

DEED

THIS DEED, effective as of the 1st day of January, 1982, by and between PanCana Industries, Inc., a Colorado corporation, whose principal business address is 4975 Van Gordon Street, Wheat Ridge, Colorado 80033 ("Grantor"), and Western States Minerals-JVI, a joint venture, whose principal place of business is 4975 Van Gordon Street, Wheat Ridge, Colorado 80033 ("Grantee").

RECITALS:

1. Grantee is a joint venture comprised of Western States Minerals Corporation, a Utah corporation, and PanCana Industries, Inc., the Grantor. A Memorandum of Agreement of Western States Minerals - JVI is recorded in the Offices of the Recorder of Elko and Eureka Counties, Nevada.

2. Grantor desires to convey to Grantee all of Grantor's right, title and interest in and to certain unpatented lode mining claims located within the Lynn Mining District, Elko and Eureka Counties, Nevada as more particularly described in Exhibit A attached hereto and by this reference made a part hereof (the "Property").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantor, Grantor hereby sells, transfers, and conveys unto Grantee, its successors and assigns, all of Grantor's right, title, interest, possession, claim, and demand, whatsoever, in and to the Property, howsoever created, reserved or granted, and all interest in and to the Property hereafter created, reserved, granted or acquired by or to Grantor, together with all and singular the mines, minerals, lodes, veins, dips, spurs, angles, tenements, hereditaments, rights, privileges, and appurtenances to the same belonging, or in anywise appertaining, without condition or qualification.

TO HAVE AND TO HOLD, all and singular the interests herein assigned unto Grantee, its successors and assigns, forever.

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IN WITNESS WHEREOF, the Grantor has executed this
Deed as of the date first set forth above.

GRANTOR:

PANCANA INDUSTRIES, INC.

By [Signature]
President

ATTEST:

[Signature]
Secretary Vice - President & General Counsel



ACKNOWLEDGMENT

PROVINCE OF ALBERTA)
) SS.
)

This certifies that on this 1st day of SEPTEMBER, 1983 before me, the undersigned, a Notary Public in and for the PROVINCE OF ALBERTA, personally appeared J.A. DABBS, to me known and known to me to be the person named as President in the foregoing instrument and acknowledged that he executed the same on behalf of PanCana Industries, Inc., a Colorado corporation.

E. Loyd Jones
Notary Public E. Loyd Jones

My commission expires: DECEMBER 31-1983

Residing at: 1609-1200 SIXTH ST. S.W.
CALGARY-ALBERTA T2R 1N3

[SEAL]



EXHIBIT A
TO
DEED
BETWEEN
PANCANA INDUSTRIES, INC.
AND
WESTERN STATES MINERALS-JVI

PROPERTY

A. The following unpatented lode mining claims located in the Lynn Mining District, Eureka and/or Elko Counties, Nevada; which have been recorded in the office of the Recorder of Eureka and/or Elko Counties; and filed in the Nevada State Office of the Bureau of Land Management as follows:

Name of Claim	Recorded Eureka County			Recorded Elko County			BLM N MC NUMBER
	Date	Book	Page	Date	Book	Page	
Bazza No. 1 thru Bazza No. 10	05/03/66	10	219-228				57136 - 57145
Pandora No. 1 thru Pandora No. 10	07/25/66	11	420-439				
	07/25/66	11	209-218				57122 - 57131
Corbett No. 1 thru Corbett No. 4	05/05/67	18	513-516				57132 - 57135
Weimer No. 1 thru Weimer No. 24	08/15/66	11	450-473				57098 - 57121
Golden Boy No 6 thru Golden Boy No. 12	12/12/63	2	125-131				56980 - 56986
Barr No. 1 thru Barr No. 4	03/29/66	10	218-224				56971 - 56974
Micron No. 1 thru Micron No. 36	10/08/69	33	12-47				56993 - 57028

Name of Claim	Recorded Eureka County			Recorded Elko County			BLM N MC NUMBER
	Date	Book	Page	Date	Book	Page	
Medford No. 1 thru Medford No. 6	04/22/68	23	344-349	06/30/78	269	682-687	57029 - 57034
Gold Strike No. 1	02/19/63	M	345-380				57154 - 57189
thru	04/19/63	N	132-167				
Gold Strike No. 36	02/24/70	34	359-394				
	09/12/78	65	551-586				
	09/12/78	65	587-600				
	09/12/78	66	1-22				
Gold Bug No. 1 thru	02/19/63	M	381-397	06/28/78	269	183-209	57053 - 57079
Gold Bug No. 27	04/19/63	N	195-221				
	02/24/70	34	332-358				
Gold Bug No. 1 thru	05/11/82	102	337-340				233669-239672
Gold Bug No. 4							
Royal No. 1 thru Royal No. 18	02/10/66	10	1-18				57080 - 57097
Extension No. 1 thru	07/24/63	P	85-94	11/15/63	41	43-60	57035 - 57052
Extension No. 18				02/24/70	120	476-493	
				06/29/78	269	627-644	
Post No. 1 thru Post No. 6, Post Extension, Post Fraction	11/17/66	13	415-425				57146 - 57153
	08/26/68	25	425-426				
Post 3, Post 4 Post Fraction, Post Extension	05/11/82	102	337-340				239665-239668
Golden April 1 thru Golden April 21, Golden April F	01/14/80	78	172-193	01/14/80	312	364-370	136772-136793

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Name of Claim	Recorded Eureka County			Recorded Elko County			BLM N MC NUMBER
	Date	Book	Page	Date	Book	Page	
SJ No. 1 thru SJ No. 16	09/22/75	52	327-342				73188 - 73203
Stewart, Stewart #1 thru Stewart #5	10/25/78	66	518-523				39429 - 39434
Hill 1 thru Hill 47	02/27/80	79	216-239	02/27/80	315	528-565	141879-141925
Fox 1 thru Fox 10	1/23/81	90	448-455	01/23/81	344	354-359	182111-182120
AA 501-512	05/29/80	81	341-352				73730 - 73741
AA 520-534, AA 536-550, AA 552	03/23/81	93	394-424				79952 - 79982
Buzz #1 thru Buzz #3	05/11/83	111	003-005				268706-268708
Clydesdale #1 thru Clydesdale #31	07/18/73	112	136-166				275634-275664
Golden Wombat #1 thru Golden Wombat #8	07/18/83	112	128-135				275626-275633

B. Leasehold interest in the East 1/2 of Section 25, T36N, R49E, MDB & M, Eureka County, Nevada: Mining Lease No. SPL-643 between Southern Pacific Land Company and Western States Minerals Corporation (by assignment), a Memorandum of which is recorded in the Office of the Recorder, Eureka County, Nevada, in Book 75 at Pages 427-429.

RECORDED AT REQUEST OF
Western States Minerals
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83 SEP 20 AID: 18

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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
MIN. REALESTATE RECORDER
FILE NO. 89145
FFS 10.00