NEW JERSEY MINING CO
Form 10-Q
November 12, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **September 30, 2010**

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______ to ______

Commission file number: **000-28837**

NEW JERSEY MINING COMPANY

(Exact name of registrant as specified in its charter)

Idaho	**82-0490295**
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification No.)

89 Appleberg Road, Kellogg, Idaho 83837
(Address of principal executive offices) (zip code)

(208) 783-3331
Registrant s telephone number, including area code

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 as the registrant was required to file such reports), and (2) has been subject to filing requirements for the past 90 days.
Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes [ ] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and small reporting company in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer [ ]	Accelerated Filer [ ]
Non-Accelerated Filer [ ]	Smaller reporting company [X]

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

On November 2, 2010, 42,937,862 shares of the registrant s common stock were outstanding.

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NEW JERSEY MINING COMPANY
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTERLY PERIOD
ENDED SEPTEMBER 30, 2010

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PART I-FINANCIAL INFORMATION

Item 1: FINANCIAL STATEMENTS

New Jersey Mining Company
(A Development Stage Company)
Balance Sheets
September 30, 2010 and December 31, 2009

		September 30, 2010 (Unaudited)		December 31, 2009
ASSETS				
Current assets:				
Cash and cash equivalents	$	21,839	$	34,087
Investment in marketable equity security at market (cost-$3,868)		9,672		21,665
Interest receivable		183		309
Miscellaneous receivable				919
Contract drilling receivable		71,795		
Engineering services receivable		1,665		
Prepaid claim fees		18,480		18,573
Inventory		14,451		1,833
Total current assets		138,085		77,386
Property, plant, and equipment, net of accumulated depreciation		1,336,524		1,353,369
Mineral properties, net of accumulated amortization		1,403,579		1,407,959
Reclamation bonds		121,133		121,088
Total assets	$	2,999,321	$	2,959,802
LIABILITIES AND STOCKHOLDERS EQUITY				
Current liabilities:				
Accounts payable	$	49,888	$	62,858
Note and interest payable, related party		82,717		72,107
Accrued payroll and related payroll expenses		21,661		7,160
Deposit received on sale of mineral property				50,000
Obligations under capital lease, current		13,512		9,894
Notes payable, current		70,462		134,689
Total current liabilities		238,240		336,708
Asset retirement obligation		28,517		25,913
Obligations under capital lease, non-current		4,335		10,398
Notes payable, non-current		67,604		56,650
Total non-current liabilities		100,456		92,961
Total liabilities		338,696		429,669
Stockholders equity:				

Preferred stock, no par value, 1,000,000 shares authorized; no shares issued and outstanding				
Common stock, no par value, 50,000,000 shares authorized; September 30, 2010-42,936,612 and December 31, 2009-38,685,232 shares issued and outstanding		9,948,367		9,285,383
Deficit accumulated during the development stage		(7,293,545)		(6,773,046)
Accumulated other comprehensive income				
Unrealized gain in marketable equity security		5,803		17,796
Total stockholders equity		2,660,625		2,530,133
Total liabilities and stockholders equity	$	2,999,321	$	2,959,802

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

New Jersey Mining Company
(A Development Stage Company)
Statements of Operations and Comprehensive Loss (Unaudited)
For the Three and Nine Month Periods Ended September 30, 2010 and 2009,
And from Inception (July 18, 1996) through September 30, 2010

	September 30, 2010		September 30, 2009		From Inception (July 18, 1996) Through Sept. 30, 2010
	Three Months	Nine Months	Three Months	Nine Months	
Income earned during the development stage:					
Sales of gold	$ 5,343	$ 11,410	$ 98,512	$ 262,171	$ 437,122
Sales of concentrate					601,168
Drilling and exploration contract income	120,255	132,340	94,659	161,131	330,951
Engineering services income	10,415	10,415			10,415
	136,013	154,165	193,171	423,302	1,379,656
Costs and expenses:					
Direct production costs	8,571	49,491	108,174	280,445	1,316,693
Drilling and exploration contract expense	56,287	76,896	48,224	76,386	165,582
Engineering servicing expense	375	375			375
Management	59,205	186,231	94,597	281,668	1,882,262
Exploration	37,575	151,203	17,956	67,500	2,401,211
Gain on sale of mineral property					(90,000)
Gain on default of mineral property sale		(50,000)			(320,000)
Net gain on sale of equipment	(30,500)	(30,098)			(30,098)
Depreciation and amortization	13,050	46,493	22,932	108,536	716,585
General and administrative expenses	65,687	240,297	55,851	191,668	2,631,855
Total operating expenses	210,250	670,888	347,734	1,006,203	8,674,465
Other (income) expense:					
Timber sales					(54,699)
Timber expense					14,554
Royalties and other income	(1,284)	(3,095)	(234)	(237)	(75,171)
Royalties expense			6,219	9,816	44,089
				(1,912)	(92,269)

Gain on sale of marketable equity security					
Interest income	(112)	(723)	(111)	(548)	(47,816)
Interest expense	3,366	7,593	4,915	15,930	89,098
Write-off of goodwill					30,950
Write-off of investment					90,000
Total other (income) expense	1,970	3,775	10,789	23,049	(1,264)
Net loss	76,207	520,498	165,352	605,950	7,293,545
Other comprehensive (income) loss:					
Unrealized (gain) loss on marketable equity security		11,993	(3,324)	(7,614)	(5,803)
Comprehensive loss	$ 76,207	$ 532,491	$ 162,028	$ 598,336	$ 7,287,742
Net loss per common share basic	$ Nil	$ 0.01	$ Nil	$ 0.02	$ 0.34
Weighted average common shares outstanding basic	42,703,101	42,020,248	37,903,858	37,535,281	21,364,990

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

New Jersey Mining Company
(A Development Stage Company)
Statements of Cash Flows (Unaudited)
For the Nine Month Periods Ended September 30, 2010 and 2009,
And from Inception (July 18, 1996) through September 30, 2010

	September 30, 2010	September 30, 2009	From Inception (July 18, 1996) through September 30, 2010
Cash flows from operating activities:			
Net loss	$ (520,498)	$ (605,950)	$ (7,293,545)
Adjustments to reconcile net loss to net cash			
Used by operating activities:			
Depreciation and amortization	46,493	108,536	716,586
Net gain on sale of equipment	(30,098)		(18,826)
Write-off of goodwill and investment			120,950
Gain on sale of mineral properties	(50,000)		(410,000)
Gain on sale of marketable equity securities		(1,912)	(92,269)
Accretion of asset retirement obligation	2,604		4,047
Common stock issued for:			
Management and directors fees	31,240	221,498	1,140,575
Services and other	17,113	16,323	239,521
Exploration		11,250	95,521
Mineral property agreement			15,000
Change in:			
Prepaid expense		572	
Prepaid claim fees	93	(25,538)	(18,480)
Inventory	(12,618)	63,583	(14,451)
Miscellaneous receivable	919	5,516	
Interest receivable	125	118	(184)
Contract drilling receivable	(71,795)	(48,073)	(71,795)
Engineering services receivable	(1,665)		(1,665)
Other assets			(778)
Accounts payable	(12,446)	10,274	59,650
Accrued payroll and related payroll expenses	14,501	(30,118)	21,661
Accrued reclamation costs			(1,443)
Net cash used by operating activities	(586,032)	(273,921)	(5,509,925)
Cash flows from investing activities:			
Purchases of property, plant, and equipment	(21,043)	(4,392)	(1,105,291)
Purchase of mineral property			(20,904)
Proceeds from sale of mineral property			120,000
Deposit received on sale of mineral property			320,000
Proceeds on sale of equipment	31,498		31,498
Purchases of or increase in reclamation bonds	(45)	2,432	(121,133)
Purchase of marketable equity security			(7,500)
Proceeds from sales of marketable equity securities		2,112	95,901
Cash of acquired companies			38,269
Deferral of development costs			(759,209)
	10,410	152	(1,408,369)

Net cash provided (used) by investing activities						
Cash flows from financing activities:						
Exercise of stock purchase warrants		33,936				2,571,536
Sales of common stock, net of issuance costs		580,170		30,000		4,841,246
Principal payments on capital lease		(8,069)		(24,212)		(191,566)
Principal payments on notes payable		(53,273)		(86,345)		(363,800)
Note and interest payable, related party net		10,610		70,048		82,717
Net cash provided (used) by financing activities		563,374		(10,509)		6,940,133
Net change in cash and cash equivalents		(12,248)		(284,278)		21,839
Cash and cash equivalents, beginning of period		34,087		321,254		0
Cash and cash equivalents, end of period	**$**	**21,839**	**$**	**36,976**	**$**	**21,839**
Supplemental disclosure of cash flow information:						
Interest paid in cash, net of amount capitalized	$	7,593	$	14,482	$	77,077
Non-cash investing and financing activities:						
Common stock issued for:						
Property, plant, and equipment					$	50,365
Mineral properties					$	333,300
Payment of accounts payable	$	525			$	12,730
Acquisitions of companies, excluding cash					$	743,653
Capital lease obligation incurred for equipment acquired	$	5,625			$	184,213
Notes payable for property and equipment acquired					$	482,634

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

New Jersey Mining Company
Notes to Financial Statements
(Unaudited)

1. Basis of Presentation:

These unaudited interim financial statements have been prepared by the management of New Jersey Mining Company (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-Q. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of the Company s management, all adjustments (consisting of only normal recurring accruals) considered necessary for a fair presentation of the interim financial statements have been included.

The preparation of financial statements in accordance with accounting principles generally accepted 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, which could have a material effect on the reported amounts of the Company's financial position and results of operations. Operating results for the three and nine month periods ended September 30, 2010, are not necessarily indicative of the results that may be expected for the full year ending December 31, 2010.

For further information refer to the financial statements and footnotes thereto in the Company s Annual Report on Form 10-K for the year ended December 31, 2009.

The Company presents its financial statements in accordance with accounting guidance for development stage entities, as management believes that while the Company s planned principal operations have commenced, the revenue generated from them is not sufficient to cover all corporate costs. Additional development of the Company s properties is necessary before a transition is made to reporting as a production stage company.

2. Related Party Transactions

Stock payments are made to President Fred Brackebusch and Vice President Grant Brackebusch quarterly based on an hourly rate for management services above a predetermined amount and also in some cases in lieu of base salary. These payments have been deferred for the first and second quarters of 2010. As of September 30, 2010, these deferred payments were $48,549 for the first quarter and $31,250 for the second quarter. An unsecured line of credit with 0% interest was extended to the Company by Fred Brackebusch and Grant Brackebusch for the amount of stock due for management services in those quarters. In addition $2,918. in office rent for the second and third quarters of 2010 is payable to Mine Systems Design, a related party.

3. Equity

__**Warrants**__

In the second quarter of 2010, 206,500 warrants were exercised; each warrant was exchanged for one unregistered share of the Company s stock, at $0.16 per share resulting in proceeds of $33,936. No warrants were exercised in the first or third quarters of 2010.

__**Common Stock Issued for Cash, Goods, and Services**__

The Company issued 142,000 shares of unregistered common stock to President Fred Brackebusch for management services rendered in the three month period ending September 30, 2010. The shares were valued at $0.22 per share or $31,240.

During the three and nine month periods ended September 30, 2010, the Company issued 72,250 and 79,750 shares, respectively, of unregistered common stock to individuals for goods and services at fair value prices ranging from $0.17 to $0.25 per share for a total of $15,438 and $17,113 respectively.

During the three month period ending September 30, 2010, the Company issued 2,600 shares of unregistered common stock to individuals in exchange for accounts payable at a fair value price of $0.20 per share or $525.

During the three and nine month periods ended September 30, 2010, the Company issued 300,000 and 3,820,530 units, each unit consisting of one share of unregistered common stock and one stock purchase warrant, at an average price of $0.15 per unit. These units consisted of both brokered and non brokered units.

4. Fair Value Measurement

The table below sets forth our financial assets that were accounted for at fair value on at September 30, 2010 and December 31, 2009, and their respective hierarchy level. Hierarchy level is determined by segregating fair value measurements using quoted prices in active markets for identical assets or liabilities (Level 1), significant other observable inputs (Level 2), and significant unobservable inputs (Level 3).We had no other financial assets or liabilities accounted for at fair value at September 30, 2010 and December 31, 2009.

	Balance at September 30, 2010	Balance at December 31, 2009	Hierarchy Level
Investments in marketable equity securities	$ 9,672	$21,665	Level 1

5. Mining Venture Agreements

Newmont Venture Agreement

The Company entered into a venture agreement with Newmont North America Exploration Limited ("Newmont") in March 2008, relating to exploration of the Company's Toboggan Project. Newmont is conducting exploration in a 38 square mile area centered on the prospects that the Company has staked. To earn a participating interest in the Venture, Newmont is required to contribute $2,000,000 in exploration expenditures as follows: $300,000 on or before March 2009, an additional $700,000 by March 2010, and an additional $1,000,000 by March 2011. Newmont has completed two field seasons of exploration work and is currently conducting the third season in 2010. Newmont has made satisfactory progress toward completing their required expenditures under the agreement. NJMC has been providing drilling services on a per footage fee basis to Newmont for this project.

6. Subsequent Events

Subsequent to the end of the third quarter of 2010, a Letter of Intent (LOI) was signed with United Mine Services, Inc. (UMS) to form a joint venture for the Company s mill. UMS would fund the capital necessary to expand the mill to process 15 tonnes/hr and would own 1/3 of the joint venture. The Company would operate the mill and process ores from its own properties as well as from the Crescent mine, operated by UMS. A Definitive Agreement would be signed before the end of 2010. In the LOI, UMS agrees to pay the Company for engineering services related to the mill expansion prior to signing the Definitive Agreement.

Item 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

When we use the terms "New Jersey Mining Company," the "Company," "we," "us," or "our," we are referring to New Jersey Mining Company (the "Company") and its subsidiaries, unless the context otherwise requires.

Cautionary Statement about Forward-Looking Statements

This Quarterly Report on Form 10-Q includes certain statements that may be deemed to be "forward-looking statements." All statements, other than statements of historical facts, included in this Form 10-Q that address activities, events or developments that our management expects, believes or anticipates will or may occur in the future are forward-looking statements. Such forward-looking statements include discussion of such matters as:

- The amount and nature of future capital, development and exploration expenditures;
- The timing of exploration activities; and
- Business strategies and development of our business plan.

Forward-looking statements also typically include words such as "anticipate," "estimate," "expect," "potential," "could" or similar words suggesting future outcomes. These statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate in the circumstances. Such statements are subject to a number of assumptions, risks and uncertainties, including such factors as the volatility and level of metal prices, currency exchange rate fluctuations, uncertainties in cash flow, expected acquisition benefits, exploration mining and operating risks, competition, litigation, environmental matters, the potential impact of government regulations, and other matters related to the mining industry, many of which are beyond our control. Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those expressed or implied in the forward-looking statements.

The Company is under no duty to update any of these forward-looking statements after the date of this report. You should not place undue reliance on these forward-looking statements.

Plan of Operation

The Company is executing its strategy to conduct exploration for gold, silver and base metal deposits in the greater Coeur d Alene Mining District of northern Idaho while concurrently conducting mining and mineral processing operations on ore reserves it has located on its exploration properties. The financial strategy is to generate cash from these operations to pay for corporate expenses and to provide additional funds for exploration, thus reducing the need to raise funds through financing activities including sale of common stock. The strategy includes finding and developing ore reserves in order to increase production of gold, silver, and base metals. In addition, the sale or joint venture of mineral properties is used as a source of funds and to reduce exploration costs.

The Company has several properties at which most exploration is being conducted; the Toboggan Project, the Niagara, the Golden Chest, the Silver Strand, and the Coleman. The Toboggan Project is a group of prospects in the Murray, Idaho District that contain gold and silver telluride minerals. The Toboggan Project is being explored by Newmont North America Exploration Limited under a joint venture agreement. Newmont is conducting exploration in a 38 square mile area centered on prospects that the Company has staked previously and on new claims staked by Newmont. Newmont commenced drilling of certain targets in the second quarter of 2010 and continued through the third quarter. The Niagara copper-silver deposit, also located in the Murray, Idaho area, in the Revett formation was drilled in the 1970 s, and the Company drilled five holes since which expanded the resource. The Company is searching for joint venture opportunities in order to acquire funding to develop the reserves at the Golden Chest mine. An exploration drill hole was completed at the Golden Chest in the second quarter and a thin, high grade vein was intercepted. Production of silver-gold ore commenced at the Silver Strand mine in May 2010, but late in the second quarter crews were reassigned to exploration at the Golden Chest. At the Coleman underground mine, during the first quarter a raise on the vein was started to help determine whether reserves can be calculated on the deeper parts of the Coleman vein.

The Company commenced core drilling operations at the Toboggan Project for Newmont under a service agreement in June 2010 and continued through the end of October 2010.

Subsequent to the end of the third quarter of 2010, a Letter of Intent was signed with United Mine Services, Inc. (UMS) to form a joint venture for the Company s mill. UMS would fund the capital necessary to expand the mill to process 15 tonnes/hr and would own 1/3 of the joint venture. The Company would operate the mill and process ores from its own properties as well as from the Crescent mine, operated by UMS. A Definitive Agreement would be signed before the end of 2010.

Changes in Financial Condition

The Company maintains an adequate cash balance by increasing or decreasing its exploration expenditures as limited by availability of cash from operations or from financing activities. The cash balance at the end of the third quarter was $21,839, and Figure 1 shows the corresponding balances for previous accounting periods.

The cash balance decreased during the third quarter due to lack of financing activities and limited revenue.

Results of Operations

Income Earned during the Development Stage (Revenue) for the third quarter of 2010 was $136,013 as compared to $193,171 for the comparable period of 2009. Revenue was lower in 2010 due to lower gold sales. Figure 2 shows a net loss for the third quarter of 2010 of $76,207 compared to a loss of $165,352 for the third quarter of 2009. The net loss for the third quarter of 2010 was less than the third quarter of 2009 because of reduced operating costs.

There was no gold production in the third quarter of 2010 nor was there any in the comparable period of 2009. No gold production is expected for the remainder of 2010.

At the Golden Chest mine, production depends upon the ability to complete development of reserves. If the Idaho vein ramp development can be completed there will be more than 200,000 tonnes available. There are no plans in 2010 to commence ramp development unless a joint venture partner or other means of financing can be arranged.

Ore production started at the Silver Strand mine in the second quarter of 2010 but was suspended due to low metallurgical recovery in the concentrate leach plant. While management expects that it can solve the metallurgical problems with Silver Strand ore, no production will be possible for the remainder of the operating season.

The amount of money to be spent on exploration at the Company s mines and prospects will depend upon the amount of gross profit generated by operations and the amount of money raised by financing activities. Management expects that minimal work will be done at the Company s mines for the remainder of 2010 and that the mineral processing plant will remain idle the remainder of the year.

The Company will continue to look for a joint venture partner at the Golden Chest mine and to pursue equity financing. The Company is drilling for Newmont at the Toboggan Project on a contract basis during the 2010 summer and fall season. Newmont currently pays for all exploration activities on the Toboggan Project. We expect to receive cash flow by providing drilling services to Newmont on our joint venture (see note 5. Mining Venture Agreements Newmont Venture Agreement).

Changes in Direct Production Costs
Direct production costs decreased for the three and nine month periods ending September 30, 2010 compared to the comparable periods last year because the mining and milling properties have been shut down for the majority of the year.

Changes in Management Costs
Management expenses decreased for the three and nine month periods ending September 30, 2010 compared to the comparable periods last year because of limited activity in 2010. Management continues to receive a portion of payment in stock.

Changes in Exploration Costs
Exploration expenses increased for the nine month period ending September 30, 2010 compared to the comparable

period last year. Exploration projects were put on hold in 2009 while production occurred at the Golden Chest property. In March of 2010 exploration activities were resumed at the Coleman and Golden Chest properties.

Item 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required for small reporting companies.

Item 4: CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company s President and Chief Executive Officer who also serves as the Company s principal financial officer, has evaluated the effectiveness of the Company s disclosure controls and procedures pursuant to Rule 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934 (the Exchange Act), as of the end of the period covered by this report. Based on such evaluation, the Company s President, Chief Executive Officer, and principal financial officer has concluded that, as of the end of such period, the Company s disclosure controls and procedures are effective in recording, processing, summarizing, and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files under the Exchange Act.

Changes in internal control over financial reporting.

The President, Chief Executive Officer, and principal financial officer conducted evaluations of the Company s internal controls over financial reporting to determine whether any changes occurred during the quarter ended September 30, 2010 that have materially affected, or are reasonably likely to materially affect, the Company s internal control over financial reporting. No material changes in internal control over financial reporting occurred in the quarter ended September 30, 2010.

PART II - OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

The Company is currently a plaintiff along with Shoshone County, Idaho, and George E. Stephenson in a complaint against the USA, Secretary of the Department of Agriculture, Chief of the Forest Service, etc., for Declaratory Judgment and Quiet Title regarding a public right-of-way for the East Fork of Eagle Creek Road near Murray, Idaho. The complaint was filed on October 5, 2009 in the United States District Court, District of Idaho. The plaintiffs are bringing the action to adjudicate/declare under the Quiet Title Act, and under the Declaratory Judgment Act that the East Fork Eagle Creek Road is a public road as it crosses the lands owned by the USA in accordance with R.S. 2477.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

Neither the constituent instruments defining the rights of the Company s securities filers nor the rights evidenced by the Company s outstanding common stock have been modified, limited or qualified.

During the third quarter of 2010 the Company issued 300,000 shares of unregistered common stock, each unit of stock was accompanied by a purchase warrant. for net proceeds of $51,000 to certain accredited and sophisticated individuals in exchange for cash. In management s opinion, the sale of the restricted shares, as defined under Rule 144, was made in reliance on exemptions from registration provided by Section 4(2) and Rule 506 of Regulation D of the Securities Act of 1933, as amended and other applicable Federal and state securities laws.

During the third quarter of 2010 the Company issued 2,600 shares of unregistered common stock at $0.20 for accounts payable and 72,250 shares of unregistered common stock at an average price of $0.21 for goods and services to other accredited and sophisticated individuals. In management s opinion, the securities were issued pursuant to exemptions from registration under Section 4(2) of the Securities Act of 1933, as amended.

Item 3. DEFAULTS UPON SENIOR SECURITIES

The Company has no outstanding senior securities.

Item 4. REMOVED AND RESERVED

Item 5. OTHER INFORMATION

None

Item 6. EXHIBITS

<u>Number</u> <u>Description</u>

3.1	Articles of Incorporation. Filed as an exhibit to the registrant's registration statement on Form 10-SB (Commission File No. 000-28837) and incorporated by reference herein.
3.2	Bylaws. Filed as an exhibit to the registrant's registration statement on Form 10-SB (Commission File No. 000-28837) and incorporated by reference herein.
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley act of 2002.
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley act of 2002.
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements 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.

NEW JERSEY MINING COMPANY

By: /s/ Fred W. Brackebusch

Fred W. Brackebusch, its
President, Treasurer & Director
Date November 11, 2010

By: /s/ Grant A. Brackebusch

Grant A. Brackebusch, its
Vice President & Director
Date: November 11, 2010