

DEED OF TRUST
(WITH SECURITY AGREEMENT)

THIS DEED OF TRUST (WITH SECURITY AGREEMENT), dated as of April 17, 1986, is made by and among Atlas Gold Mining Inc. a Nevada corporation ("Company"), whose address is One East First Street, Reno, Nevada 89501, and Frontier Title Company, a Nevada corporation whose address is P.O. Box 228, Elko, Nevada 89801 (the "Trustee") for the benefit of Bank of America National Trust and Saving Association ("Bank"), whose address is c/o Corporate Service Center #1233, 1850 Gateway Boulevard, Concord, California 94520.

W I T N E S S E T H :

Recitals

The Company, Atlas Corporation, a Delaware corporation ("Atlas"), and the Bank entered into a Credit Agreement dated as of April 17, 1986, whereunder the Bank committed to extend credit and make loans to the Company, subject to the terms and conditions stated in that Credit Agreement, up to an aggregate principal amount of \$12,000,000 ("Credit Agreement"). All capitalized terms not defined herein shall have the same meaning as in the Credit Agreement.

Pursuant to the Credit Agreement, the Company has executed one or more notes, for which the aggregate principal amount and the interest thereon are due and payable in no event later than September 30, 1989 (the "Notes").

It is a condition precedent to the making of loans (hereinafter called the "Loans") under the Credit Agreement that the Company shall have granted the liens and security interests contemplated by this Deed of Trust.

NOW, THEREFORE, in consideration of the premises and in order to induce the Bank to disburse funds pursuant to the Credit Agreement, the Company hereby agrees with the Trustee and the Bank as follows:

SECTION 1: GRANT OF SECURITY

In order to secure repayment of the Indebtedness as defined herein, the Company hereby grants, bargains, sells, assigns, transfers, pledges, conveys and mortgages to the Trustee for the benefit of the Bank, and for the same consideration grants a security interest to the Bank in, the following (the "Collateral"):

BOOK 143 PAGE 527

(a) All of the Company's present or hereafter acquired right, title and interest in and to the unpatented mining claims and millsite claims located in Eureka County, Nevada (referred to herein as the "Claims" or the "Lands"), all as described in Schedule A hereto;

(b) All buildings, structures and improvements now or hereafter located or erected on the Lands (the "Improvements") and any and all easements, licenses and rights-of-way used in connection therewith;

(c) All of the Company's present or hereafter acquired water and water rights, ditch and ditch rights, reservoir and reservoir rights, stock or interest in irrigation or ditch companies used in relation to the Lands, including, but not limited to, the water rights described in Schedule A hereto;

(d) All of the gold and all other minerals to which the Company is presently or hereafter entitled in, on or under the Lands (herein called the "Minerals");

(e) All of the Company's present or hereafter acquired right, title and interest in and to the surface or subsurface machinery, equipment, facilities, supplies and other personal property, structures and fixtures, as defined under applicable law, now or hereafter located in, on, under or affixed to the Lands or the Improvements which are used or purchased for the production, treatment, storage, transportation, manufacture or sale of the Minerals and any replacements thereof, substitutions therefor or accessions thereto (the "Operating Equipment") including, but not limited to, the property listed in Schedule B attached hereto;

(f) All of the accounts, contract rights and general intangibles now or hereafter arising in connection with the production, treatment, storage, transportation, manufacture or sale of the Minerals;

(g) All of the severed and extracted Minerals produced from the Lands; and

(h) All of the proceeds and products of the property described under (a) through (g) above.

TO HAVE AND TO HOLD all of the Collateral, together with all of the rights, privileges, benefits, hereditaments and appurtenances in anywise belonging, incidental or appertaining thereto, to the Trustee IN TRUST, NEVERTHELESS, for the security and benefit of the Bank and its successors and assigns, subject to all of the terms, conditions, covenants, agreements and trusts herein set forth.

SECTION 2: INDEBTEDNESS SECURED

This instrument is executed and delivered by the Company to secure and enforce the payment and satisfaction of the Company's indebtedness under the Credit Agreement and as described below (herein called the "Indebtedness"):

(a) All sums advanced to the Company pursuant to the Credit Agreement and evidenced by the Notes or the Letters of Credit, and all interest on the sums so advanced;

(b) All facilities fees, commissions and commitment fees charged by the Bank to the Company pursuant to the Credit Agreement;

(c) All sums advanced and costs and expenses incurred by the Bank (directly or on its behalf by the Trustee), including all reasonable legal and engineering fees and expenses, made and incurred in connection with the Indebtedness or any part thereof, any renewal, extension or change of or substitution for the Indebtedness or any part thereof, or the acquisition or perfection of the security therefor, whether such advances, costs and expenses were made and incurred at the request of the Company, the Trustee or the Bank; and

(d) All renewals, extensions, amendments and changes of, or substitutions for, all or any part of the items described under (a) and (b) above.

SECTION 3: WARRANTIES, REPRESENTATIONS AND COVENANTS

Paragraph 3.1. The Company covenants, represents and warrants to and with the Trustee and the Bank that:

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated;

(b) The Company has the corporate power and authority to own its properties and assets and to carry on its business as now being conducted and is qualified to do business in every jurisdiction wherein such qualification is required by the laws of such jurisdiction, other than jurisdictions where the failure to so qualify would not have a material adverse effect on its financial condition;

(c) The Company has the corporate power to execute this Deed of Trust;

(d) The Company is, either directly or indirectly, one hundred percent (100%) owned by Atlas;

(e) The execution, delivery and performance of this Deed of Trust has been duly authorized by all requisite corporate action and will not violate any provision of law, any

order of any court or other agency of government, the certificate of incorporation or by-laws of the Company, any provision of any indenture, agreement or other instrument to which the Company is a party, or by which it or any of its properties or assets are bound, or be in conflict with, result in a breach of or constitute (with due notice and lapse of time) a default under any such indenture, agreement or other instrument. There is no law, rule or regulation, nor is there any judgment, decree or order of any court or governmental authority binding on the Company which would be contravened by the execution, delivery, performance or enforcement of this Deed of Trust or any instrument or agreement required hereunder. This Deed of Trust is a legal, valid and binding agreement of the Company enforceable against the Company in accordance with its terms, subject to applicable equitable remedies and operation of any bankruptcy laws, insolvency, reorganization and similar laws affecting the rights of creditors generally;

(f) All financial statements of the Company delivered to the Bank, including its balance sheets and statements of income and surplus and any notes thereto, are correct and complete and accurately and fairly present the financial condition of the Company on the dates thereof and the results of its operations for the periods then ended, subject, however, to year-end adjustments in the case of unaudited statements (which shall consist only of normal recurring accruals), and each such balance sheet and the notes thereto show all known material liabilities, direct or contingent, of the Company as of the date thereof, and each financial statement referred to herein was prepared in accordance with generally accepted accounting principles;

(g) There has been no material adverse change in the business, properties or condition (financial or otherwise) of the Company since the date of the Balance Sheet;

(h) The Company has title to the Lands which is superior and paramount to any adverse claim or right of title which may be asserted, subject to the paramount title of the United States and the rights of third parties to the Lands pursuant to the Multiple Mineral Development Act of 1954 and the Surface Resources and Multiple Use Act of 1955. The Company has good and marketable title to all of its other respective properties and assets reflected in Schedules A and B attached hereto, which assets constitute all of the properties and assets, tangible or intangible, real or personal, which are used in the conduct of the business of the Company, as such business is presently being conducted. No other material properties or assets, whether or not owned by the Company, are required for the operation of such business as presently being operated. All such properties and assets are owned free and clear of all clouds to title and of all Liens, except such as are Permitted Liens pursuant to the Credit Agreement or as set forth in the title opinions delivered to and accepted by the

Bank pursuant to Section 4.01(b) of the Credit Agreement. All machinery and equipment owned by the Company is in a state of repair adequate for normal operations and is in all material respects in good working order;

(i) The Company is the owner of the Claims. Each of the Claims may be freely transferred or assigned to a qualified transferor or assignor without the consent of any person or entity. Without covenanting, representing or warranting as to the discovery of valuable minerals or the use or occupancy of the Claims, all Claims have been properly located and maintained and the Company has not been advised of any present defect with regard thereto;

(j) The Company has filed or caused to be filed all federal, state and local tax returns which, to the knowledge of the Company, are required to be filed and has paid or caused to be paid all taxes as shown on such returns or any assessment received by it to the extent that such taxes or assessments have become due, except for those which are being contested in good faith and as otherwise permitted by the provisions hereof. The Company has established reserves which are reasonably believed by the officers of the Company to be adequate for the payment of such taxes;

(k) The Company is not presently obligated under any purchase or sale agreements, refining agreements, production payment agreements, operating agreements, participation agreements, security agreements or any other agreements to make future deliveries of production attributable to the Lands. No payments for production attributable to the Lands are presently being held in suspense or escrow accounts;

(l) With respect to the Lands and operations thereon, the Company has complied in all material respects with all applicable local, tribal, state and federal laws and regulations relating to the operation of the Project, and the Company is not aware of any investigation (other than a routine inspection) of the Company underway by any local, state or federal agency with respect to enforcement of such laws and regulations;

(m) Except for the due and timely filing or recording of this Deed of Trust and any other Collateral Agreement (and except for the delivery to the Bank of any Collateral as to which possession is the only method of perfecting a security interest in or lien on such Collateral), no further action is necessary in order to establish and perfect the Bank's prior security interest in or first lien on all Collateral other than Collateral subject to Permitted Liens; and

(n) No event has occurred and is continuing or would result from the incurring of obligations by the Company under this Deed of Trust which is a Default or an Event of Default.

Paragraph 3.2. The Company covenants and agrees with the Trustee and the Bank, that so long as any part of the Indebtedness secured hereby remains unpaid (unless the Bank shall have otherwise consented in writing):

(a) The Company will pay when due, or within any applicable grace periods with respect thereto, the Indebtedness in accordance with the terms of the Credit Agreement and this Deed of Trust and will comply with all of the terms and provisions thereof and hereof;

(b) The Company shall promptly, at the Company's own expense and insofar as not contrary to applicable law, file and refile in such offices, at such times and as often as may be necessary, any instrument as may be necessary to create, perfect, maintain and preserve the lien and security interest intended to be created hereby and the rights and remedies hereunder; shall promptly furnish to the Bank evidence satisfactory to the Bank of all such filings and refilings; and otherwise shall do all things necessary or expedient to be done to effectively create, perfect, maintain and preserve the liens and security interests intended to be created hereby as a valid lien of first priority on real property and fixtures and a perfected security interest in personal property and fixtures, and hereby authorizes the Trustee and the Bank to file one or more financing or continuation statements, and amendments thereto, relative to any or all of the Collateral without the signature of the Company where permitted by law;

(c) The Company will use its best efforts to (1) cause each of the Claims described in Schedule A, and any water rights, right of ways, easements or privileges owned or hereafter acquired by the Company and necessary or appropriate to the operation of a mine upon the Lands, to be kept in full force and effect by the payment of whatever sums may become payable and by the fulfillment of whatever other obligations, and by the performance of whatever other acts, may be required to the end that forfeiture or termination of each such Claim shall be prevented unless the termination, forfeiture or other relinquishing of the Claim is authorized by the Operating Plan then in effect, (2) cause to be done all mining and milling operations in accordance with good and minerlike practice, (3) permit the Bank, through its employees and agents, to enter upon the Lands, for the purpose of investigating and inspecting the condition and operation of the Collateral, and do all other things necessary or proper to enable the Bank to exercise this right at such times as the Bank may reasonably request, provided, however, that if any such agent or employee should suffer any injury during any such visit or inspection and such injury shall be directly caused by negligence of such agent or employee, then the Company shall not be liable to the Bank for any expenses or damages relating to such injury, and (4) do all other things necessary to preserve the Trustee's and the Bank's interests in the Collateral;

(d) The Company will use its best efforts to keep all Improvements, Operating Equipment, inventory and fixtures of every kind now or hereafter included in the Collateral in good working order, and all repairs, renewals, replacements, additions, substitutions and improvements needful to such end shall be promptly made;

(e) The Company will use its best efforts to comply with all lawful rulings and regulations of each regulatory authority having jurisdiction in the premises;

(f) The Company will pay when due all liabilities of any nature, including all liabilities for labor and material and equipment, incurred in or arising from the administration or operation of the Lands, provided same is not disputed in accordance with Section 6.07 of the Credit Agreement;

(g) The Company will carry workmen's compensation insurance in compliance with applicable laws;

(h) The Company will carry insurance as required by the Credit Agreement;

(i) The Company will protect every part of the Collateral from removal, destruction and damage, and will protect same from the doing or suffering to be done of any act, other than the use of the Collateral as hereby contemplated, whereby the value of the Collateral may be lessened;

(j) The Company shall execute, acknowledge and deliver to the Bank such other and further instruments, and do such other acts, as in the opinion of the Bank may be necessary or desirable to effect the intent of this Deed of Trust, upon the reasonable request of the Bank and at the Company's expense;

(k) The Company shall promptly furnish to the Bank such information concerning the Company, the Company's business affairs and financial condition and the Collateral as the Bank may reasonably request in accordance with the Credit Agreement;

(l) The Company shall keep proper books, records and accounts in which complete and correct entries shall be made of the Company's transactions in accordance with generally accepted accounting principles, and shall keep the records concerning the accounts and contract rights included in the Collateral at the Company's principal place of business, which shall continue to be in the State shown in this Deed of Trust, or at such other location designated in writing by the Company, and the Bank shall have the right to inspect such records, at its expense, and the Company shall furnish copies upon reasonable request in accordance with the Credit Agreement; and

(m) If the title or the right of the Company, the Trustee or the Bank to the Collateral or any part thereof shall

be attacked, either directly or indirectly, or if any legal proceedings are commenced against the Company, the Company shall promptly give written notice thereof to the Trustee and the Bank and, at the Company's own expense, shall proceed diligently to defend against any such attack or proceedings, and the Trustee and the Bank may take such independent action in connection therewith as they may, in their reasonable discretion, deem advisable to protect the Trustee's and the Bank's interests in the Collateral, and all costs, expenses and reasonable attorneys' fees (including allocated costs of staff counsel to the Bank), incurred by the Trustee or the Bank in connection therewith, shall be a demand obligation owing by the Company to the Bank and shall bear interest at the Reference Rate from the date such expenses are incurred, until paid and shall be part of the Indebtedness.

Paragraph 3.3. The Company covenants and agrees with the Trustee and the Bank that, so long as any part of the Indebtedness secured hereby remains unpaid, the Company or its subsidiaries, if any, shall not, either directly or indirectly, without the prior written consent of the Bank, which consent shall not be unreasonably withheld:

(a) Except as provided in the Credit Agreement, dispose of any fixed or capital assets except for full, fair and reasonable consideration and except as provided in Section 6.11 of the Credit Agreement, enter into any sale and leaseback agreement covering any of its fixed or capital assets;

(b) Except as provided in the Credit Agreement, incur, create, assume or permit to exist any Debt or incur, create or enter into any guaranty of any obligation of any other person;

(c) Create, assume or suffer to exist any Lien on any of its property, real or personal or mixed, whether now owned or hereinafter acquired, except Permitted Liens pursuant to the Credit Agreement;

(d) Enter into, assume or otherwise become liable as lessee with respect to any non-cancellable operating leases having terms in excess of one (1) year from the date of any calculation with respect thereto if the aggregate minimum required payments (other than net payments from production of ore) over the remaining life of any such leases exceeds Two Hundred Thousand Dollars (\$200,000) for all such leases of the Company;

(e) Liquidate or dissolve, or enter into any consolidation, merger, partnership, joint venture or other combination, or sell, lease or dispose of its business or assets as a whole or in an amount which constitutes a substantial portion thereof; or

(f) Engage in any business activities or operations

substantially different from or unrelated to the Project.

Paragraph 3.4. The Company covenants and agrees with the Bank that if it fails to perform any act which it is required to perform hereunder, or if the Company fails to pay any money which it is required to pay hereunder, the Bank may, but shall not be obligated to, perform or cause to be performed such act and may pay such money, and any expenses so incurred by the Bank, and any money so paid by the Bank shall be a demand obligation owing by the Company to the Bank and shall bear interest at the Default Rate from the date of making such payment until paid and shall be a part of the Indebtedness hereby secured. No such advancement or expenditure thereof shall relieve the Company of any default under the terms of this Deed of Trust.

SECTION 4: TERMINATION

Upon payment in full of the Indebtedness pursuant to the terms and conditions of this Deed of Trust and the instruments evidencing the Indebtedness, this Deed of Trust shall become null and void. In such event, the within conveyance of the Collateral shall become of no further force and effect, all of the Collateral shall revert to the Company, and the entire right, title and interest of the Trustee and the Bank shall terminate. The Trustee and the Bank shall, promptly after the request of the Company, and at the Company's cost and expense, execute, acknowledge and deliver to the Company proper instruments evidencing the termination of this Deed of Trust, and the relinquishment of any right, interest, claim or demand in or to all or any portion of the Collateral. Otherwise, this Deed of Trust shall remain and continue in full force and effect.

SECTION 5: DEFAULT

Paragraph 5.1. If any of the following events (hereinafter called "Events of Default") shall occur and be continuing:

(a) The Company shall fail to pay when due the final installment of principal of the Loans or within five (5) Banking Days of its due date any other installment of principal or interest on the Loans or any other sum due in accordance with the terms of the Credit Agreement or of any Notes or Letters of Credit issued thereunder;

(b) Any representation or warranty herein or in any agreement, instrument or certificate executed pursuant hereto or in connection with any transaction contemplated hereby shall prove to have been false or misleading in any material respect when made or when deemed to have been made;

(c) The Bank shall fail to have a valid and enforceable first perfected security interest in or lien on any

Collateral;

(d) Any involuntary lien or liens in the aggregate sum of One Hundred Thousand Dollars (\$100,000) or more, of any kind or character, except for Permitted Liens pursuant to the Credit Agreement, shall attach to any assets or property of the Company, if such lien is not discharged or bonded pending proceedings to release such lien within sixty (60) days after the date of attachment for any reason other than such failure directly caused by the Bank;

(e) A final judgment or judgments shall be entered against the Company in the aggregate amount of One Hundred Thousand Dollars (\$100,000) or more on a claim or claims not covered by insurance and such judgment or judgments remain undischarged or unstayed or not bonded pending appeal for sixty (60) days;

(f) The Company shall fail to pay its debts generally as they come due, or shall file any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors or the Company shall take any corporate action to authorize, or in furtherance of, any of the foregoing;

(g) An involuntary petition shall be filed under any bankruptcy statute against the Company or a custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) shall be appointed to take possession, custody or control of the properties of the Company unless such petition or appointment is set aside or withdrawn or ceases to be in effect within sixty (60) days from the date of said filing or appointment;

(h) Any governmental authority shall condemn, seize or appropriate any property of the Company that is material to the financial condition, business or operations of the Company if such governmental authority fails to compensate the Company for such taking within one year after such power is exercised in an amount at least equal to the fair market value as a going concern of the property taken;

(i) Any governmental regulatory authority shall take any action which would materially and adversely affect the Company's financial condition, operations or ability to repay the Loans unless such action is set aside, dismissed or withdrawn within sixty (60) days of its institution or such action is being contested in good faith and its effect is stayed during such contest;

(j) Any approval, consent, exemption or other action of any governmental authority required under the Credit Agreement shall be withdrawn or become ineffective for a period of thirty (30) days and the absence thereof would materially and adversely affect the Company's financial condition, operations or ability to repay the Loans;

(k) Any breach or default shall occur under any agreement involving the borrowing of money or the extension of credit under which the Company or, prior to the Completion Date Atlas, may be obligated as borrower or guarantor, if such default consists of the failure to pay any Debt when due whether by acceleration or otherwise (and remains uncured or continues beyond any applicable grace period) or if such default results in or permits the acceleration of any Debt or the termination of any commitment to lend to the Company or Atlas;

(l) Any breach or default shall occur under the Credit Agreement or under any other Collateral Agreement (and shall remain uncured beyond any applicable grace period);

(m) The Company shall cease to be one hundred percent (100%) directly or indirectly owned by Atlas except as provided in the Credit Agreement; or

(n) The Company shall breach, or default under, any term, condition, provision, representation or warranty contained in this Deed of Trust not specifically referred to in this Article, if such breach or default shall continue for thirty (30) days after notice from Bank, and if such breach would materially and adversely affect the Company's financial condition, operations or ability to repay the Loans.

Paragraph 5.2. In the case of an Event of Default other than one referred to in Paragraph 5.1(f) or (g) herein, any obligation on the part of the Bank to make or continue the Loans or to issue the Letters of Credit shall terminate and the Bank may declare all sums of principal and interest outstanding on the Loans and all other sums outstanding under or in respect of the Credit Agreement and the Notes immediately due and payable, without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or other notices or demands of any kind or character (other than as stated in any of the foregoing sections of this Section), all of which are hereby expressly waived by the Company; and (b) in the case of an Event of Default referred to in Paragraph 5.1(f) or (g) herein, the Bank's obligations to make or continue the Loans or to issue the Letters of Credit shall be automatically cancelled and all sums of principal and interest on the Loans and all other sums outstanding under or in respect of the Credit Agreement and the Notes shall automatically become immediately due and payable without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, all of which are hereby expressly waived by the Company.

Paragraph 5.3. Upon the occurrence of any of the Events of Default, or at any time thereafter during which such Event of Default is continuing, the Bank may elect to treat the fixtures included in the Collateral either as real property or

as personal property, but not as both, and proceed to exercise such rights as apply to the type of property selected. The Bank may resort to any security given by this Deed of Trust, or to any other security now existing or hereafter given to secure the payment of any of the Indebtedness secured hereby, in whole or in part, and in such portions and in such order as may seem best to the Bank, in its sole discretion, and any such action shall not in any way be considered as a waiver of any of the rights, benefits or liens created by this Deed of Trust or granted by applicable law. In any foreclosure proceeding or private sale, the Collateral may be sold in its entirety, and shall not be required hereunder to be sold parcel by parcel.

Paragraph 5.4. All costs, expenses and reasonable attorneys' fees (including allocated costs of staff counsel to the Bank) incurred by the Trustee or the Bank in protecting and enforcing their rights hereunder and in connection with any refinancing or restructuring of the Loans in the nature of a "work out", shall constitute a demand obligation owing by the Company to the Bank and shall draw interest at the Default Rate from the date such expenses are incurred until paid, all of which shall constitute a portion of the Indebtedness secured by this instrument.

Paragraph 5.5. Upon the occurrence of any of the Events of Default, and at all times thereafter during which such Event of Default is continuing, in addition to all other rights and remedies herein conferred, the Bank shall have all of the rights and remedies of a beneficiary under a deed of trust granted by applicable law, and the Bank shall have all the rights and remedies of an assignee and secured party granted by applicable law, including the Uniform Commercial Code, and shall, to the extent permitted by applicable law, have the right and power, but not the obligation, to enter upon and take immediate possession of the Collateral or any part thereof, to exclude the Company therefrom, to take possession of the mining and milling operation thereon and the production from such operation, to remove any personal property included in the Collateral, to hold, use, operate, manage and control the Collateral, to make all such repairs, replacements, alterations, additions and improvements to the same as it may deem proper, to sell all of the severed and extracted Minerals included in the same, to demand, collect and retain all earnings, proceeds and other sums due or to become due with respect to the Collateral, accounting for and applying to the payment of the Indebtedness only the net earnings arising therefrom after charging against the receipts therefrom all costs, expenses, charges, damages and losses incurred by reason thereof plus interest thereon at the Default Rate, as fully and effectually as if the Bank was the absolute owner of the Collateral and without any liability to the Company in connection therewith.

Paragraph 5.6. Upon the occurrence of any Event of Default, or at any time thereafter during which such Event of

Default is continuing, the Bank, in lieu of or in addition to exercising any other power hereby granted, may, without notice, demand, or declaration of default, which are hereby waived by the Company except as expressly provided herein or in the Credit Agreement, proceed by an action or actions in equity or at law for the seizure and sale of the Collateral or any part thereof, for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, for the foreclosure or sale of the Collateral or any part thereof under the judgment or decree of any court of competent jurisdiction, for the appointment of a receiver pending any foreclosure hereunder or the sale of the Collateral or any part thereof, or for the enforcement of any other appropriate equitable or legal remedy.

Paragraph 5.7. Upon the occurrence of any Event of Default, or at any time thereafter during which such Event of Default is continuing, the Bank may require the Company to assemble the personal property included in the Collateral and make it available to the Bank at a place to be designated by the Bank which is reasonably convenient to all parties. If notice is required by applicable law, thirty (30) days prior written notice of the time and place of any public sale or of the time after which any private sale or any other intended disposition thereof is to be made shall be reasonable notice to the Company. No such notice is necessary if such property is perishable, threatens to decline speedily in value or is of a type customarily sold on a recognized market. If the Bank reasonably believes that the Securities Act of 1933, or any other State or Federal law, prohibits or restricts the customary manner of sale or distribution of any of such property, the Bank may sell such property privately, or in any other manner reasonably deemed advisable by the Bank, at such price or prices as the Bank determines in its reasonable discretion. The Company recognizes that such prohibition or restriction may cause such property to have less value than it otherwise would have and that, consequently, such sale or disposition by the Bank may result in a lower sales price than if the sale were otherwise held.

Paragraph 5.8. Upon the occurrence of any Event of Default, or at any time thereafter during which such Event of Default is continuing, the Bank, with or without entry, personally or by its agents or attorneys, insofar as applicable shall have the power and authority to invoke the power of sale, which is hereby granted to the Trustee. The Bank shall give written notice to the Trustee of its election to invoke the power of sale. The Trustee shall give such notice to the Company of the Company's rights as is provided by law. The Trustee shall advertise the time and place of the sale of the real property included in the Collateral in such manner as is required by law and shall mail copies of such notice of sale to the Company and other persons as prescribed by law. After the lapse of such time as may be required by law, the Trustee, without demand on the Company, shall sell the real property

included in the Collateral at public auction to the highest bidder for cash at the time and place and in one or more parcels as the Trustee may think best and in such order as the Trustee may determine. The Bank may become a purchaser at any such sale and shall have the right to credit the amount of its bid to the amount due to it. It shall not be obligatory upon any purchaser at any such sale to see to the proper application of the purchase money. The Bank shall be entitled to a receiver for the real property included in the Collateral upon or at any time after the election to invoke the power of sale, and shall be entitled to such receiver without notice and without regard to the solvency of the Company at the time of the application for the appointment of such receiver, and without regard to the then value of the real property included in the Collateral.

Paragraph 5.9. Any sale of the Collateral, or any part thereof, pursuant to the provisions of this Section 5 will operate to divest all right, title, interest, claim and demand of the Company in and to the property sold and will be a perpetual bar against the Company. Nevertheless, if requested by the Trustee or the Bank so to do, the Company shall join in the execution, acknowledgement and delivery of all proper conveyances, assignments and transfers of the property so sold. Any purchaser at a foreclosure sale will receive immediate possession of the property purchased, and the Company agrees that if the Company retains possession of the property or any part thereof subsequent to such sale, the Company will be considered a tenant at sufferance of the purchaser, and will, if the Company remains in possession after demand to remove, be guilty of unlawful detainer and will be subject to eviction and removal, forcible or otherwise, with or without process of law, and all damages by reason thereof are hereby expressly waived.

Paragraph 5.10. The liens and rights created and granted hereby shall not affect or be affected by any other security taken by the Bank for the same debts or any part thereof. The Company shall have and assert no rights, under any statute or rule of law pertaining to the marshalling of assets, the exemption of homestead, the administration of estates of decedents, or other matters whatever, to defeat, reduce or affect the rights of the Bank under the terms of this Deed of Trust, to a sale of the Collateral for the collection of the Indebtedness secured hereby or the right of the Bank, under the terms of this Deed of Trust, to the payment of the Indebtedness secured hereby out of the proceeds of the sale of the Collateral in preference to every other person and claimant whatever.

Paragraph 5.11. The proceeds of any sale of the Collateral or any part thereof made pursuant to this Section shall be applied as follows:

(a) First, to the payment of all out-of-pocket costs and expenses incident to the enforcement of this instrument, including, but not limited to, a reasonable compensation to the attorneys for the Bank;

(b) Second, to the payment of the Indebtedness; and

(c) Third, the remainder, if any, to be paid to the Company.

Paragraph 5.12. If an Event of Default shall occur hereunder, the Company will, upon request of the Bank, execute and deliver to such person or persons as may be designated by the Bank appropriate powers of attorney to act for and on behalf of the Company in all transactions with the Bureau of Indian Affairs, Bureau of Land Management of the Department of the Interior, or any other agency or department of the United States of America and the State of Nevada relating to any of the Collateral.

Paragraph 5.13. Should a conflict arise between the provisions of this Agreement and applicable Nevada law, Nevada law shall prevail.

SECTION 6: MISCELLANEOUS PROVISIONS

Paragraph 6.1. All options, powers, remedies and rights herein granted to the Bank are continuing, cumulative and not exclusive, and the failure to exercise any such option, power, remedy or right upon a particular default or breach, or upon any subsequent default or breach shall not be construed as waiving the right to exercise such option, power, remedy or right with respect to the Indebtedness secured hereby after its due date. No exercise of the rights and powers herein granted and no delay or omission in the exercise of such rights and powers shall be held to exhaust the same or be construed as a waiver thereof, and every such right and power may be exercised at any time. Any and all covenants in this Deed of Trust may, from time to time, by instrument in writing signed by the Bank, be waived to such extent and in such manner as the Bank may desire, but no such waiver shall ever affect or impair the Bank's rights hereunder, except to the extent specifically stated in such written instrument. All changes to and modifications of this Deed of Trust must be in writing and signed by the Bank.

Paragraph 6.2. No release from the lien of this Deed of Trust on any part of the Collateral shall in any way alter, vary or diminish the force, effect or lien of this Deed of Trust on the balance of the Collateral.

Paragraph 6.3. If any provision hereof is invalid or unenforceable in any jurisdiction, the other provisions hereof shall remain in full force and effect in such jurisdiction, and the remaining provisions hereof shall be liberally construed in

favor of the Bank in order to effectuate the provisions hereof, and the invalidity or unenforceability of any provisions hereof in any jurisdiction shall not affect the validity or enforceability of any such provision in any other jurisdiction. Any reference herein contained to the statutes or laws of a state in which no part of the Collateral is situated shall be deemed to be inapplicable to, and not used in, the interpretation hereof.

Paragraph 6.4. This Deed of Trust is made with full substitution and subrogation of the Trustee or the Bank in and to all covenants and warranties by others heretofore given or made in respect of the Collateral or any part thereof.

Paragraph 6.5. No provision of this Deed of Trust shall be construed to impose upon the Trustee or the Bank a duty to perform any of the covenants and obligations of the Company.

Paragraph 6.6. This Deed of Trust will be deemed to be, and may be enforced from time to time as, an assignment, chattel mortgage, contract or security agreement, and from time to time as any one or more thereof as is appropriate under applicable state law.

Paragraph 6.7. All recording references in Schedule A are to the real property records of the county in which the Lands are located.

Paragraph 6.8. This Deed of Trust may be executed in several original counterparts and each counterpart shall be deemed to be an original for all purposes, and all counterparts shall together constitute but one and the same instrument.

Paragraph 6.9. All deliveries hereunder shall be deemed to have been duly made if actually delivered, or if mailed by registered or certified mail, postage prepaid, to the addresses set forth in the Credit Agreement. Each party may, by written notice so delivered to the other, change the address to which delivery shall thereafter be made.

Paragraph 6.10. The Bank may appoint a successor trustee at any time to execute the trust created by this Deed of Trust by filing for record in the office of the County Recorder of each county in which said property or some part thereof is situated, a substitution of trustee in conformance with applicable state law. From the time the substitution is filed for record, the new trustee shall succeed to all the powers, duties, authority and title of the Trustee named herein or of any successor trustee. Each such substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by law.

Paragraph 6.11. The terms, provisions, covenants and conditions hereof shall bind and inure to the benefit of the

respective successors and assigns of the Company, of the Trustee and of the Bank.

IN WITNESS WHEREOF, the Company and the Bank have caused this Deed of Trust to be duly executed by their duly authorized officers, all as of the day and year first above-written.

Atlas Gold Mining Inc.,
a Nevada Corporation

By: John M. Devaney
Title: Vice President

Bank of America National
Trust and Savings
Association

By: ALSA-108P
Title: Vice President

ACKNOWLEDGEMENT

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.

On this 17th day of April, 1986,
John M. Devaney, personally appeared
before me, a notary public, who acknowledged that he executed
the above instrument as Vice President
of Atlas Gold Mining Inc.

WITNESS my hand and official seal.

My commission expires: March 30, 1987.

KATHLEEN GREEN
Notary Public, State of New York
No. 4843854
Qualified in Westchester County,
Certificate filed in New York County
Commission Expires March 30, 1987

Kathleen Green
Notary Public



SCHEDULE A
to
DEED OF TRUST

Lode Mining Claims

<u>Claim Name</u>	<u>Date of Location</u>	<u>County Recording Information Book</u>	<u>Page</u>	<u>Amended Location Certificate Book</u>	<u>Page</u>	<u>BLM Serial No.</u>
WAH 29	10/20/83	118	488	128	304	293577
WAH 31	10/18/83	118	490	128	306	293579
WAH 33	10/18/83	118	492	128	308	293581
WAH 35	10/18/83	118	494	128	310	293583
WAH 37	10/18/83	118	496	128	312	293585
WAH 39	10/18/83	118	498	128	314	293587
Jasper 282A	06/07/84	125	127	135	74	314799
Jasper 283	12/05/83	120	54	135	76	296401
Jasper 283A	03/21/85	135	78			339282
Jasper 284	12/05/83	120	55	141	588	296402
Jasper 285	12/05/83	120	56	135	80	296403
Jasper 286	12/05/83	120	57			296404
Jasper 287	12/05/83	120	58	135	82	296405
Jasper 289	12/05/83	120	60	135	84	296407
Jasper 289A	03/24/85	135	86			339283
Jasper 291	12/15/83	120	62			297409
Jasper 293	12/15/83	120	64			296411
Jasper 322	12/11/83	120	92	135	110	296439
Jasper 323	12/11/83	120	93	135	112	296440
Jasper 323A	03/24/85	135	114			339285
Jasper 324	12/04/83	120	94			296441
Jasper 326	12/04/83	120	96			296443

Mill Site Claims

<u>Claim Name</u>	<u>Date of Location</u>	<u>County Recording Information Book</u>	<u>Page</u>	<u>Amended Location Certificate Book</u>	<u>Page</u>	<u>BLM Serial No.</u>
AM 65	04/06/85	134	480			338635
AM 66	04/06/85	134	481			338636
AM 67	04/06/85	134	482			338637
AM 68	04/06/85	134	483			338638
AM 69	04/06/85	134	484			338639
AM 70	04/06/85	134	485			338640
AM 71	04/06/85	134	486			338641
AM 72	04/06/85	134	487			338642
AM 73	04/06/85	134	488			338643
AM 74	04/06/85	134	489			338644
AM 75	04/06/85	134	490			338645
AM 76	04/06/85	134	491			338646
AM 77	04/06/85	134	492			338647
AM 78	04/06/85	134	493			338648
AM 79	04/06/85	134	494			338649

BOOK 143 PAGE 544

AM 80	04/06/85	134	495			338650
AM 81	04/06/85	134	496			338651
AM 82	04/06/85	134	497			338652
AM 83	04/06/85	134	498			338653
AM 84	04/06/85	134	499			338654
AM 85	04/06/85	134	500			338655
AM 86	04/06/85	134	501			338656
AM 87	04/06/85	134	502			338657
AM 88	04/06/85	134	503			338658
AM 89	04/06/85	134	504			338659
AM 90	04/06/85	134	505			338660
AM 91	04/06/85	134	506			338661
AM 92	04/06/85	134	507			338662
AM 93	04/06/85	134	508			338663
AM 94	04/06/85	134	509			338664
AM 95	04/06/85	134	510	143	118	338665
AM 96	04/06/85	134	511			338666
AM 97	04/06/85	134	512			338667
AM 98	04/06/85	134	513			338668
AM 99	04/06/85	134	514	143	119	338669
AM 100	04/06/85	134	515			338670
AM 101	04/06/85	134	516			338671
AM 102	04/06/85	134	517			338672
AM 103	04/06/85	134	518			338673
AM 104	04/06/85	134	519			338674
AM 105	04/06/85	134	520			338675
AM 106	04/06/85	134	521			338676
AM 107	04/06/85	134	522			338677
AM 108	04/06/85	134	523			338678
AM 109	04/06/85	134	524			338679
AM 110	04/06/85	134	525			338680
AM 111	04/06/85	134	526			338681
AM 112	04/06/85	134	527			338682
AM 113	04/06/85	134	528			338683
AM 114	04/06/85	134	529			338684
AM 115	04/06/85	134	530			338685
AM 116	04/06/85	134	531			338686
AM 117	04/06/85	134	532			338687
AM 118	04/06/85	134	533			338688
AM 119	04/06/85	134	534			338689
AM 120	04/06/85	134	535			338690
AM 121	04/06/85	134	536			338691
AM 122	04/06/85	134	537			338692
AM 123	04/06/85	134	538			338693
AM 124	04/06/85	134	539			338694
AM 125	04/06/85	134	540			338695
AM 126	04/06/85	134	541			338696
AM 127	04/06/85	134	542			338697
AM 128	04/06/85	134	543			338698

BOOK 1 43 PAGE 545

AM 129	04/06/85	134	544	338699
AM 130	04/06/85	134	545	338700
AM 131	04/06/85	134	546	338701
AM 132	04/06/85	134	547	338702
AM 133	04/06/85	134	548	338703
AM 134	04/06/85	134	549	338704
AM 135	04/06/85	134	550	338705
AM 136	04/06/85	134	551	338706
AM 137	04/06/85	134	552	338707
AM 138	04/06/85	134	553	338708
AM 139	04/06/85	134	554	338709
AM 140	04/06/85	134	555	338710
AM 141	04/06/85	134	556	338711
AM 142	04/06/85	134	557	338712
AM 143	04/06/85	134	558	338713
AM 144	04/06/85	134	559	338714
AM 145	04/06/85	134	560	338715
AM 146	04/06/85	134	561	338716
AM 147	04/06/85	134	562	338717
AM 148	04/06/85	134	563	338718
AM 149	04/06/85	134	564	338719
AM 150	04/06/85	134	565	338720
AM 151	04/06/85	134	566	338721
AM 152	04/06/85	134	567	338722
AM 153	04/06/85	134	568	338723
AM 154	04/06/85	134	569	338724
AM 155	05/08/85	136	37	340362
AM 156	05/08/85	136	38	340363
AM 157	05/08/85	136	39	340364
AM 158	05/08/85	136	40	340365
AM 159	05/08/85	136	41	340366
AM 160	05/08/85	136	42	340367
AM 161	05/08/85	136	43	340368
AM 162	05/08/85	136	44	340369
AM 163	05/08/85	136	45	340370
AM 164	05/08/85	136	46	340371
AM 165	05/08/85	136	47	340372
AM 166	05/08/85	136	48	340373
AM 167	05/08/85	136	49	340374
AM 168	05/08/85	136	50	340375
AM 169	05/08/85	136	51	340376
AM 170	05/08/85	136	52	340377
AM 171	05/08/85	136	53	340378
AM 172	05/08/85	136	54	340379
AM 173	05/08/85	136	55	340380
AM 174	05/08/85	136	56	340381
AM 175	05/08/85	136	57	340382
AM 176	05/08/85	136	58	340383
AM 177	05/08/85	136	59	340384

AM 178	05/08/85	136	60		340385
AM 179	05/08/85	136	61		340386
AM 180	05/08/85	136	62		340387
AM 181	05/08/85	136	63		340388
AM 182	05/08/85	136	64		340389
AM 183	05/08/85	136	65		340390
AM 184	05/08/85	136	66		340391
AM 185	05/08/85	136	67		340392
AM 186	05/08/85	136	68		340393
AM 187	05/08/85	136	69		340394
AM 188	05/08/85	136	70		340395
AM 189	05/08/85	136	71		340396
AM 190	05/08/85	136	72		340397
AM 191	05/08/85	136	73		340398
AM 192	05/08/85	136	74		340399
AM 193	05/08/85	136	75		340400
AM 194	05/08/85	136	76		340401
AM 195	05/08/85	136	77		340402
AM 196	05/08/85	136	78		340403
AM 197	05/08/85	136	79		340404
AM 198	05/08/85	136	80		340405
AM 199	05/08/85	136	81		340406
AM 200	05/08/85	136	82		340407
AM 201	05/08/85	136	83		340408
AM 202	05/08/85	136	84		340409
AM 203	05/08/85	136	85		340410
AM 204	05/08/85	136	86		340411
AM 205	05/08/85	136	87		340412
AM 206	05/08/85	136	88		340413
AM 207	05/08/85	136	89		340414
AM 208	05/08/85	136	90		340415
AM 209	05/08/85	136	91		340416
AM 210	08/23/85	139	006		348562
1st Amendment				143	153
AM 211	08/23/85	139	007		348563
1st Amendment				143	154
AM 212	08/23/85	139	008		348564
1st Amendment				143	155
AM 213	08/23/85	139	009		348565
1st Amendment				143	156
AM 214	08/23/85	139	110		348566
1st Amendment				143	157
AM 215	03/26/86	143	199		363945
AM 216	03/26/86	143	200		363946
AM 217	03/26/86	143	201		363947
AM 218	03/26/86	143	202		363948
AM 219	03/26/86	143	203		363949
AM 220	03/26/86	143	204		363950
AM 221	03/26/86	143	205		363951

WATER RIGHTS

<u>Permit No.</u>	<u>Amount</u>	<u>Permit Point of Division</u>
State of Nevada Permit No. 48442	1 cubic foot per second (cfs)	SE/4SE/4 Section 22, T22N, R49E MDBM
State of Nevada Permit No. 49162	1 cfs	NE/4SE/4 Section 28, T22N, R49E MDBM
State of Nevada Permit No. 48444	1 cfs	NW/4SW/4 Section 27, T22N, R49E MDBM

BOOK 143 PAGE 548

Schedule "B" to Deed of Trust
(with Security Agreement)
between Atlas Gold Mining Inc. and
Bank of America National Trust and Savings Association

1. Trailer -- Elder/Quinn 1976 -- 10X46, Serial #FT2875
2. Trailer -- Cliff Industries 1976, 10X46, model #F1044,
Serial #FT2143
3. Trailer -- Elder Porta Camp 1955, 23X8, Serial #6955D
4. Trailer -- Elder Porta Camp 1955, 23X8, Serial #2803P2
5. Air Sampling Machine

RECORDED AT REQUEST OF
Gibson, Dunn, & Crutcher
BOOK 143 PAGE 527

86 APR 18 P 2: 28

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
P.M. REDAULT, RECORDER
FILE NO. 102459
FEE \$ 27.00

BOOK 143 PAGE 549