UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q /A

(Mark One)

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

FOR THE QUARTERLY PERIOD ENDED **MARCH 31, 2009**

[ ] 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 **000-31184**

SHOSHONE SILVER MINING COMPANY

(Exact name of registrant as specified in its charter)

Idaho	**82-0304993**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

4903 W. Industrial Ave, Coeur d'Alene, ID 83815
(Address of principal executive offices) (Zip Code)

(208) 664-0620
(Registrant s telephone number, including area code)

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 [ ]

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 the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]		Accelerated filer	[ ]
Non-accelerated filer [ ]	(Do not check if a smaller reporting company)	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]

Indicate the number of shares outstanding of each of the issuer s classes of common stock as of the latest practicable date:

Class	**Outstanding as of May 18, 2009**
Common Stock ($0.10 par value)	34,269,885

EXPLANATORY NOTE:

Shoshone Silver Mining Company Inc. (the “Company”) is filing this Amendment on Form 10-Q/A to amend, in its entirety, its Quarterly Report on Form 10-Q for the Fiscal Quarter ended March 31, 2009 (the “Original Filing”), which was filed with the Securities and Exchange Commission (the “SEC”) on May 20, 2009, to reflect certain corrections to the original filing.

After the Company filed its Quarterly Report on Form 10-Q for the Fiscal Quarter ended March 31, 2009, the Company identified certain errors in its consolidated financial statements primarily related to the accounting for the Company’s acquisition Kimberly Gold Mines, Inc. assets. In addition, the Company discovered and corrected certain errors that were clerical in nature.

The impact of the restatement for the three-month period ended March 31, 2009, is a decrease in net loss of $222,408, or $0.01 per share, a decrease in treasury stock of $38,035, an increase to accounts payable of $72,887 and a corresponding increase to Mineral Properties of $333,330.

Except as described above, all other information is unchanged and reflects the disclosures made at the time of the original filing on May 20, 2009, and this Form 10-Q/A does not otherwise reflect events occurring after the original filing or otherwise modify or update these disclosures. Accordingly, this Form 10-Q/A should be read in conjunction with the Company’s filings with the SEC subsequent to the filing of the original Form 10-Q.

Items in this Form 10-Q/A affected by the restatement and amended by this filing are Part I items 1, 2 and 4.

SHOSHONE SILVER MINING COMPANY

FORM 10-Q /A
For the Quarter Ended March 31, 2009

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PART I FINANCIAL INFORMATION

SHOSHONE SILVER MINING COMPANY
(an Exploration Stage Company)
CONSOLIDATED BALANCE SHEETS

	March 31, 2009 (unaudited) (restated)	September 30, 2008
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 347,933	$ 1,570,066
Note receivable (net of discount) - current portion	418,595	422,277
Receivables from related parties (net of allowance)	9,267	9,624
Deposits and prepaids	15,001	4,806
Supplies inventory	2,513	2,821
Total Current Assets	793,309	2,009,594
PROPERTY, PLANT AND EQUIPMENT		
Property, plant and equipment	2,769,509	2,585,095
Accumulated depreciation	(1,301,833)	(1,244,225)
Total Property Plant and Equipment	1,467,676	1,340,870
MINERAL AND MINING PROPERTIES	2,666,369	379,690
OTHER ASSETS		
Notes receivable from related parties	3,716	203,716
Notes receivable (net of discount)	1,501,175	1,572,030
Accrued interest receivable	504	10,739
Investments	220,250	356,823
Total Other Assets	1,725,645	2,143,308
TOTAL ASSETS	$ 6,652,999	$ 5,873,462
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 130,447	$ 195,507
Accrued expenses	14,428	10,288
Notes payable - current portion	20,588	18,526
Total Current Liabilities	165,463	224,321
Note payable - noncurrent portion	6,324	8,121
Total Liabilities	171,787	232,442
COMMITMENTS AND CONTINGENCIES	-	-
STOCKHOLDERS' EQUITY		
Common stock, 80,000,000 shares authorized, $0.10 par value;		

34,268,485 and 22,063,179 shares issued and outstanding	3,426,849	2,206,318
Additional paid-in capital	4,131,450	3,522,385
Treasury stock	(316,653)	(309,853)
Accumulated earnings in exploration stage	1,072,921	1,906,423
Accumulated deficit prior to exploration stage	(1,667,482)	(1,667,482)
Accumulated other comprehensive income	(165,873)	(16,771)
Total Stockholders' Equity	6,481,212	5,641,020
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 6,652,999	$ 5,873,462

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

SHOSHONE SILVER MINING COMPANY
(an Exploration Stage Company)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(unaudited)

	Three-Month Period Ended March 31, 2009 (restated)	Three-Month Period Ended March 31, 2008	Six-Month Period Ended March 31, 2009 (restated)	Six-Month Period Ended March 31, 2008	Period from January 1, 2000 (beginning of exploration stage) to March 31, 2009 (restated)
Receivables from related parties (net of allowance)					
REVENUES	$ -	$ -	$ 6,655	$ 180	$ 384,293
COST OF REVENUES	-	-	74	96	230,334
GROSS PROFIT	-	-	6,581	84	153,959
OPERATING EXPENSES					
General and administrative	299,248	81,662	537,772	179,363	2,008,967
Professional fees	93,492	36,782	148,650	91,557	789,132
Consulting fees	-	-	-	-	135,140
Depreciation	30,006	12,973	57,608	25,615	390,904
Mining and exploration expenses	658	24,155	158,722	37,422	1,719,029
Net gain on sale of load claim	-	-	-	-	(193,907)
Total Operating Expenses	423,404	155,572	902,752	333,957	4,849,265
LOSS FROM OPERATIONS	(423,404)	(155,572)	(896,171)	(333,873)	(4,695,306)
OTHER INCOME (EXPENSES)					
Lease income	-	-	-	2,514	444,043
Net (loss) gain on sale of investments	(1,100)	(7,840)	(1,005)	33,584	1,129,204
Dividend and interest income	30,041	5,600	65,045	11,605	156,345
Loss on abandonment of asset	-	-	-	-	(20,000)
Gain on sale of fixed asset	-	-	-	-	12,200
Unrealized holding loss on marketable securities	-	-	-	-	(380,827)

Gain on settlement of note receivable	-	-	-	-	64,206
Gain on sale of Mexican mining concession	-	-	-	-	4,363,353
Interest expense	(626)	(1,206)	(1,371)	(1,685)	(6,278)
Other income	-	3,252	-	4,659	5,981
Total Other Income (Expenses)	28,315	(194)	62,669	50,677	5,768,227
INCOME (LOSS) BEFORE INCOME TAXES	(395,089)	(155,766)	(833,502)	(283,196)	1,072,921
INCOME TAXES	-	-	-	-	124,826
DEFERRED TAX GAIN	-	-	-	-	(124,826)
NET INCOME (LOSS)	(395,089)	(155,766)	(833,502)	(283,196)	1,072,921
OTHER COMPREHENSIVE INCOME (LOSS)					
Unrealized holding gain (loss) on investments	(20,569)	(66,921)	(178,511)	(68,642)	323,941
NET COMPREHENSIVE INCOME (LOSS)	$ (415,658)	$ (222,687)	$ (1,012,013)	$ (351,838)	$ 1,396,862
NET INCOME (LOSS) PER COMMON SHARE, BASIC	$ (0.02)	$ (0.01)	$ (0.04)	$ (0.01)	
NET INCOME (LOSS) PER COMMON SHARE, DILUTED	$ (0.02)	$ (0.01)	$ (0.04)	$ (0.01)	
WEIGHTED AVERAGE NUMBER OF					
COMMON STOCK SHARES OUTSTANDING, BASIC	23,159,723	19,945,512	22,602,364	19,767,509	
WEIGHTED AVERAGE NUMBER OF					
COMMON STOCK SHARES OUTSTANDING, DILUTED	23,159,723	19,945,512	22,602,364	19,767,509	

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

SHOSHONE SILVER MINING COMPANY
(an Exploration Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Six-Month Period Ended March 31, 2009 (restated)	Six-Month Period Ended March 31, 2008	Period from January 1, 2000 (beginning of exploration stage) to March 31, 2009 (restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	$ (833,502)	$ (283,196)	$ 1,072,921
Adj Receivables from related parties (net of allowance)			
cash used by operations:			
Depreciation and amortization expense	57,608	31,278	390,904
Amortization of note receivable discount	(46,634)	-	(54,407)
Common stock issued for services	6,500	2,400	200,186
Common stock issued for mining and exploration expenses	-	-	516,180
Common stock issued in settlement of agreement with former CEO	-	-	20,000
Treasury stock issued for services	7,000	-	27,320
Net gain on sale of lode claim	-	-	(193,907)
Net gain on sale of Mexican mining concession	-	-	(4,363,353)
Net loss (gain) on sale of investments	1,005	(33,584)	(1,129,203)
Available for sale securities issued in exchange for services	-	-	135,140
Unrealized holding loss on marketable securities	-	-	380,827
Gain on settlement of note receivable	-	-	(64,206)
Gain on sale of fixed asset	-	-	(12,200)
Impairment of mining expenses	-	-	413,000
Loss on abandonment of investment	-	-	20,000
Adjustment to balance of note receivable	(765)	-	(765)
Changes in assets and liabilities:			
Change in receivable from related party	357	-	(9,267)
Change in other current assets	-	-	(4,819)
Change in deposits and prepaids	5,744	(2,640)	16,383
Change in supplies inventory	308	424	10,219
Change in accrued interest receivable	(9,598)	6,710	(20,337)
Change in accrued liabilities	4,140	(1,594)	10,444
Change in accounts payable	(99,578)	105,044	7,337
Net cash used in operating activities	(907,415)	(175,158)	(2,631,603)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investments	(52,769)	-	(4,059,939)
Proceeds from sale of investments	1,200	105,361	4,573,418
Purchase of mineral and mining properties	-	-	(68,472)

Proceeds from sale of lode claim	-	-	13,907
Proceeds from sale of Mexican mining concession	-	-	2,497,990
Purchase of fixed assets	(215,282)	(155,552)	(929,240)
Proceeds from sale of fixed assets	-	-	12,200
Net cash provided by investing activities	(266,851)	(50,191)	2,039,864
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from sale of common stock	-	150,000	1,262,795
Common shares repurchased for treasury	(20,000)	-	(41,220)
Advances on notes receivable	-	-	(96,022)
Advances to related party	(15,000)	-	(410,000)
Issuance of note receviable from related party	-	-	(243,000)
Payments received on notes receivable from related party	-	31,820	332,498
Payments received on notes receivable	2,807	-	132,845
Payment made on long-term note payable	(15,674)	(12,447)	160,760
Proceeds from short-term loans	-	-	(218,973)
Net cash (used in) provided by financing activities	(47,867)	169,373	879,683
Net increase (decrease) in cash	(1,222,133)	(55,976)	287,944
Cash, beginning of period	1,570,066	58,554	59,989
Cash, end of period	$ 347,933	$ 2,578	$ 347,933
SUPPLEMENTAL CASH FLOW DISCLOSURES:			
Interest expense paid	$ 1,371	$ 1,685	$ 6,279
Income taxes paid	$ -	$ -	$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES:			
Mineral property reacquired upon default	$ 131,553	$ -	$ 131,553
Mineral properties acquired in exchange for common stock and other assets	$ 2,155,126	$ -	$ 2,155,126
Treasury stock issued in exchange for fixed asset	$ 7,500	$ -	$ 7,500
Deposit utilized to purchase fixed asset	$ -	$ -	$ 5,000
Note payable issued in exchange for prepaid asset	$ 15,939	$ 15,626	$ 31,565
Accounts payable issued in exchange for partial payment on office building	$ -	$ -	$ 50,000
Common stock issued for accounts payable	$ -	$ -	$ 227,500
Stock received in exchange for lode claim	$ -	$ -	$ 60,000
Note receivable in connection with sale of lode claim	$ -	$ -	$ 120,000
Note receivable (net of discount) in connection with sale of lode claim	$ -	$ -	$ 1,865,363
Note issued in exchanged for vehicle	$ -	$ 15,377	$ 53,658
Treasury stock acquired through sale of investment	$ -	$ -	$ 296,296
Common stock issued for purchase of equipment	$ -	$ -	$ 95,340
Common stock issued for purchase of mining properties	$ -	$ -	$ 45,000
Common stock issued for mining and exploration expenses	$ -	$ -	$ 222,500
Common Stock issued for services	$ -	$ -	$ 88,333
Common stock issued for finders' fee	$ -	$ -	$ 1,000
Marketable securities received in lieu of note receivable	$ -	$ -	$ 104,273

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

Shoshone Silver Mining Company (an Exploration Stage Company)
Condensed Notes to the Interim Financial Statements
March 31, 2009

NOTE 1: DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of Business

Shoshone Silver Mining Company (an Exploration Stage Company) (the Company or Shoshone) was incorporated under the laws of the State of Idaho on August 4, 1969, under the name of Sunrise Mining Company and is engaged in the business of mining. On January 22, 1970, the Company's name was changed to Shoshone Silver Mining Company. During 2003, the Company s focus was broadened to include resource management and sales of mineral and timber interests. The Company' has one wholly owned subsidiary, Lakeview Consolidated Silver Mines, Inc., the results of which are incorporated herein.

Beginning in fiscal 2000, the Company entered an exploration stage. The Company has acquired several mining properties since entering the exploration stage. During 2008, the Company completed the refurbishment of the mill at its Lakeview property. During 2009, the Company plans to conduct geologic assessments of its Lakeview Property. The Company began the milling of previously stockpiled material in the fall of 2007 and has continued this into 2009 although most of the material has been processed. After that, the Company anticipates conducting surface mining at the Weber property and the milling of ores obtained from those efforts at the Lakeview Mill.

In 2004, the Company incorporated a wholly owned subsidiary in Mexico, Shoshone Mexico, S.A. de C.V, for the purposes of facilitating its Mexico property explorations and future operations. On August 11, 2008, the Company sold 100% of the common stock of its wholly owned subsidiary to Xtierra Resources, Ltd. See Note 7.

On March 12, 2009, the Company acquired certain assets from Kimberly Gold Mines, Inc. (Kimberly) in a transaction where the Company issued 12,145,306 shares of common stock in exchange for 100% of Kimberly s common stock. Kimberly has ceased to exist as a separate company. See Note 13.

The Company s year end is September 30th.

Basis of Presentation

The foregoing unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim consolidated financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X as promulgated by the Securities and Exchange Commission. Accordingly, these financial statements do not include all of the disclosures required by accounting principles generally accepted in the United States of America for complete financial statements. These unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended September 30, 2008, included in the Company s Annual Report on Form 10-K which was filed with the SEC on January 13, 2009.

In the opinion of management, the unaudited interim consolidated financial statements furnished herein include all adjustments (consisting of only normal recurring adjustments) necessary for a fair statement of the results for the interim periods presented. Operating results for the three- and six-month periods ended March 31, 2009, are not necessarily indicative of the results that may be expected for the year ending September 30, 2009.

NOTE 2: LIMITED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the Company s financial statements. The financial statements and notes rely on the integrity and objectivity of the Company s management. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Concentration of Credit Risk

The Company maintains its cash in several commercial accounts at major financial institutions and brokerage houses. The brokerage accounts contain cash and securities. Balances are insured up to $500,000 (with a limit of $100,000 for cash) by the Securities Investor Protection Corporation (SIPC). Although the financial institutions are considered creditworthy and have not experienced any losses on their deposits, at March 31, 2009 and September 30, 2008, the Company s cash balance exceeded Federal Deposit Insurance Corporation (FDIC) and SIPC limits by $188,846 and $1,296,921, respectively.

Fair Value Measurements

Effective January 1, 2008, the Company adopted SFAS No. 157 (SFAS 157), *Fair Value Measurements.* SFAS 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. SFAS 157 applies whenever other standards require (or permit) assets or liabilities to be measured at fair value but does not expand the use of fair value in any new circumstances. In this standard, the FASB clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability. In support of this principle, SFAS 157 establishes a fair value hierarchy that prioritizes the information used to develop those assumptions. The fair value hierarchy is as follows:

Level 1 inputs Unadjusted quoted process in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

Level 2 inputs Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These might include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs Unobservable inputs for determining the fair values of assets or liabilities that reflect an entity s own assumptions about the assumptions that market participants would use in pricing the assets or liabilities.

Securities classified as available for sale are reported at fair value utilizing Level 1 inputs. For these securities, the Company obtains fair value from active markets.

The Company s Note Receivable (net of discount) is reported at fair value utilizing Level 2 inputs. The discounting of this note receivable utilized interest rates. See Note 7.

The Company s Reclaimed Property is reported at fair value utilizing Level 2 inputs. The valuation of the Reclaimed Property was based on the balance of the related note receivable and accrued interest receivable as of March 31, 2009.

The following table presents information about the Company s assets measured at fair value on a recurring basis as of March 31, 2009, and indicates the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value.

Description	Fair Value March 31, 2009	Fair Value Measurements At March 31, 2009, Using: Quoted Prices In Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Available-for-Sale Securities	$ 220,250	$ 220,250	$ -	$ -
Note Receivable (net of discount)	1,919,769	-	1,919,769	-
Reclaimed Property	131,553	-	131,553	-
Total Assets Measured at Fair Value	**$ 2,271,572**	**$ 220,250**	**$ 2,051,322**	**$ -**

Fiscal Periods

References to a fiscal year refer to the calendar year in which such fiscal year ends. Historically, the Company s fiscal year ended on December 31st. However, on September 29, 2008, the Company s board of directors approved a change in the Company s fiscal year end from December 31st to September 30th, effective on September 30, 2008.

Notes Receivable

The Company s policy for notes receivable is to continue accruing interest income until it becomes likely that the note is uncollectible. At that time, an allowance for bad debt would be established and interest would stop accruing.

Subsequent to December 31, 2008, the Company determined that a note receivable with an unpaid principal and accrued interest balance of $130,024 may no longer be collectible. Accordingly, interest income ceased to accrue as of January 1, 2009. See Note 7.

Principles of Consolidation

Historically, the Company s consolidated financial statements have included the accounts of the Company and its wholly owned subsidiary, Shoshone Mexico, S.A. de C.V. The inter-company accounts and transactions were eliminated upon consolidation. However, on September 2, 2008, the Company sold all of the common stock of its wholly owned subsidiary to Xtierra Resources, Ltd. See Note 7.

Reclassifications

Certain previously reported amounts have been reclassified to conform to the current presentation

Use of Estimates

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 Shoshone s financial position and results of operations.

NOTE 3: RECEIVABLES FROM RELATED PARTIES

On November 4, 2008, the Company purchased 3,771 ounces of silver coins and bars as well as various dies for making coins from a related party. The cost to the Company of the silver and the dies was $56,452. However, the Company paid $110,000 and has recorded a receivable from the related party of $53,548. The Company s Chairman is also a member of the board of directors of this related party.

On March 3, 2009, this related party filed a voluntary petition for reorganization relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Idaho. Based on this filing, the Company created an allowance for this note receivable in the amount of $53,548.

During the year ended December 31, 2005, the Company prepaid $11,624 to a related party for certain administrative services. During fiscal 2005, the Company ceased its business relationship with the related party and has requested a refund of the entire prepaid amount. As of September 30, 2008, a net total of $2,357 had been received. The Company has evaluated the credit risk associated with this related party receivable to determine if a reserve is necessary. At March 31, 2009, no reserve was deemed necessary.

NOTE 4: DEPOSITS AND PREPAID EXPENSES

In December 2007, the Company purchased for $21,335 a one-year liability insurance policy covering its Lakeview mill (the Policy). The Policy was purchased with a cash payment of $5,709 with the balance of $15,626 settled with a promissory note. The Company recorded prepaid insurance of $21,335 and a related entry to record a $15,626 note payable. During the three- and six-month periods ended March 31, 2009, $0 and $3,556 of the prepaid insurance was amortized into General & Administrative Expenses, respectively.

In December 2008, the Company purchased for $21,752 a one-year liability insurance policy covering its Lakeview mill (the Policy). The Policy was purchased with a cash payment of $5,813 with the balance of $15,939 settled with a promissory note. The Company recorded prepaid insurance of $21,335 and a related entry to record a $15,939 note payable. During the three-month period ended March 31, 2009, $5,438 of the prepaid insurance was amortized into General & Administrative Expenses. During the three- and six-month periods ended March 31, 2009, $5,438 and $7,251of the prepaid insurance was amortized into General & Administrative Expenses, respectively. See Note 10.

On August 27, 2008, the Company amended a lease agreement with Chester Mining Company originally entered into on March 25, 2004 (the Amended Lease). The Amended Lease includes a provision that requires the Company to pay a royalty of $125 per month until net smelter returns (as defined in the Amended Lease) are payable. The Company paid Chester Mining Company $1,500 as an advance royalty payment. During the three- and six-month periods ended March 31, 2009, $375 and $750 of the advance royalty payment was amortized into General & Administrative Expenses, respectively. At March 31, 2009, the unamortized balance of this advance royalty payment was $500.

NOTE 5: PROPERTY, PLANT & EQUIPMENT

Property and equipment are stated at cost. Depreciation begins on the date an asset is placed in service using the straight-line method over the asset s estimated useful life.

The useful lives of property, plant and equipment for purposes of computing depreciation are three to thirty-one and one-half years. The following is a summary of property, equipment, and accumulated depreciation at March 31, 2009 and September 30, 2008:

	March 31, 2009	September 30, 2008
Equipment	$ 1,031,265	$ 882,638
Construction in Progress	-	-
Refurbished Lakeview Mill	499,681	499,681
Office Building	150,000	150,000
Property & Mill	1,088,563	1,052,776
	2,769,509	2,585,095
Less accumulated depreciation	(1,301,833)	(1,244,225)
Property, Plant & Equipment, net	$ 1,467,676	$ 1,340,870

Depreciation expense was $30,006 for the three-month period ended March 31, 2009 and $12,973 for the comparable period last year.

Depreciation expense was $57,608 for the six-month period ended March 31, 2009 and $25,615 for the comparable period last year.

During the three-month period ended December 31, 2008, the Company acquired equipment valued at $12,500 in exchange for $5,000 in cash and treasury stock valued at $7,500.

The Company evaluates the recoverability of property and equipment when events and circumstances indicate that such assets might be impaired. The Company determines impairment by comparing the undiscounted future cash flows estimated to be generated by these assets to their respective carrying amounts.

Maintenance and repairs are expensed as incurred. Replacements and betterments are capitalized. The cost and related reserves of assets sold or retired are removed from the accounts, and any resulting gain or loss is reflected in results of operations.

NOTE 6: NOTES RECEIVABLE FROM RELATED PARTIES

Silver Valley Capital

On September 1, 2006, the Company loaned Silver Valley Capital, LLC $168,000 in exchange for a promissory note. The Company s President and its Secretary were both members of Silver Valley Capital, LLC at the time the receivable was originated . Both these individuals abstained from voting on the respective companies Board of Directors Resolutions approving this loan. The note bore interest at 10.0% per annum and stipulated that monthly payments of $822 were to be made until February 1, 2007. On February 1, 2007, the remaining principal plus accrued interest was to become due and payable.

On July 26, 2007, the Company entered into a new loan agreement with Silver Valley Capital, LLC. The note bears interest at 10.0% per annum and stipulates that monthly payments of $822 are to be made until the due date. The due date was changed to February 1, 2008 from February 1, 2007. The Company is currently working with Silver Valley Capital, LLC to renegotiate a revised due date. During the first six-month period ended March 31, 2009, no payments were received on this note. Interest income of $191 was accrued the six-month period ended March 31, 2009. The balance of this note was $3,716 at March 31, 2009.

Kimberly Gold Mines

On August 29, 2008, the Company entered into a letter-of-intent with Kimberly Gold Mines, Inc. (Kimberly). The letter-of-intent concerns the acquisition by the Company of 100% of Kimberly s issued and outstanding common shares. Under the terms of this letter-of-intent, the Company has offered one share of its common stock for every two shares of Kimberly s common stock.

In connection with this letter-of-intent, the Company advanced Kimberly $200,000 on August 28, 2008, and an additional $15,000 on December 4, 2008, in exchange for a promissory note. Kimberly used these funds to reduce their outstanding obligations. The notes bear interest at 6.0% per annum and are payable on demand at any time. Further, until the principal and accrued interests are paid, the notes are secured by sufficient shares of Kimberly common stock at an agreed value of $0.06 per share. Interest income of $6,408 was accrued during the six-month period ended March 31, 2009. The balance of this note was $0 at March 31, 2009.

On March 12, 2009, the Company acquired certain assets from Kimberly Gold Mines, Inc. (Kimberly) in a transaction where the Company issued 12,145,306 shares of common stock in exchange for 100% of Kimberly s common stock. The $215,000 note receivable and accrued interest of $7,408 from Kimberly were derecognized and included in the purchase price of the acquired mineral properties. See Note 13.

NOTE 7: NOTES RECEIVABLE

Sale of Lode Claim

During the first quarter of fiscal 2006, the Company accepted cash of $30,000 and a promissory note for $120,000 from an unrelated party related to the sale of a lode claim for $150,000. The promissory note bears interest at 7.0% per annum and stipulates that payments of $5,089 are to be paid semi-annually until January 23, 2011. On January 11, 2011, the remaining principal plus accrued interest becomes due and payable in full.

During the six-month period ended March 31, 2009, the Company received no payments on this note receivable. Subsequent to December 31, 2008, the Company received a Quitclaim Deed releasing the property that was the collateral of the note receivable. The Company determined the fair value of the reclaimed property to be $131,553 which was the sum of the balances in the related note receivable and accrued interest receivable.

Mexican Concessions

On August 11, 2008, the Company sold 100% of the common stock of its wholly owned subsidiary in Mexico, Shoshone Mexico, S.A. de C.V, to Xtierra Resources, Ltd (Xtierra). The Company s interest in the Bilbao concessions in Zacatecas, Mexico was included in this sale. In exchange for its interest in the Bilbao concessions the Company received net proceeds of $2,497,990 and a non-interest bearing note receivable, net of discount, for $1,865,363.

The note does not bear interest and stipulates that a payment of $500,000 is due on August 11, 2009. The remaining balance of $2,000,000 is to be paid in four consecutive equal installments to begin at the time of the commencement of construction of any mine developed on the Bilbao concessions but in any event will be due and payable no later than August 11, 2019.

Since the note does not bear interest, the Company imputed interest at a rate of 5%. Accordingly the Company recorded a note discount of $634,637. During the three- and six-month periods ended March 31, 2009, $23,317 and $46,634 of interest income was realized through the amortization of this note discount. The balance on this note receivable (net of discount) was $1,919,770 at March 31, 2009.

Signal Silver-Gold, Inc.

On August 27, 2008, the Company advanced Signal Silver-Gold, Inc. (Signal) $2,808 in exchange for a promissory note. The note bears interest at 6% per annum and is payable on demand at any time. On October 16, 2008, the

Company received a payment of $2,850. Of this amount $2,808 was applied towards satisfaction of the principal amount owing and $42 was applied toward accrued interest.

The following tables set forth the components of the Notes Receivable Mexican Concessions (net of discount and the Other Assets Notes Receivable (net of discount) caption on the Company s consolidated balance sheets.

		March 31, 2009		September 30, 2008
Note receivable - Mexican Concessions (net of discount)				
Current portion	$	418,595	$	422,277
Non-current portion		1,501,175		1,450,858
Total	$	1,919,770	$	1,873,135
Other Assets - notes receivable (net of discount)				
Mexican Concessions, non-current (net of discount)	$	1,501,175	$	1,450,858
Sale of Lode Claim		-		118,364
Signal Silver-Gold, Inc.		-		2,808
Total	$	1,501,175	$	1,572,030

NOTE 8: INVESTMENTS

The Company has invested in various privately and publicly held companies. At this time, the Company holds securities classified as available for sale. Amounts are reported at fair value, with unrealized gains and losses excluded from earnings and reported separately as a component of stockholders equity.

Unrealized gains and losses are recorded on the income statement as other comprehensive income (loss) and also on the balance sheet as other accumulated comprehensive income.

The following summarizes the securities available for sale at March 31, 2009:

Investment	Quantity		Cost		Market Value
Bayswater Uranium Corporation	200,000	$	60,000	$	20,000
Chester Mining Company	2,500		12,567		130
Gold Crest Mines	617,600		3,900		4,811
Lucky Friday Extension	5,000		1,100		400
Merger Mines	929,299		216,499		102,173
Metropolitan Mines Limited	6,000		2,008		300
New Jersey Mining	142,875		34,290		30,004
Vindicator Mines	88,000		17,600		13,200
Silver Coins & Bars	3,751		38,298		49,232
Balance, March 31, 2009	1,995,025	$	386,262	$	220,250

The Company had unrealized holding losses during the three and six-month period ended March 31, 2009 of $(17,436) and $(175,377), respectively. These are recorded on the income statement as other comprehensive income (loss) and are included on the balance sheet in other accumulated comprehensive income.

The Company recognized $1,004 of loss previously included in accumulated other comprehensive income on the sale of investments during the six-month period ended March 31, 2009.

On September 17, 2008, the Company began acquiring shares of Merger Mines, Inc. At March 31, 2009, the Company had acquired 929,299 shares of Merger Mines common stock. This represented approximately 24% of Merger Mines, Inc. s outstanding shares. The Company believes that, given the current economic environment, it is more likely than not that the Company will have to sell much of its investment in Merger Mines in order to fund operations. Accordingly, the Company has accounted for this investment as available-for-sale.

In connection with the purchase of assets from Kimberly Gold Mines, Inc. ("Kimberly"), the Company derecognized 321,500 shares of Kimberly's common stock with a cost basis of $38,035 and allocated this amount to the purchase price of the acquired mineral properties. See Note 13.

The following summarizes the securities available for sale at September 30, 2008:

Security	# of Shares		Cost		Market Value
Chester Mining Company	2,500	$	12,567	$	550
Bayswater Uranium Corporation	200,000		60,000		28,000
Gold Crest Mines	617,600		3,900		21,516
Kimberly Gold Mines	321,500		38,035		23,275
Lucky Friday Extension	5,000		1,100		1,200
Merger Mines	840,138		202,233		226,837
Metropolitan Mines Limited	6,000		2,008		1,200
New Jersey Mining	142,875		34,290		51,435
Sterling Mining	5,000		2,000		1,050
Vindicator Mines	88,000		17,600		1,760
Balance, September 30, 2008	2,228,613	$	373,733	$	356,823

The Company had an unrealized holding loss during the fiscal year ended September 30, 2008 $(207,954). This is recorded on the income statement as other comprehensive income (loss) and included on the balance sheet in other accumulated comprehensive income.

The Company recognized $7,840 of loss previously included in accumulated other comprehensive income on the sale of investments in 2008.

On July 24, 2008, the Company entered into an agreement to acquire 200,000 shares of common stock of Bayswater Uranium Corporation, a Canadian company (Bayswater), in exchange for the Company s 43 unpatented mining claims in Elko County, Nevada. This exchange was valued at $60,000 based on the market price of Bayswater s common stock on July 24, 2008.

NOTE 9: ACCOUNTS PAYABLE

Settlement Agreement with Former Chief Executive Officer
On June 12, 2008, the Company entered into a settlement agreement with its former Chief Executive Officer, Conrad Houser. The terms of the agreement required the Company to pay Mr. Houser $10,000 on June 12, 2008, the date of the agreement. The agreement also required the Company to pay an additional $48,500 on or before December 31, 2008.

The $48,500 was included under the caption Accounts Payable on the Company s Consolidated Balance Sheets as of September 30, 2008. Further, the agreement required the Company to issue 100,000 shares of common stock to Mr. Houser by July 12, 2008. These shares were issued to Mr. Houser on July 3, 2008.

On December 28, 2008, the Company paid $48,500 in satisfaction of its contractual agreement, and on December 28, 2008, the Company re-purchased for $20,000 the 100,000 common shares from Mr. Houser at a price of $0.20 per share. This obligation was exercisable at Mr. Houser s sole discretion. See Note 12.

Commercial Office Building
On September 10, 2008, the Company acquired for $150,000 a 50% interest in a commercial office building in Coeur d Alene, Idaho. The Company paid $100,000 at the signing of the purchase agreement and agreed to pay the remaining $50,000 in October 2008. At September 30, 2008, the $50,000 was included under the caption Accounts Payable on the Company s Consolidated Balance Sheets. On October 3, 2008, the Company made the final payment of $50,000 towards its purchase of this 50% interest.

Acquisition of assets from Kimberly Gold Mines, Inc.
In connection with the acquisition of assets from Kimberly Gold Mines, Inc. (“Kimberly), the Company assumed liabilities with a fair value of $72,887. See Note 13.

NOTE 10: NOTES PAYABLE

During 2006, the Company acquired a vehicle for $19,782 by paying $9,000 cash and signing a note for the remaining $10,781. The note had a term of 30 months, bore interest at 8.99% annually and stipulated that payments of $499 be made monthly. This note payable was fully paid as of December 31, 2008.

During the third quarter of 2007, the Company acquired equipment for $55,000 by paying $27,500 cash and signing a note for the remaining $27,500. The note has a term of 24 months, bears interest at 8.50% annually and stipulates that payments of $1,250 be made monthly. The outstanding balance on this note payable was $7,318 at March 31, 2009 and is payable within twelve months.

In December 2007, the Company purchased equipment for $15,377 in exchange for a note. The note has a term of 43 months, bears interest at 3.90% annually and stipulates that payments of $384 be made monthly. The lender has the right to increase the interest rate to 19.8% in the event of a violation of the terms of the loan agreement. The outstanding balance on this note payable was $10,599 at March 31, 2009. Of this amount $4,276 is payable within twelve months.

In December 2008, the Company purchased for $21,752 a one-year liability insurance policy covering its Lakeview mill (the Policy). The Policy was purchased with a cash payment of $5,813 with the balance of $15,939 settled with a promissory note. The Company recorded prepaid insurance of $21,752 and a related entry to record a $15,939 note payable. The note has a term of nine months, bears interest at 9.15% annually and stipulates that payments of $1,839 be made monthly. The outstanding balance on this note payable was $8,995 at March 31, 2009, all of which is payable within twelve months. See Note 4.

NOTE 11: COMMON STOCK

The Company is authorized to issue 80,000,000 shares of $0.10 par value common stock. All shares have equal voting rights, are non-assessable and have one vote per share. Voting rights are not cumulative and, therefore, the holders of more than 50% of the common stock could, if they choose to do so, elect all of the directors of the Company.

During the three-month period ended March 31, 2008, the Company issued 60,000 shares of common in exchange for the services of its Board of Directors valued at $6,500.

On March 12, 2009, the Company acquired certain assets from Kimberly Gold Mines, Inc. (Kimberly) in a transaction where the Company issued 12,145,306 shares of common stock in exchange for 100% of Kimberly s common stock. This transaction was valued at $ 2,155,126 and was recorded entirely to Mineral Properties. See Note 13.

NOTE 12: TREASURY STOCK

The Company held 1,164,986 and 1,058,986 shares of treasury stock at March 31, 2009 and September 30, 2008, respectively.

During the three-month period ended December 31, 2008, the Company repurchased for treasury 100,000 common shares at a price of $0.20 per share for a total cost of $ 20,000 . These common shares were repurchased in connection with a settlement agreement with its former Chief Executive Officer, Conrad Houser. See Note 9.

During the three-month period ended December 31, 2008, the Company issued 50,000 treasury shares in exchange for equipment. The treasury shares had a cost of $0.11 per share.

During the three-month period ended March 31, 2009, the Company issued 70,000 treasury shares in exchange for consulting services. The treasury shares had a cost of $0.11 per share.

NOTE 13: ACQUISITION OF ASSETS FROM KIMBERLY GOLD MINES, INC.

On March 12, 2009, the Company acquired certain assets from Kimberly Gold Mines, Inc. (“Kimberly”) in a transaction where the Company issued 12,145,306 shares of common stock in exchange for 100% of Kimberly’s common stock. This transaction was valued at $2,155,126 and was recorded to Mineral Properties. Kimberly has ceased to exist as a separate company. The value of $2,155,126 consisted of the Company’s common stock valued at $1,821,796, a note receivable from Kimberly valued at 222,408, Kimberly’s common stock previously held for investment by the Company valued at 38,035 and certain accounts payable assumed by the Company valued at $72,887.

Included in this acquisition were 186 unpatented mining claims located primarily in Idaho and Montana as well as a mill in need of refurbishing and various pieces of equipment. The Company assigned a value of $1,821,796 to these unpatented mining claims and no value to the other acquired assets.

Overall, the Kimberly Mine Veins are narrow, high grade, gold-silver veins. The Company believes this acquisition will enhance shareholder value by expanding its holdings to include potential gold veins.

NOTE 14: COMMITMENTS AND CONTINGENCIES

<u>Environmental Issues</u>
Shoshone is engaged in mineral mining and may become subject to certain liabilities as they relate to environmental cleanup of mining sites or other environmental restoration.

Although the mineral exploration and mining industries are inherently speculative and subject to complex environmental regulations, Shoshone is unaware of any pending litigation or of any specific past or prospective matters which could impair the value of its mining claims.

Civil Action Filed

On November 17, 2008, the United States Environmental Protection Agency (EPA) filed a civil action against the Company in the United States District Court for the District of Idaho. The civil action seeks recovery of funds paid by the EPA in response to alleged releases of hazardous substances at the Company s Idaho Lakeview mine and mill site in Bonner County, Idaho. The Company believes that the claim is without merit and intends to vigorously defend its position. The ultimate outcome of this litigation cannot presently be determined. However, in management s opinion, the likelihood of a material adverse outcome is not probable. Accordingly, adjustments, if any, which might result from the resolution of this matter, have not been reflected in the financial statements. Also, an estimate of the amount or range of loss, or possible loss, cannot be made.

NOTE 15: RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS

The Company has concluded that its consolidated financial statements for the three-month period ended March 31, 2009, should be restated and that those previously filed financial statements and Management's Report on Internal Control Over Financial Reporting should no longer be relied upon. The restatement is to adjust for incorrect accounting for a note receivable from Kimberly Gold Mines, Inc. ("Kimberly) and common stock of Kimberly held as available for sale by the Company.

On March 12, 2009, the Company acquired certain assets from Kimberly in a transaction where the Company issued 12,145,306 shares of common stock in exchange for 100% of Kimberly's common stock. See Note 13.

The original filing of the Company's Quarterly Report on Form 10-Q for the three-month period ended March 31, 2009, (the "Original Filing") included a bad debt of $222,408 related to the note receivable from Kimberly. The correct accounting would be to increase the value of the mineral properties acquired by $222,408. Also, the Original Filing presented the common stock of Kimberly previously held as available for sale by the Company as an increase of $38,035 to the Company's treasury stock. The correct accounting would be to increase the value of the mineral properties acquired by $38,035. Further, the Original Filing did not include a valuation of the accounts payable assumed in connection with this transaction. The correct account would be to assign a value of $72,887 to these accounts payable.

Impact of restatement on select balance sheet accounts:

Balance Sheet Account		**March 31, 2009 (as previously reported)**		**Adjustments**		**March 31, 2009 (as restated)**
Mineral Properties	$	2,333,039	$	333,330	$	2,666,369
Treasury Stock	$	(354,688)	$	38,035	$	(316,653)
Accounts Payable	$	(57,560)	$	(72,887)	$	(130,447)
Accumulated earnings in exploration stage	$	850,513	$	222,408	$	1,072,921

Impact of restatement on consolidated statements of operations:

Statement of Operations Account	**Three-month period ended March 31, 2009 (as previously reported)**	**Adjustments**	**March 31, 2009 (as restated)**

Bad debt associated with note receivable	$	(222,408)	$	222,408	$	-
Total other income (expenses)	$	(194,093)	$	222,408	$	28,315
Net loss	$	(617,497)	$	222,408	$	(395,089)
Net loss per share - basic and diluted	$	(0.03)			$	(0.02)

Statement of Operations Account		**Six-month period ended March 31, 2009 (as previously reported)**		**Adjustments**		**March 31, 2009 (as restated)**
Bad debt associated with note receivable	$	(222,408)	$	222,408	$	-
Total other income (expenses)	$	(159,739)	$	222,408	$	62,669
Net loss	$	(1,055,910)	$	222,408	$	(833,502)
Net loss per share - basic and diluted	$	(0.05)			$	(0.04)

Item 2 - Management s Discussion and Analysis or Plan of Operation

This report contains forward-looking statements

From time to time, Shoshone and its senior managers have made and will make forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are contained in this report and may be contained in other documents that Shoshone files with the Securities and Exchange Commission. Such statements may also be made by Shoshone and its senior managers in oral or written presentations to analysts, investors, the media and others. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. Also, forward-looking statements can generally be identified by words such as may, could, should, would, believe, anticipate, estimate, seek, expect, intend, plan and similar expressions.

Forward-looking statements provide our expectations or predictions of future conditions, events or results. They are not guarantees of future performance. By their nature, forward-looking statements are subject to risks and uncertainties. As such, our actual future results, performance or achievements may differ materially from the results expressed in, or implied by, our forward-looking statements. Please refer to descriptions of these risks set forth in our Risk Factors in our most recent Annual Report on Form 10-K for the fiscal year ended September 30, 2008.

Our forward-looking statements speak only as of the date they are made. We do not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made.

Management s Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Consolidated Financial Statements and Notes presented elsewhere in this report.

Fiscal Year End Change

References to a fiscal year refer to the calendar year in which such fiscal year ends. Historically, our fiscal year ended on December 31st. However, on September 29, 2008, our board of directors approved a change in our fiscal year end from December 31st to September 30th, effective on September 30, 2008.

Plan of Operation

On August 11, 2008, we sold 100% of the common stock of our wholly owned subsidiary in Mexico, Shoshone Mexico, S.A. de C.V, to Xtierra Resources, Ltd (Xtierra). Our interest in the Bilbao concessions in Zacatecas, Mexico was included in this sale. In exchange for our interest in the Bilbao concessions we received net proceeds of 2,498,490 and a note receivable for $2,500,000.

The note does not bear interest and stipulates that a payment of $500,000 is due on August 11, 2009. The remaining balance of $2,000,000 is to be paid in four consecutive equal installments to begin at the time of the commencement of construction of any mine developed on the Bilbao concessions but in any event will be due and payable no later than August 11, 2019. Since the note does not bear interest, we imputed interest at a rate of 5%. Accordingly we recorded a note discount of $634,637 during fiscal 2008. During the three- and six-month periods ended March 31, 2009, $23,317 and $46,634 of interest income was realized through the amortization of this note discount. The balance on this note receivable (net of discount) was $1,919,770 at March 31, 2009.

Effective September 30, 2008, we completed the refurbishment of the mill at our Lakeview property. The total capitalized cost of this refurbishment was $499,681 which began depreciating on October 1, 2008. During 2009, we plan to conduct geologic assessments of our Lakeview Property. We began the milling of previously stockpiled material in the fall of 2007 and we plan to continue this into 2009 although most of the material has been processed. After that, we anticipate conducting surface mining at the Weber property and the milling of ores obtained from those efforts at the Lakeview Mill. We intend to use the proceeds from the sale of our Bilbao concessions to finance these plans.

Acquisition of Kimberly Gold Mines, Inc.

On March 12, 2009, we acquired certain assets from Kimberly Gold Mines, Inc. ("Kimberly") in a transaction where the Company issued 12,145,306 shares of common stock in exchange for 100% of Kimberly's common stock. This transaction was valued at $2,155,126 and was recorded to Mineral Properties. The value of $2,155,126 consisted of our common stock valued at $1,821,796, a note receivable from Kimberly valued at 222,408, Kimberly's common stock previously held for investment by the Company valued at 38,035 and liabilities assumed by the Company with a fair value of $72,887. Kimberly has ceased to exist as a separate company.

Included in this acquisition were 186 unpatented mining claims located primarily in Idaho and Montana as well as a mill in need of refurbishing and various pieces of equipment. We assigned a value of $ 2,115,126 to these unpatented mining claims and no value to the other acquired assets.

Overall, the Kimberly Mine Veins are narrow, high grade, gold-silver veins. The Company believes this acquisition will enhance shareholder value by expanding its holdings to include potential gold veins.

Comparison of the Three and Six-Month Periods Ended March 31, 2009 and 2008:

Results of Operations

The following tables set forth certain information regarding the components of our Consolidated Statements of Operations for the three- and six-month periods ended March 31, 2009, compared with the same periods in the prior year. These tables are provided to assist in assessing differences in our overall performance:

	Three-month period ended			
	March 31, 2009	March 31, 2008	$ Change	% Change
REVENUES	$ -	$ -	$ -	0.0%
COST OF REVENUES	-	-	-	0.0%
GROSS PROFIT	-	-	-	0.0%
General and administrative	299,248	81,662	217,586	266.4%
Professional fees	93,492	36,782	56,710	154.2%
Depreciation	30,006	12,973	17,033	131.3%
Mining and exploration expenses	658	24,155	(23,497)	-97.3%
Total Operating Expenses	423,404	155,572	267,832	172.2%
LOSS FROM OPERATIONS	(423,404)	(155,572)	(267,832)	172.2%
Net gain on sale of securities	(1,100)	(7,840)	6,740	-86.0%
Dividend and interest income	30,041	5,600	24,441	436.4%
Interest expense	(626)	(1,206)	580	-48.1%
Other income	-	3,252	(3,252)	-100.0%
Total Other Income (Expenses)	28,315	(194)	28,509	14695.4 %
NET (LOSS)	$ (395,089)	$ (155,766)	$ (239,323)	153.6 %

	Six-month period ended March 31, 2009	March 31, 2008	$Change	% Change
REVENUES	$ 6,655	$ 180	$ 6,475	3597.2%
COST OF REVENUES	74	96	(22)	-22.9%
GROSS PROFIT	6,581	84	6,497	7734.5%
General and administrative	537,772	179,363	358,409	199.8%
Professional fees	148,650	91,557	57,093	62.4%
Depreciation	57,608	25,615	31,993	124.9%
Mining and exploration expenses	158,722	37,422	121,300	324.1%
Total Operating Expenses	902,752	333,957	568,795	170.3%
LOSS FROM OPERATIONS	(896,171)	(333,873)	(562,298)	168.4%
Lease income	-	2,514	(2,514)	-100.0%
Net gain on sale of securities	(1,005)	33,584	(34,589)	-103.0%
Dividend and interest income	65,045	11,605	53,440	460.5%
Interest expense	(1,371)	(1,685)	314	-18.6%
Other income	-	4,659	(4,659)	-100.0%
Total Other Income (Expenses)	62,669	50,677	11,992	23.7 %
NET (LOSS)	$ (833,502)	$ (283,196)	$ (550,306)	194.3 %

Overview of Operating Results

The increase in the net loss incurred during the both three- and six-month periods ended March 31, 2009, compared with the same periods last year is primarily attributable to increased payroll expenses associated with incremental personal. Also, contributing to the increase in net loss during both periods was the recording of an allowance for doubtful accounts associated with a $53,548 note receivable from a related party.

Operating Expenses

The increase in operating expenses during the three-month period ended March 31, 2009, compared with the same period last year was primarily due to an increase in salaries and related expenses of $118,330. This was primarily due to an increase in the number of employees to fourteen during the three-month period ended March 31, 2009, compared with seven during the same period last year.

The increase in operating expenses during the six-month period ended March 31, 2009, compared with the same period last year was primarily due to an increase in salaries and related expenses of $264,364. This was primarily due to an increase in the number of employees to fourteen during the three-month period ended March 31, 2009, compared with eight during the same period last year. Also contributing to the increase in operating expenses during the six-month period ended March 31, 2009, was an increase in exploration activities at our Lakeview mine site. During the recent six-month period, exploration expenses increased $116,285 compared with the comparable period last year.

Also contributing to the increase in operating expenses during the both the three- and six-month periods ended March 31, 2009 was recording of an allowance for doubtful accounts associated with a $53,548 account receivable from a related party. On March 3, 2009, a related party who owed the Company $53,548 filed a voluntary petition for reorganization relief under Chapter 11 of the United States

Bankruptcy Code in the United States Bankruptcy Court for the District of Idaho. Based on this filing, the Company created an allowance for this account receivable in the amount of $53,548.

Other Income (Expenses)

The increase in other income (expenses) during the three-month period ended March 31, 2009, compared with the same period last year was primarily attributable to the recognition of imputed interest income of $23,317 during the most recent three-month period compared with $0 last year.

The increase in other income (expenses) during the six-month period ended March 31, 2009, compared with the same period last year was primarily attributable to the recognition of imputed interest income of $46,634 during the most recent six-month period compared with $0 last year. Partially, offsetting this positive impact was the realization of a net gain on the sale of available for sale securities of $33,584 during the six-month period ended March 31, 2008 compared to a net loss of $1,005 during the most recent six-month period.

Overview of Financial Position

At March 31, 2009, we had cash of $347,933 and total liabilities of $ 98,900 . On March 12, 2009, the Company acquired certain assets from Kimberly Gold Mines, Inc. (Kimberly) in a transaction where the Company issued 12,145,306 shares of common stock in exchange for 100% of Kimberly s common stock. This transaction was valued at $ 2,155,126 and was recorded to Mineral Properties. Kimberly has ceased to exist as a separate company.

Property, Plant and Equipment

At March 31, 2009, property, plant and equipment before accumulated depreciation totaled $2,769,509, an increase of $184,414 from $2,585,095 at September 30, 2008. Most of the increase related to equipment purchases at its Lakeview property. See Note 5. Property, Plant and Equipment to our consolidated financial statements for further details.

Mineral and Mining Properties

At March 31, 2009, mineral and mining properties totaled $ 2,666,369 an increase of $ 2,286,679 from $379,690 at September 30, 2008. On March 12, 2009, the Company acquired mineral properties from Kimberly Gold Mines, Inc. (Kimberly) in a transaction where the Company issued 12,145,306 shares of common stock in exchange for 100% of Kimberly s common stock. This transaction was valued at $ 2,155,126 and was recorded to Mineral Properties. See Note 13. Acquisition of Assets from Kimberly Gold Mines, Inc. to our consolidated financial statements for further details.

Also, during the three-month period ended March 31, 2009, the Company received a Quitclaim Deed releasing the property that was the collateral of a note receivable with a principal and accrued interest balance of $131,553. The Company determined the fair value of the reclaimed property to equal the sum of the principal and accrued interest balances. See Note 7. Notes Receivable *Sale of Lode Claim* to our consolidated financial statements for further details.

Investments

Our investment portfolio at March 31, 2009 was $220,250, a decrease of $136,573 from the September 30, 2008, balance of $356,823, primarily as a result of decreased per share values. Also, contributing to this decrease was the derecognition of 321,500 shares of Kimberly's common stock with a cost basis of $38,035. The cost basis of this common stock was allocated to the purchase price of the acquired mineral properties. See "Note 7. Investments" and "Note 13. Acquisition of Kimberly Gold Mines, Inc." to our consolidated financial statements for further details.

Notes Receivable from Related Parties

At March 31, 2009, notes receivable from related parties totaled $3,716, a decrease of $200,000 from $203,716 at September 30, 2008. This decrease was related to the derecognition of the Kimberly note receivable in connection with our acquisition of certain assets from Kimberly. The $222,408 value of the Kimberly note receivable and accrued interest was included in the purchase price of the acquired mineral properties. See “Note 13. Acquisition of Assets from Kimberly Gold Mines, Inc.” to our consolidated financial statements for further details.

Accrued Expenses and Other Liabilities

Our accounts payable were $130,447 at March 31, 2009, a decrease of $65,060 from $195,507 at September 30, 2008. During the three-month period ended March 31, 2009, the Company assigned a value of $72,887 to certain accounts payable assumed in connection with the acquisition of assets from Kimberly Gold Mines, Inc. See Note 13.

The September 30, 2008 accounts payable balance included $48,500 in compensation expense associated with a settlement agreement entered into by the Company with its former Chief Executive Officer, and included $50,000 associated with our acquisition of a 50% interest in a commercial office building in Coeur d’Alene, Idaho.

Notes Payable

During 2006, we acquired a vehicle for $19,782 by paying $9,000 cash and signing a note for the remaining $10,781. The note had a term of 30 months, bore interest at 8.99% annually and stipulated that payments of $499 be made monthly. This note payable was fully paid as of December 31, 2008.

During the third quarter of 2007, we acquired equipment for $55,000 by paying $27,500 cash and signing a note for the remaining $27,500. The note has a term of 24 months, bears interest at 8.50% annually and stipulates that payments of $1,250 be made monthly. The outstanding balance on this note payable was $7,318 at March 31, 2009 and is payable within twelve months.

In December 2007, we purchased equipment for $15,377 in exchange for a note. The note has a term of 43 months, bears interest at 3.90% annually and stipulates that payments of $384 be made monthly. The lender has the right to increase the interest rate to 19.8% in the event of a violation of the terms of the loan agreement. The outstanding balance on this note payable was $10,599 at March 31, 2009. Of this amount $4,276 is payable within twelve months.

In December 2008, we purchased for $21,752 a one-year liability insurance policy covering its Lakeview mill (the Policy). The Policy was purchased with a cash payment of $5,813 with the balance of $15,939 settled with a promissory note. We recorded prepaid insurance of $21,752 and a related entry to record a $15,939 note payable. The note has a term of nine months, bears interest at 9.15% annually and stipulates that payments of $1,839 be made monthly. The outstanding balance on this note payable was $8,995 at March 31, 2009, all of which is payable within twelve months. See Note 10: Notes Payable to our consolidated financial statements for further details.

Stockholders Equity

Our total stockholders equity was $ 6,481,212 at March 31, 2009, an increase of $ 840,192 from $5,641,020 at September 30, 2008. The increase in total stockholders equity was primarily due to the issuance of 12,145,306 shares of common stock issued in exchange for certain asserts of Kimberly Gold Mines, Inc. Partially offsetting this positive impact was a net loss of $ 833,502 incurred during the six-month period ended March 31, 2009. Also, contributing to the decrease in total stockholders equity was a decrease of $149,102 in accumulated other comprehensive income. Fluctuations in prevailing market values continue to cause volatility in the Company s accumulated comprehensive income or loss in stockholders equity and may continue to do so in future periods. See Note 7. Investments and Note 13. Acquisition of Kimberly Gold Mines, Inc. to our consolidated financial statements for further details.

Liquidity and Capital Resources

Operating Activities
During the six-month period ended March 31, 2009, our operating activities used $ 907,415 and used $175,158 during the comparable period last year. This reduction was primarily the result of the realization of a net loss of $ 833,502 during the recent six-month period compared to a net loss of $283,196 realized last year.

Investing Activities
During the six-month period ended March 31, 2009, our investing activities used $266,851 and used $50,191during the same period last year. This was primarily the result of $105,361 in proceeds from the sale of investments received during the six-month period ended March 31, 2008 compared with $1,200 during the six-month period ended March 31, 2009.

Financing Activities
During the six-month period ended March 31, 2009, our financing activities used $47,867 and contributed $169,373 during the same period last year. This was primarily due to net proceeds of $150,000 received from the issuance common stock during the six-month period ended March 31, 2008, compared with none during the six-month period ended March 31, 2009.

Off-Balance Sheet Arrangements

The Company is not currently a party to any off-balance sheet arrangements as they are defined in the regulations promulgated by the Securities and Exchange Commission.

Item 3 Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

Item 4 Controls and Procedures

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this quarterly report on Form 10-Q, an evaluation was carried out by the Company s management, with the participation of the Principal Executive Officer and the Principal Financial Officer, of the effectiveness of the Company s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (Exchange Act) as of March 31, 2009. Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, to allow timely decisions regarding required disclosures.

In connection with the restatement of our financial statements as described in “Note 15. Restatement of Prior Period Financial Statements”, management reevaluated our disclosure controls and procedures and our internal control over financial reporting for the period impacted by the restatement. As a result of this reevaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2009, our disclosure controls and procedures were not effective to ensure that information required to be disclosed in the reports we file with the SEC under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported as and when required.

Changes in Internal Control Over Financial Reporting

As of the end of the period covered by this report, there have been no changes in internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the quarter ended March 31, 2009, that materially affected, or are reasonably likely to materially affect, the Company s internal control over financial reporting.

PART II OTHER INFORMATION

Item 1 - Legal Proceedings

We are, from time to time, involved in various legal proceedings incidental to the conduct of business. In the opinion of management, our gross liability, if any, and without any consideration given to the availability of insurance or other indemnification, under any pending litigation or administrative proceedings, including that discussed below, would not materially affect our consolidated financial position, results of operations or cash flows.

On November 17, 2008, the United States Environmental Protection Agency (EPA) filed a civil action against us in the United States District Court for the District of Idaho. The civil action seeks recovery of funds paid by the EPA in response to alleged releases of hazardous substances at our Idaho Lakeview mine and mill site in Bonner County, Idaho. Currently, we do not believe that the resolution of this civil action will materially affect our consolidated financial position, results of operations or cash flows. Further, at this time, the Company is unable to make an estimate of a possible loss.

Item 1A Risk Factors

Not applicable.

Item 2 - Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3 - Defaults Upon Senior Securities

None.

Item 4 - Submission of Matters to a Vote of Security Holders

None.

Item 5 - Other Information

None.

Item 6 - Exhibits

(a)	Exhibit No.	Description of Document
	31.1	Certification of Principal Executive Officer as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
	31.2	Certification of Principal Financial Officer as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
	32.1	Certification of Principal Executive Officer as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
	32.2	Certification of Principal Financial Officer 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.

SHOSHONE SILVER MINING COMPANY
(Registrant)

July 17, 2009 Date	By: /s/ Lex Smith Lex Smith President and Principal Executive Officer
July 17, 2009 Date	By: /s/ Melanie Farrand Melanie Farrand Treasurer and Principal Financial Officer