31, 2003) . . . . .	18,636	18,636
Common stock, \$0.01 par value, 50,000,000 shares authorized; 30,748,816 and 28,114,288 issued and outstanding . . . . .	307,489	281,143
Additional paid-in capital . . . . .	17,908,984	17,387,970
Accumulated deficit . . . . .	(19,612,648)	(19,389,410)

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

Total stockholders' deficit . . . . .	(1,368,215)	(1,692,337)
Total liabilities and stockholders' deficit . . . . .	\$ 952,494	\$ 1,005,050

The accompanying notes are an integral part of the financial statements.

1

UNITED STATES ANTIMONY CORPORATION AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	FOR THE THREE MONTHS ENDED JUNE 30, 2004	FOR THE THREE MONTHS ENDED JUNE 30, 2003	FOR THE SIX MONTHS ENDED JUNE 30, 2004	FOR THE SIX MONTHS ENDED JUNE 30, 2003
<b>Revenues:</b>				
Sales of antimony products and other . . . . .	\$ 510,324	\$ 542,359	\$ 1,092,739	\$ 1,500,000
Sales of zeolite products . . . . .	342,013	143,058	537,099	2,000,000
	852,337	685,417	1,629,838	1,800,000
<b>Cost of sales:</b>				
Cost of antimony production . . . . .	442,614	470,254	849,235	1,200,000
Cost of zeolite production . . . . .	192,320	129,269	346,920	2,000,000
Antimony depreciation . . . . .	10,300	9,476	20,600	
Zeolite depreciation . . . . .	13,800	13,686	27,600	
Antimony freight and delivery . . . . .	35,526	62,635	79,683	1,000,000
Zeolite freight and delivery . . . . .	115,843	18,058	130,514	
	810,403	703,378	1,454,552	1,700,000
Gross profit (loss) . . . . .	41,934	(17,961)	175,286	1,000,000
<b>Other operating expenses:</b>				
Bear River Zeolite general and administrative . . . . .	18,789	69,860	89,950	1,000,000
Antimony general and administrative . . . . .	62,004	98,995	152,544	2,000,000
Bear River Zeolite sales expenses . . . . .	15,428	14,829	34,592	
Antimony sales expenses . . . . .	11,805	9,398	25,873	
	108,026	193,082	302,959	4,000,000
<b>Other (income) expense:</b>				
Interest expense . . . . .	30,473	16,651	57,785	
Factoring expense . . . . .	20,964	27,659	40,243	
Interest income and other . . . . .	(1,977)	(5,044)	(2,463)	
	49,460	39,266	95,565	
Net loss . . . . .	\$ (115,552)	\$ (250,309)	\$ (223,238)	\$ (4,000,000)

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

Basic net loss per share of common stock . . . .	\$ Nil	\$ Nil	\$ Nil	\$
Basic weighted average shares outstanding. . . .	30,435,217	27,027,959	29,512,745	27,0

The accompanying notes are an integral part of the financial statements.

2

UNITED STATES ANTIMONY CORPORATION AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	FOR THE SIX MONTHS ENDED	
	JUNE 30, 2004	JUNE 30, 2003
Cash flows from operating activities:		
Net loss . . . . .	\$ (223,238)	\$ (424,019)
Adjustments to reconcile net loss to net cash used by operations:		
Depreciation and amortization . . . . .	52,750	50,324
Series D stock issued to directors. . . . .	0	7,800
Series D stock issued for legal services. . . . .	0	20,100
Change in:		
Restricted cash . . . . .	105,649	(11,484)
Accounts receivable . . . . .	8,530	76,712
Inventories . . . . .	12,917	36,204
Accounts payable. . . . .	(199,727)	67,029
Accrued payroll and property taxes. . . . .	(39,178)	(68,492)
Accrued payroll and other . . . . .	2,239	6,106
Judgment payable. . . . .	1,700	1,700
Accrued interest payable. . . . .	2,961	(4,023)
Payable to related parties. . . . .	9,743	(44,310)
Accrued reclamation costs . . . . .	0	(13,255)
Net cash used by operating activities . . . . .	(265,654)	(299,608)
Cash flows from investing activities:		
Purchase of properties, plants and equipment. . . . .	(127,289)	(32,573)
Net cash used in investing activities . . . . .	(127,289)	(32,573)
Cash flows from financing activities:		
Proceeds from stock subscriptions payable . . . . .	0	275,000
Proceeds from issuance of common stock and warrants . . . . .	10,000	0
Proceeds from exercise of warrants. . . . .	387,214	0
Payments on notes payable to bank, net. . . . .	(142,090)	(62,170)
Proceeds from notes payable to bank . . . . .	122,121	49,368
Change in checks issued and payable . . . . .	15,698	69,983

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

Net cash provided by financing activities . . . . .	392,943	332,181
Net change in cash. . . . .	0	0
Cash, beginning of period . . . . .	0	0
Cash, end of period . . . . .	\$ 0	\$ 0
Supplemental disclosures:		
Non cash financing activities:		
Common stock issued in satisfaction of accounts payable . . . .	\$ 150,145	

The accompanying notes are an integral part of the financial statements.

3

PART I - FINANCIAL INFORMATION, CONTINUED:

UNITED STATES ANTIMONY CORPORATION AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BASIS OF PRESENTATION:

The unaudited consolidated financial statements have been prepared by the Company in accordance with accounting principles generally accepted in the United States of America for interim financial information, as well as the instructions to Form 10-QSB. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of the Company's management, all adjustments (consisting of only normal recurring accruals) considered necessary for a fair presentation of the interim financial statements have been included. Operating results for the three-month period ended June 30, 2004 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2004. Certain consolidated financial statement amounts for the three and six-month periods ended June 30, 2003 have been reclassified to conform to the 2004 presentation. These reclassifications had no effect on the net loss or accumulated deficit as previously reported.

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, 2003.

2. LOSS PER COMMON SHARE:

The Company accounts for its income (loss) per common share according to the Statement of Financial Accounting Standards No. 128 "Earnings Per Share" ("SFAS No. 128"). Under the provisions of SFAS No. 128, primary and fully diluted earnings per share are replaced with basic and diluted earnings per share. Basic earnings per share is arrived at by dividing net income (loss) available to common stockholders by the weighted average number of common shares

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

outstanding, and does not include the impact of any potentially dilutive common stock equivalents. Common stock equivalents, including warrants to purchase the Company's common stock and common stock issuable upon the conversion of debentures are excluded from the calculations when their effect is antidilutive.

3. COMMITMENTS AND CONTINGENCIES:

Until 1989, the Company mined, milled and leached gold and silver in the Yankee Fork Mining District in Custer County, Idaho. In 1994, the U.S. Forest Service, under the provisions of the Comprehensive Environmental Response Liability Act of 1980 ("CERCLA"), designated the cyanide leach plant as a contaminated site. In 1996, the Idaho Department of Environmental Quality requested that the Company sign a consent decree related to completing the reclamation and remediation at the Preachers Cove mill. The Company has been diligently reclaiming the property and anticipates it will have the reclamation complete in the near term.

The Company's management believes that USAC is currently in substantial compliance with environmental regulatory requirements and that its accrued environmental reclamation costs are representative of management's estimate of costs required to fulfill its reclamation obligations. Such costs are accrued at the time the expenditure becomes probable and the costs can reasonably be estimated. The Company recognizes, however, that in some cases future environmental expenditures cannot be reliably determined due to the uncertainty of specific remediation methods, conflicts between regulating agencies relating to remediation methods and environmental law interpretations, and changes in environmental laws and regulations.

4

UNITED STATES ANTIMONY CORPORATION AND SUBSIDIARY  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED), CONTINUED:

3. COMMITMENTS AND CONTINGENCIES, CONTINUED:

Any changes to the Company's reclamation plans as a result of these factors could have an adverse affect on the Company's operations. The range of possible losses in excess of the amounts accrued cannot be reasonably estimated at this time.

4. BUSINESS SEGMENTS

The Company has two operating segments, antimony and zeolite. Management reviews and evaluates the operating segments exclusive of interest and factoring expenses. Therefore, interest expense is not allocated to the segments. Selected information with respect to segments for the quarters ended June 30, 2004 and 2003 are as follows:

	2004	2003
Revenues:		
Antimony . . . . .	\$510,324	\$542,359
Zeolite . . . . .	342,013	143,058
	-----	-----
	\$852,337	\$685,417
	=====	=====

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

Cost of sales:

Production and freight and delivery:

Antimony . . . . .	\$478,140	\$532,889
Zeolite . . . . .	308,163	147,327

Depreciation:

Antimony . . . . .	10,300	9,476
Zeolite . . . . .	13,800	13,686

	-----	-----
	\$810,403	\$703,378
	=====	=====

Gross profit (loss) . . . . .	\$ 41,934	\$(17,961)
	=====	=====

Other operating expenses:

Sales expense:

Antimony . . . . .	\$ 11,805	\$ 9,398
Zeolite . . . . .	15,428	14,829

General and administrative expense:

Antimony . . . . .	62,004	98,995
Zeolite . . . . .	18,789	69,860

	-----	-----
	\$108,026	\$193,082
	=====	=====

Capital expenditures:

Antimony . . . . .	\$ 19,700	\$ 0
Zeolite . . . . .	58,218	23,099

	-----	-----
	\$ 77,218	\$ 23,099
	=====	=====

Properties, plant and equipment, net:

Antimony . . . . .	\$128,208	\$128,934
Zeolite . . . . .	505,192	386,731

	-----	-----
	\$633,400	\$515,665
	=====	=====

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

General

This report contains both historical and prospective statements concerning the Company and its operations. Prospective statements (known as "forward-looking statements") may or may not prove true with the passage of time because of future risks and uncertainties. The Company cannot predict what factors might cause actual results to differ materially from those indicated by prospective statements.

Results of Operations

For the three-month period ended June 30, 2004 compared to the three-month period ended June 30, 2003



## Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

The Company's operations resulted in a net loss of \$115,552 for the three-month period ended June 30, 2004, compared with a net loss of \$250,309 for the three-month period ended June 30, 2003. The decrease in net loss during the second quarter of 2004 compared to the net loss during the similar quarter of 2003 is primarily due to an increase in zeolite sales and a decrease in general and administrative costs in the Bear River Zeolite Division. The Company expects that in the fourth quarter of 2004 the worker's compensation insurance expense for the Company will decrease dramatically.

Total revenues from antimony product sales for the second quarter of 2004 were \$510,324 compared with \$542,359 during the comparable quarter of 2003, a decrease of \$32,035. During the three-month period ended June 30, 2004, 69% of the Company's revenues from antimony product sales were from sales to one customer (Kohler Co.) and 10.49% were from sales to a second individual customer. Sales of antimony products during the second quarter of 2004 consisted of 326,465 pounds at an average sale price of \$1.56 per pound. During the second quarter of 2003 sales of antimony products consisted of 435,396 pounds at an average sale price of \$1.25 per pound. The increase in sale prices of antimony products from the second quarter of 2003 to the second quarter of 2004 is the result of a corresponding increase in antimony metal prices. The decrease in pounds of antimony sold is attributed to difficulties in procuring low priced raw material inventory and competition from Chinese suppliers.

Sales of zeolite products during the second quarter of 2004 were \$342,013 compared to sales of \$143,058 during the second quarter of 2003. Gross profit from antimony and zeolite sales during the second three-month period of 2004 was \$41,934 compared with gross loss of \$17,961 during the second three-month period of 2003.

During the second quarter of 2004, the Company incurred expenses totaling \$34,217 associated with sales development and general and administrative expenses of its wholly owned subsidiary, Bear River Zeolite, compared to \$84,689 of expenses in the comparable quarter of 2003. The decrease in BRZ expenses was principally due to a decrease in general and administrative expenses in the second quarter 2004.

Antimony general and administrative expenses were \$62,004 during the second quarter of 2004, compared to \$98,995 during the second quarter of 2003. The decrease in general and administrative expenses during the second quarter of 2004 compared to the same quarter of 2003 was due to decreased repair, maintenance and legal expenses.

Antimony sales expenses were \$11,805 during the second quarter of 2004 compared with \$9,398 in the second quarter of 2003.

6

### ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION, CONTINUED:

Interest expenses were \$30,473 during the second quarter of 2004, compared to interest expense of \$16,651 incurred during the second quarter of 2003; the increase in interest expense was due to the additional interest accrued on convertible notes.

Accounts receivable factoring expense was \$20,964 during the second quarter of 2004 compared to \$27,659 of factoring expense incurred during the second quarter of 2003. The decrease was primarily due to a decrease in finance charges.

Interest and other income increased from \$1,977 during the second quarter of

## Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

2004 to \$5,044 during the second quarter of 2003. The decrease was due to a corresponding decrease in related cash bonds.

For the six-month period ended June 30, 2004 compared to the six-month period ended June 30, 2003

The Company's operations resulted in a net loss of \$223,238 for the six-month period ended June 30, 2004, compared with a net loss of \$424,019 for the six-month period ended June 30, 2003. The decrease in net loss from the first six months of 2004 compared to the first six months of 2003 is primarily due a decrease in general administrative and factoring expenses in 2004.

Total revenues from antimony product sales for the first six months of 2004 were \$1,092,739 compared with \$1,561,855 for the comparable period of 2003, a decrease of \$469,116. During the six-month period ended June 30, 2004, 65.4% of the Company's revenues from antimony products sales were from sales to one customer (Kohler Co.) and 10.2% were from sales to a second individual customer. Sales of antimony products during the first six months of 2004 consisted of 727,961 pounds at an average sale price of \$1.50 per pound. During the first six months of 2003 sales of antimony products consisted of 1,187,077 pounds at an average sale price of \$1.32 per pound. The decrease in pounds of antimony sold is attributed to difficulties in procuring low priced raw material inventory and competition from Chinese suppliers. The increase in sale prices of antimony products from the first six months of 2004 to the first six months of 2003 is the result of a corresponding increase in antimony metal prices.

Sales of zeolite products during the first six months of 2004 were \$537,099 compared to sales of \$263,758 during the comparable period of 2003. Gross profit from antimony and zeolite sales during the first six-month period of 2004 was \$175,286 compared with gross profit of \$101,867 during the same six-month period of 2003.

During the first six months of 2004, the Company incurred expenses totaling \$124,542 associated with sales development and general and administrative expenses of its wholly owned subsidiary, Bear River Zeolite, compared to \$172,439 of expenses during the comparable period of 2003. The decrease in BRZ expenses was principally due to a decrease in general and administrative expenses.

Antimony general and administrative expenses were \$152,544 during the first six months of 2004, compared to \$229,879 during the first six months of 2003. The decrease in general and administrative expenses during the first six months of 2004 compared to the same period of 2003 was due to a decreased repair, maintenance and legal expenses.

Antimony sales expenses were \$25,873 during the first six months of 2004 compared with \$34,966 in the first six months of 2003, the decrease was principally due to the allocation of a portion of the Company's sales costs to BRZ.

Interest expense was \$57,785 during the first six months of 2004, compared to interest expense of \$33,027 incurred during the first six months of 2003. The increase was due to increased convertible debt in 2004 compared to 2003.

7

### ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION, CONTINUED:

Accounts receivable factoring expense was \$40,243 during the first six months of 2004 compared to \$61,224 of factoring expense incurred during the first six

## Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

months of 2003. The decrease was primarily due to decreased finance charges.

Interest and other income decreased from \$5,649 during the first six months of 2003 to \$2,463 during the first six months of 2004. The decrease was due to a corresponding decrease in cash bonds.

### Financial Condition and Liquidity

At June 30, 2004, Company assets totaled \$952,494, and there was a stockholders' deficit of \$1,368,215. The stockholders' deficit decreased \$324,122 from December 31, 2003. The decrease is principally due to a decrease in accounts payable relating to the issuance of common stock in satisfaction of certain accrued legal fees and other payables during the six-month period ended June 30, 2004. At June 30, 2004, the Company's total current liabilities exceeded its total current assets by \$1,336,695. Included in the Company's current liabilities are significant delinquent balances due raw materials suppliers, attorneys, and payroll taxing agencies. The Company has, to date, been able to sustain its operations through borrowings from major shareholders and sales of common stock. Due to the Company's operating losses, negative working capital, and stockholders' deficit, the Company's independent accountants included a paragraph in the Company's 2003 financial statements relating to a going concern uncertainty. To continue as a going concern the Company must generate profits from its antimony and zeolite sales and acquire additional capital resources from alternative financing resources. Without financing and profitable operations, the Company may not be able to meet its obligations, fund operations and continue in existence. While management is optimistic that the Company will be able to sustain its operations and meet its financial obligations, there can be no assurance of such.

Cash used by operating activities during the first six months of 2004 was \$265,654, and resulted primarily from the six-month net loss of \$223,238.

Cash used in investing activities during the first six months of 2004 was \$127,289 and was almost entirely related to the construction of capital assets at the Bear River Zeolite facility.

Cash provided by financing activities was \$392,943 during the first six months of 2004, and was principally generated by proceeds from exercise of 1,936,070 warrants for \$387,214 and proceeds from notes payable to banks of \$122,121.

### ITEM 3. CONTROLS AND PROCEDURES

An evaluation was performed under the supervision and with the participation of our management, including the President, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, our management, including the President, concluded that disclosure controls and procedures were effective as of June 30, 2004, in ensuring that all material information required to be filed in this quarterly report has been made known to them in a timely fashion.

There has been no change in our internal control over financial reporting during the quarter ended June 30, 2004 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 2. CHANGES IN SECURITIES

Neither the constituent instruments defining the rights of the registrant's securities filers nor the rights evidenced by the registrant's outstanding common stock have been modified, limited or qualified. During the three-month period ended June 30, 2004, the Company issued 800,000 shares of its restricted common stock in connection with the exercise of \$0.20 stock purchase warrants. During the six-month period ended June 30, 2004 the Company issued a total of 1,136,071 shares of its restricted common stock in connection with the exercise of \$0.20 stock purchase warrants. In addition, during the six-month period ended June 30, 2004, the Company issued 631,790 shares of its common stock in connection with the extinguishment of certain accounts payable totaling \$150,145; and sold 66,667 shares of its common stock for \$10,000 cash.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

The registrant has no outstanding senior securities.

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

Exhibits: None

Reports on Form 8-K: None

9

SIGNATURE

Pursuant to the requirements of Section 13 or 15(b) 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.

UNITED STATES ANTIMONY CORPORATION  
(Registrant)

By: /s/ John C. Lawrence      Date: August 16, 2004  
-----  
John C. Lawrence, Director and President

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

(Principal Executive, Financial and Accounting Officer)

10

CERTIFICATION

I, John C. Lawrence, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of United States Antimony Corporation

2. Based on my knowledge, this quarterly 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report.

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c. Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions);

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: August 16, 2004  
-----

/s/ John C. Lawrence  
-----

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

John C. Lawrence  
President, Director and Principal Financial Officer

11

CERTIFICATION PURSUANT TO THE SARBANES-OXLEY ACT  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002

I, John C. Lawrence, President, Director and Principal Financial Officer of United States Antimony Corporation ("the "Registrant") do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. This Quarterly Report on Form 10-QSB of the Registrant for the period ended June 30, 2004, as filed with the Securities and Exchange Commission (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 Registrant.  
Date:

/s/ John C. Lawrence

-----  
John C. Lawrence  
President, Director and Principal Financial Officer

12