

DEED OF TRUST, SECURITY AGREEMENT
AND
ASSIGNMENT OF PROCEEDS

This DEED OF TRUST, SECURITY AGREEMENT, AND ASSIGNMENT OF PROCEEDS (hereinafter referred to as "this Deed of Trust") is entered into this 26th day of August, 1986 by and among the undersigned EUREKA VENTURES, a Texas joint venture, ("Grantor"), whose address is 550 Westlake Park Blvd., Houston TX 77079, and which owns certain interests in the property which is subject to this Deed of Trust, First American Title Company of Nevada (hereinafter referred to as "Trustee") whose address is 201 West Liberty Street, Reno, Nevada 89504 and INSPECTORATE INTERNATIONAL FINANCE N.V., a corporation formed under the laws of the Netherlands Antilles (hereinafter referred to as "Beneficiary"), having an address at Freigutstr. 4, Zurich, Switzerland 8027.

The parties hereto agree as follows:

ARTICLE 1 - DEFINITIONS

Section 1.1 Defined Terms. For the purposes of this instrument:

- (a) "Collateral" includes Fixture Collateral, Personalty Collateral and Realty Collateral as hereinafter defined.
- (b) "Effective Date" means August 22, 1986.
- (c) "Fixture Collateral" means the undivided interests held by Grantor, as such interests may change from time to time, in and to all Operating Equipment which is or becomes so related to the Mining Property, or any part thereof, that

an interest in the Operating Equipment arises under the real property law of Nevada.

(d) "Mill" shall mean all of Grantor's interest in the crushing and processing facilities that are now existing or hereafter constructed on the lands described in Exhibit A for the purposes of the milling, producing, treating and processing of the Minerals and Ores, together with all properties and equipment of Grantor relating thereto and located on or utilized in connection with such mill facilities.

(e) "Mine" shall mean all of Grantor's interest in the existing mine workings of Grantor and the surface and subsurface workings which may hereafter be constructed by the Grantor on the lands described in Exhibit A, constructed and equipped for the prospecting and mining for and extraction and production of the Minerals and Ores, and any other mines of Grantor now or hereafter located on the lands described in Exhibit A.

(f) "Minerals and Ores" means, collectively, all of the minerals and ores of every kind and character whatsoever in which Grantor has an interest and which are now found or which hereafter may be found in or on, and which Grantor is now or may hereafter become entitled to mine, extract and produce from, and mill, treat, process, handle, transport, store or market, and which are on or in, or otherwise attributable to or associated with, the Mining Properties,

and shall include all protore, dore, waste, tailings, concentrates and bullion associated therewith or produced therefrom in any manner whatsoever.

(g) "Mining Properties" means, collectively, all of the fee, leasehold and subleasehold interests of Grantor in and to the patented and unpatented mining claims described in Exhibit A hereto, the Mill and Mine, together with all of Grantor's other interests of any nature whatsoever therein or incident or appurtenant thereto, including, but not limited to, the Minerals and Ores to the extent the same constitute real property, leases, subleases, royalties, overriding royalties, net profits interests, production payments and similar interests, and all rights, rights-of-way and easements in which Grantor owns an interest, affecting the foregoing interests of Grantor or useful or appropriate in prospecting and exploring for, mining, extracting or milling, producing, processing, treating, handling, storing, transporting, manufacturing or marketing the Minerals and Ores therefor, together with (i) any and all right, title and interest hereafter acquired by Grantor or for the benefit of Grantor in and to such lands, the Mine or Mill and (ii) all water and water rights, wells and well rights, ditches and ditch rights, reservoirs and reservoir rights, springs and rights to springs, headgates, flumes and pumping and irrigating equipment and facilities of Grantor appurtenant to such lands, and Mine and Mill.

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(h) "Obligations" means the aggregate of:

(i) all amounts payable by Beneficiary pursuant to its guaranty of a promissory note, dated August 26, 1986, executed by Grantor, payable to the order of Banca della Svizzera Italiana, in the principal face amount of THREE MILLION THREE HUNDRED THOUSAND DOLLARS (U.S. \$3,300,000) (the amounts and the liability under the guaranty are referred to herein as the "Note"), executed and delivered pursuant to that certain Loan Agreement, of even date therewith (referred to as the "Loan Agreement");

(ii) all sums advanced and costs and expenses incurred by the Trustee or the Beneficiary, including without limitation all legal, accounting, engineering, management, consulting or like fees, made and incurred in connection with the Obligations described in paragraph (i) above, or any part thereof, any renewal, extension or modification of, or substitution for, the foregoing Obligations or any part thereof, or the acquisition, perfection or maintenance and preservation of the security therefor, whether such advances, costs or expenses shall have been made and incurred at the request of Grantor, Beneficiary, or Trustee; and

(iii) any and all extensions and renewals of, substitutions for, or modifications or amendments of any of the foregoing Obligations or any part thereof.

(i) "Operating Equipment" shall mean all surface or subsurface machinery, equipment, facilities or other property of any kind or nature whatsoever now or hereafter located at or on the Mining Properties, or any part of any of them, and which is useful for the exploration for, production, mining, milling, treatment, processing, handling, storage or transportation of the Metals, Minerals and Ores including, but not limited to, all hoisting shafts, air shafts, engines, boilers, dynamos, generators, other electrical and hydraulic apparatus, machinery and tipples, transport facilities, including rail and vehicular equipment, laboratory facilities, storehouses and other buildings of every name and kind, owned or used by Grantor in connection with the Mining Properties, or any part of them, the Mill, and all tools, supplies, chemicals, solvents, processes, equipment and personal property of every name, kind, sort or character, whether now owned or hereafter to be purchased, leased or acquired by Grantor for use in connection with the Mining Properties, or any part of any of them.

(j) "Personalty Collateral" means, collectively, all of Grantor's interest now owned or hereafter acquired in and to (i) the Operating Equipment, the Metals, Minerals and Ores to the extent the same constitute personal property, and Production Sales Contracts and accounts, contract rights and general intangibles now existing or hereafter arising in connection with the exploration for, production, processing,

treatment, storage, transportation, manufacture or sale of the Metals, Minerals and Ores; (ii) all awards or payments, including interest thereon, and the right to receive the same, which may be made with respect to the Collateral, whether from the exercise of the right of eminent domain (including any transfer made in lieu of the exercise of said right), or for any other injury to or decrease in the value of the Collateral; (iii) all proceeds of and any unearned premiums on any insurance policies covering the Collateral, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments or settlements made in lieu thereof, for damage to the Collateral; (iv) the right, in the name and on behalf of Grantor to appear in and defend any action or proceeding brought with respect to the Collateral, and to commence any action or proceeding to protect the interest of Trustee and Beneficiary in the Collateral; (v) all permits, licenses, contracts, agreements and warranties relating to the Mine, the Mill and other properties constituting part of the Collateral; (vi) Grantor's inventories of raw materials, work-in-progress, supplies, spare parts and finished goods and products, wherever located, whether now owned or hereafter acquired; and (vii) personal property, moveable and immoveable, tangible or intangible, of whatsoever nature and kind, wherever located, including, but not limited to, all accounts, contract rights, general intangibles, Operating

Equipment, inventory, goods and chattel paper, now owned or existing or hereafter acquired or arising in connection with the conduct by Grantor of any activities other than the exploration for, production, extraction, mining, milling, processing, treatment, handling, storage, transportation, manufacture or sale of the Metals, Minerals and Ores.

(k) "Proceeds" includes whatever is received upon the sale, exchange, collection or other disposition of the Collateral and insurance payable or damages or other payments by reason of loss or damage to the Collateral, and all additions thereto, substitutions and replacements thereof or accessions thereto.

(l) "Production Sales Contract" means each contract now in effect or hereafter entered into by Grantor for the sale, purchase, exchange, processing, production, handling or transportation of the Metals, Minerals and Ores.

(m) "Realty Collateral" means, collectively, the undivided interests held by Grantor, as such interests may change from time to time, in and to (i) the Mining Properties, including, but not limited to, the interests described or specified in Exhibit A hereto, (ii) all easements, rights-of-way, water rights and powers, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments, and appurtenances of any nature whatsoever, in any way belonging, relating or pertaining to the Collateral, (iii) all leases, subleases and other

agreements affecting the use or occupancy of the Collateral now or hereafter entered into and the right to receive and apply the rents, royalties, issues and profits of the Collateral to the payment of the Obligations, and (iv) all other real property interests of Grantor whether now owned or constituting the Collateral.

ARTICLE 2 - CREATION OF SECURITY

Section 2.1 Grant. In consideration of the Beneficiary's advancing or extending the funds or credit constituting the Obligations, and in consideration of the mutual covenants contained herein, and for the purpose of securing payment of the Obligations, Grantor hereby grants, bargains, sells, mortgages, assigns, transfers and conveys the Realty Collateral to the Trustee, with power of sale, for the benefit of Beneficiary; to have and to hold the Realty Collateral together with all and singular the rights, privileges, contracts, and appurtenances now or hereafter at any time before the foreclosure or release hereof, in any way appertaining or belonging thereto, unto the Trustee and to its substitutes or successors, forever, in trust, for the use and benefit of the Beneficiary upon the terms and conditions herein set forth.

Section 2.2 Creation of Security Interest. In addition to the grant contained in Section 2.1, and for the same consideration and purpose, Grantor hereby grants to the Beneficiary, a first and prior security interest in all Personalty Collateral and Fixture Collateral, now owned or hereafter acquired by the Grantor and in

all Proceeds. Without limiting the foregoing provisions of this Section 2.2, Grantor stipulates that the grant made by this Section 2.2 includes a grant of a security interest in the undivided interests held by Grantor as such interests shall change from time to time, in and to the Metals, Minerals and Ores mined, extracted and produced from, milled, stored, treated, processed, handled, transported, manufactured or marketed or otherwise attributable to the Realty Collateral and in the Proceeds resulting from sale of such interests in the Metals, Minerals and Ores, such security interest to attach to such interests in the Metals, Minerals and Ores, as extracted and to the accounts resulting from such sales.

ARTICLE 3 - COLLECTION OF PRODUCTION PROCEEDS

Section 3.1 Beneficiary's Receipt of Production Proceeds.

Upon an Event of Default and after any notice provided in Article V, Beneficiary will be entitled to receive all Metals, Minerals and Ores (and the Proceeds therefrom).

Section 3.2 Liability of Beneficiary. Beneficiary has no obligation to enforce collection of any Proceeds and is hereby released from all responsibility in connection therewith except the responsibility to account for Proceeds actually received.

ARTICLE 4 - GRANTOR'S COVENANTS

Section 4.1 Operation, Maintenance, etc. of Collateral by Grantor. Grantor agrees to use its best efforts to:

- (a) Maintain all unpatented mining claims and keep Grantor's rights and Beneficiary's interest in the Collateral

unimpaired, including, without limitation, observance of and compliance with all governmental, contractual and other requirements to keep the unpatented mining claims constantly and continually valid;

(b) Cause the Collateral (other than the mill plant not used by Grantor) to be maintained and protected against waste;

(c) Promptly pay or cause to be paid when due and owing all sums payable in respect of the Collateral (other than the mill plant not used by Grantor); all expenses incurred in or arising from the operation or development of the Collateral (other than the mill plant not used by Grantor); and all taxes, assessments and governmental charges imposed upon the Collateral (other than the mill plant not used by Grantor), Grantor, Trustee or Beneficiary;

(d) Cause the Operating Equipment (other than the mill plant not used by Grantor) to be kept in operating condition and permit Beneficiary (through its agents and employees) to enter upon the Mining Properties during normal business hours for the purpose of investigating and inspecting the condition and operations of the Collateral;

(e) Cause the Collateral (other than the mill plant not used by Grantor) to be kept free and clear of any future liens, charges, encumbrances and adverse claims, and use its best efforts to protect the Property from future title defects, other than (i) the lien and security interest

created by this instrument, (ii) taxes constituting a lien but not due and payable, (iii) defects or irregularities in title which are not such as to interfere materially with the development, operation or value of the Collateral and not such as to materially affect title thereto, (iv) those being contested in good faith by Grantor and which do not, in the reasonable judgment of Beneficiary, jeopardize Beneficiary's rights in and to the Collateral, and (v) those consented to in writing by Beneficiary; provided, however, that Beneficiary may take such independent action in connection with any such matters affecting the Collateral as it deems advisable, and all costs and expenses thereof, including, without limitation, attorneys' and consultants' fees and expenses and court costs, incurred by Beneficiary in taking such action shall be part of the Obligations hereunder;

(f) Execute, acknowledge and deliver to Beneficiary such other and further reasonable instruments and do such other acts as in the reasonable opinion of Beneficiary are necessary to effect the intent of this Deed of Trust or otherwise protect and preserve the interests of Beneficiary hereunder, within ten (10) days after request of Beneficiary.

Section 4.3 Recording and Filing. Grantor shall pay all costs of filing, registering and recording this Deed of Trust and every other instrument in addition or supplemental hereto, and all financing statements Beneficiary may require, in such offices and places and at such times and as often as may be, in the judgment

of Beneficiary, necessary to preserve, protect and renew the lien and security interest herein created as a lien and security interest on and in the Collateral, and otherwise do and perform all matters or things necessary or expedient to be done or observed by reason of any law or regulation of any State or of the United States of America or of any other competent authority for the purpose of effectively creating, maintaining and preserving the lien and security interest created herein and on the Collateral and the priority thereof. Grantor shall also pay the costs of obtaining reports from appropriate filing officers concerning financing statement filings in respect of any of the Collateral in which a security interest is granted herein.

Section 4.4 Records, Statements and Reports. Beneficiary may from time to time during normal business hours have access to and examine and copy Grantor's records with respect to the Collateral.

Section 4.5 Beneficiary's Right to Perform Grantor's Obligations. Grantor agrees that, if Grantor fails to perform any act which Grantor is required to perform under this instrument, Beneficiary may, but shall not be obligated to, perform or cause to be performed such act, and any expense incurred by Beneficiary in so doing shall be a demand obligation owing by Grantor to Beneficiary, shall bear interest at an annual rate equal to the "Varying Rate" from time to time accruing under the Note plus Four percent (4%) until paid (but not in excess of the highest lawful rate, if any) and shall be a part of the Obligations, and

Beneficiary shall be subrogated to all of the rights of the party receiving the benefit of such performance. The undertaking of such performance by Beneficiary as aforesaid shall not obligate Beneficiary to continue such performance or to engage in such performance or performance of any other act in the future, shall not relieve Grantor from the observance or performance of any covenant, warranty or agreement contained in this Deed of Trust or constitute a waiver of default hereunder and shall not affect the right of Beneficiary to accelerate the payment of the Obligations or to resort to any other of its rights or remedies hereunder or under applicable law.

ARTICLE 5 - DEFAULT

Section 5.1 Events of Default. The term "Event of Default" means the occurrence of any of the following events or the existence of any of the following conditions:

(a) Failure of any payment to be made when due under the terms of the Note and such failure continues for a period of ten (10) days after written notice thereof to Grantor; provided, however, that there shall be no notice or cure period for the failure to pay the Note on the maturity date thereof; or

(b) Failure of any payment (other than under (a) immediately above) to be made when due of any of the Obligations or other failure to keep, perform or observe any of the covenants, obligations or prohibitions contained herein or in the Assignment and Security Agreement of even

date herewith, and such failure continues for a period of thirty (30) days after written notice thereof to Grantor; or

(c) The assertion (except by the owner of an encumbrance expressly excepted from Grantor's title herein) of any claim of priority over this Deed of Trust, by title, lien, or otherwise (including, without limitation, any claim for labor or materials, or both furnished, or for unpaid state or federal taxes, or any contest by or on behalf of the United States of America as to any unpatented mining claim) unless Grantor, within Thirty (30) days after such assertion, either causes the assertion to be withdrawn or provides Beneficiary with such security as Beneficiary may reasonably require to protect Beneficiary against all loss, damage, or expense, including, without limitation, attorneys' and consultants' fees and expenses and court costs which Beneficiary may incur in the event such assertion is upheld; or

(d) The dissolution, termination, or liquidation of Grantor, or the making by Grantor of any assignment for the benefit of creditors, or the appointment of a receiver, liquidator, or trustee of the property of Grantor, of any assignment for the benefit of creditors, or the appointment of a receiver, liquidator, or trustee of the property of Grantor; or the filing of any petition for the bankruptcy, reorganization, or arrangement of Grantor pursuant to the Federal Bankruptcy Act or any similar state or federal

statute, or the adjudication of Grantor as bankrupt or insolvent.

Section 5.2 Acceleration Upon Default. Upon the occurrence of any Event of Default, or at any time thereafter when such default remains uncured, Beneficiary may, at its option, declare the entire unpaid principal of and the interest accrued on the Obligations to be forthwith due and payable.

Section 5.3 Possession and Operation of the Collateral by Beneficiary. Upon the occurrence of an Event of Default, or at any time thereafter, when it remains uncured, and in addition to all other rights herein conferred on Beneficiary, Beneficiary (or any person, firm or corporation designated by Beneficiary) will have the right and power, but will not be obligated, to enter upon and take possession of all or any part of the Collateral, to exclude Grantor therefrom, and to hold, use, administer, manage and operate the same to the extent that Grantor could do so. Beneficiary (or any person, firm or corporation designated by Beneficiary) may operate and develop the Collateral (or any portion thereof) without any liability to Grantor in connection with such operations and development; and Beneficiary (or any person, firm or corporation designated by Beneficiary) will have the right to enter into Production Sales Contracts in the name of Grantor or of Beneficiary and to collect, receive and receipt for all of the Metals, Minerals and Ores produced, stored upon and sold from the Mining Properties (and Beneficiary is irrevocably appointed Grantor's attorney-in-fact in this regard pursuant to

Section 3.1 above), to make repairs, to purchase machinery and equipment, to conduct workover operations, to conduct mining and milling operations, to employ labor, and to exercise every right, remedy, power and privilege of Grantor with respect to the Collateral (or any portion thereof). Providing there has been no foreclosure sale, when and if the expenses of the operation and development of the Collateral have been paid and the Obligations paid in full, the Collateral shall be returned to Grantor.

Section 5.4 Receivership. Notwithstanding any other provision in this Deed of Trust and in addition to any other remedy or remedies provided in this Deed of Trust or in any other instrument evidencing or securing the Obligations or provided by law, upon the occurrence of an Event of Default which shall be continuing and uncured after the notice provided hereinabove is given, or at any time thereafter so long as an Event of Default is occurring, Beneficiary may from time to time apply to a court of competent jurisdiction for the appointment of a receiver(s) to take possession of and to operate the Collateral (or any portion thereof) and to collect the Proceeds. Beneficiary shall be entitled to the appointment of such receiver(s) as a matter of right, without regard to the value of the Collateral as security for the Obligations or the solvency of Grantor or any person or legal entity liable for the payment of all or any part of the Obligations. Such receiver(s) shall serve without bond and shall have the following powers and authorities in addition to all other

powers and authorities permitted by the law of the jurisdiction where the Collateral is situated:

(i) To make any and all arrangements necessary or appropriate to obtain title to the Collateral in the name of the receiver(s), any of the actions permitted to be taken by Beneficiary as set forth elsewhere in this Deed of Trust;

(ii) To take possession of the Collateral (or any portion thereof), to enter into Production Sales Contracts and to collect the Proceeds, and to enter into leases, subleases and other contracts or agreements for the Collateral (or any portion thereof) or pertaining thereto for such time and on such terms as said receiver(s) may see fit, and, with Beneficiary's consent or at Beneficiary's direction, to cancel any Production Sales Contract, lease, sublease or other contract or agreement of whatever nature affecting the Collateral (or any portion thereof), for any cause or on any ground which would entitle Grantor to cancel the same; after paying out of all the Proceeds from the Collateral (or any portion thereof), all expenses of holding, managing and operating the Collateral, including, without limitation, insurance premiums, attorneys' and consultants' fees and expenses, court costs, and the cost of such repairs, replacements, restoration, maintenance and alterations necessary to keep the Collateral (or any portion thereof) in good, salable and rentable condition, and all taxes and assessments upon the Collateral, said receiver(s) shall apply

the residue of said Proceeds, if any, first, to any amounts due under any borrowing by the receiver(s) and, secondly, to the Obligations and, finally, said receiver(s) shall then pay the surplus, if any, to Grantor or to any other person or entity entitled thereto;

(iii) To make and enter into agreement(s) with one or more reliable and reputable operators and to enter into sales, purchase, management, operating, workover, repair, maintenance, brokerage, leasing, farmout, joint venture, insurance, labor and consulting contracts (at such compensations as the receiver(s) deem to be the prevailing rate for such services), to permit others to act as agent for the receiver(s) in (1) the negotiation of sales, purchase, management, operating, workover, repair, maintenance, brokerage, leasing, farmout, joint venture, insurance, labor and other agreements for the Collateral (or portions thereof) and advertising therefor, (2) the detailed operation of the Collateral (or portions thereof), (3) the entry into Production Sales Contracts and the collection of the Proceeds (or any portion thereof), and (4) the disbursement of funds coming into the hands of the receiver(s);

(iv) Insofar as the Proceeds (or any portion thereof) permit and/or any issued receiver(s)' certificate or any loan herein provided for allows, to (1) restore the Collateral (or any portion thereof) to a good, salable or rentable condition, and (2) bring the Collateral (or any portion

thereof) into compliance with all applicable laws and ordinances by steps which may include, without limitation, entering into sales, purchase, management, operating, workover, repair, maintenance, brokerage, leasing, insurance, labor, and consulting contracts, obtaining required government permits, advertising the Collateral (or any portion thereof) for lease or sale and all other actions which the receiver(s) deem requisite to avoid losses occasioned by waste of the Collateral (or any portion thereof), or failure to restore and maintain the Collateral in good, salable and leaseable condition;

(v) To obtain from Grantor and/or the agents, servants, employees and officers of Grantor, and all other parties in interest, all contracts, leases, insurance agreements, maintenance contracts, employment records and all other documents, books and records necessary for, or incidental to, sales, purchase, management, operating, working over, repairing, maintaining, brokerage, leasing, farmingout, joint venturing, insuring, employing and consulting for, holding, and improving the Collateral (or any portion thereof);

(vi) To obtain a court order that (1) directs and orders the Grantor and any and all obligors (such as tenants, contractors, suppliers, materialmen, servicers and managers of the Collateral) to honor the status of the receiver(s), as such, and to remit to the receiver(s) any security and any security deposits relating to the Collateral (or any portion

thereof) and all Proceeds collected on or after the date the receiver(s) are appointed to take control of the Collateral (or any portion thereof), immediately upon notice of the appointment of said receiver(s), and to recognize, upon request, the receiver(s) as the appropriate successor(s) in interest to the Collateral, and/or (2) authorizes the issuance of receiver(s)' certificates for borrowing on a secured basis, which certificates shall constitute first and prior encumbrances, subject only to ad valorem taxes, and/or (3) authorizes the sales of portions of the Collateral (or any portion thereof) on terms and conditions which enable all rights, titles and interests therein to be transferred to the proceeds of such sales, free and clear of liens and encumbrances except ad valorem taxes; and

(vii) To enter into one or more loan agreements with Beneficiary, at its option, to borrow such funds in excess of the Proceeds in order to fulfill the duties imposed upon such receiver(s), including restoration of the Collateral (or any portion thereof) to a good and rentable or salable condition and to bring the Collateral into compliance with applicable laws and ordinances; any such funds borrowed from Beneficiary shall, upon advance, become part of the Obligations, and the lien of this instrument shall secure such advances automatically and without further act or deed; provided, however, that the existence of said lien shall in no way waive, diminish or prejudice any other rights and remedies

which Beneficiary may have under the applicable laws in the collection of such funds as a loan(s) to the receiver(s). Grantor will pay to Beneficiary, upon demand, all expenses, including without limitation receiver(s)' fees, reasonable attorneys' and consultants' fees and expenses and agents' compensation, advanced by Beneficiary and incurred pursuant to the provisions contained in this Section 5.04, and all such unpaid expenses shall be (1) a lien against the Collateral, (2) added to the Obligations, and (3) payable on demand, with interest, at the highest rate specified under the Obligations accruing after maturity from and including the date each such advance is made; provided, however, that the existence of said lien shall in no way waive, diminish or prejudice any other rights, remedies, powers and privileges which Beneficiary may have under the applicable laws in the collection of such funds as a loan(s) to the receiver(s).

A court of competent jurisdiction may, from time to time, authorize any receiver to apply the net income from the Collateral in his hands in payment in whole or in part to:

(1) The Obligations or the indebtedness secured by any decree foreclosing this instrument, or any tax or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to the foreclosure sale; or

(2) The deficiency under the Obligations in case of a sale of the Collateral and a deficiency.

ARTICLE 6 - BENEFICIARY'S RIGHTS AS TO
REALTY COLLATERAL UPON DEFAULT

Section 6.1 Judicial Foreclosure. Upon the occurrence of an Event of Default, or at any time thereafter, in lieu of the exercise of the non-judicial power of sale hereafter given, Beneficiary may, subject to any mandatory requirement of applicable law, proceed by suit to foreclose its lien hereunder and to sell or have sold the Realty Collateral or any part thereof at one or more sales, as an entirety or in parcels, at such place or places and otherwise, in such manner and upon such notice as may be required by law, or, in the absence of any such requirement, as Beneficiary may deem appropriate, and Beneficiary shall thereafter make or cause to be made a conveyance to the purchaser or purchasers thereof. Beneficiary may postpone the sale of the real property included in the Collateral or any part thereof by public announcement at the time and place of such sale, and from time to time thereafter may further postpone such sale by public announcement made at the time of sale fixed by the preceding postponement. Sale of a part of the real property included in the Collateral will not exhaust the power of sale, and sales may be made from time to time until all such property is sold or the Obligations are paid in full.

Section 6.2 Power of Sale. The following covenants, numbers 6, 7, 8 and 9, of N.R.S. 107.030 are hereby adopted and made a part of this Deed of Trust.

(a) Trustee shall have all of the powers therein set forth and, in addition, those powers set forth in N.R.S. 107.080, providing that where any transfer in trust of any estate of real property is made after March 29, 1927 to secure the performance of an obligation of the payment of a deed, a power of sale is thereby conferred upon Trustee to be exercised after a breach of the obligation for which such transfer is security. Such power of sale must not be exercised, however, until Grantor has, for a period of thirty-five (35) days, computed as hereinafter set forth, failed to make good its deficiency in performance of payment.

(b) Beneficiary, the successor in interest of Beneficiary or Trustee shall first execute and cause to be recorded in the office of the County Recorder of the county wherein the Collateral, or some part thereof, is situated, a notice of such breach and of his election to sell or cause to be sold such property to satisfy the obligation, and not less than three (3) months have elapsed after the recording of such notice.

(c) The thirty-five (35) day period referred to above commences on the first day following the day upon which the notice of default and election to sell is recorded in the office of the County Recorder of the county in which the property is located and a copy of the notice of default and election to sell is mailed, by certified mail postage prepaid, to Grantor at the address of Grantor. Such notice

of default and election to sell must describe the deficiency in performance or payment and may contain a notice of intent to declare the entire unpaid balance due and payable if acceleration is permitted by the Obligations secured by the Deed of Trust, but acceleration must not occur if the deficiency in performance or payment is made good and any costs, fees and expenses incident to the preparation or recordation of such notice and incident to the making good of the deficiency in performance or payment are paid within the said thirty-five (35) days.

(d) Trustee, or other person authorized to make the sale under the terms of the Deed of Trust or transfer in trust, shall, after expiration of the three (3) month period following the recording of notice of breach and election to sell, and prior to the making of such sale, give notice of the time and place thereof in the manner and for a time not less than that required by law for the sale or sales of real property upon execution. The sale itself may be made at the office of Trustee, if the notice so provided, whether the property so conveyed in trust is located within the same county as the office of Trustee or not.

ARTICLE 7 - BENEFICIARY'S RIGHTS AS TO PERSONALTY AND FIXTURE
COLLATERAL UPON DEFAULT

Section 7.1 Personalty Collateral. Upon the occurrence of an Event of Default, or at any time thereafter when it remains uncured, Beneficiary may, without notice to Grantor, exercise its

rights to declare all of the Obligations to be immediately due and payable, in which case Beneficiary will have all rights and remedies granted by law, and particularly by the Uniform Commercial Code, including, but not limited to, the right to take possession of the Personalty Collateral, and for this purpose Beneficiary may enter upon any premises on which any or all of the Personalty Collateral is situated and take possession of and operate the Personalty Collateral or remove it therefrom. Beneficiary may require Grantor to assemble the Personalty Collateral and make it available to Beneficiary or the Trustee at a place to be designated by Beneficiary which is reasonably convenient to all parties. Unless the Personalty Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Beneficiary will give Grantor reasonable notice of the time and place of any public sale or of the time after which any private sale or other disposition of the Personalty Collateral is to be made. This requirement of sending reasonable notice will be met if the notice is mailed, postage prepaid, to Grantor at the address designated above at least ten days before the time of the sale or disposition. The exercise of Beneficiary's rights and remedies, including the sale of the Personalty Collateral, shall not interfere with mining operations on the Mining Properties.

Section 7.2 Sale with Realty Collateral. In the event of foreclosure, whether judicial or non-judicial, at Beneficiary's option it may proceed under the Uniform Commercial Code as to the

Personalty Collateral or it may proceed as to both Realty Collateral and Personalty Collateral in accordance with its rights and remedies in respect of the Realty Collateral.

Section 7.3 Fixture Collateral. Upon the occurrence of an Event of Default, or at any time thereafter when it remains uncured, Beneficiary may elect to treat the Fixture Collateral as either Realty Collateral or as Personalty Collateral and proceed to exercise such rights as apply to the type of Collateral selected.

Section 7.4 Private Sale. If Beneficiary in good faith 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 the Personalty Collateral, or if Beneficiary determines that there is any other restraint or restriction limiting the timely sale or distribution of any such property in accordance with the customary manner of sale or distribution, Beneficiary may sell or may cause the Trustee to sell such property privately. However, in such event Beneficiary shall notify Grantor at least ten (10) days in advance of the time and place of such sale.

ARTICLE 8 - OTHER PROVISIONS CONCERNING FORECLOSURE

Section 8.1 Beneficiary as Purchaser. Beneficiary will have the right to become the purchaser at any foreclosure sale, and it will have the right to credit upon the amount of the bid the amount payable to it out of the net proceeds of sale.

Section 8.2 Recitals Conclusive; Warranty Deed; Ratification. Recitals contained in any conveyance to any purchaser at any sale made hereunder will conclusively establish the truth and accuracy of the matters therein stated, including, without limiting the generality of the foregoing, nonpayment of the unpaid principal sum of, and the interest accrued on, the written instruments constituting part or all of the Obligations after the same have become due and payable, nonpayment of any other of the Obligations or advertisement and conduct of the sale in the manner provided herein, and appointment of any successor Trustee hereunder.

Section 8.3 Effect of Sale. Any sale or sales of the Collateral or any part thereof will operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, or Grantor in and to the premises and the property sold, and will be a perpetual bar, both at law and in equity, against Grantor, Grantor's successors or assigns and against any and all persons claiming or who shall thereafter claim all or any of the property sold from, through or under Grantor, or Grantor's successors or assigns. The purchaser or purchasers at the foreclosure sale will receive immediate possession of the property purchased; and if Grantor retains possession of the Realty Collateral, or any part thereof, subsequent to sale, Grantor will be considered a tenant at sufferance of the purchaser or purchasers, and if Grantor remains in such possession after demand of the purchaser or purchasers to remove, Grantor will be guilty

of forcible detainer and will be subject to eviction and removal, forcible or otherwise, with or without process of law, and without any right to damages arising out of such removal.

Section 8.4 Application of Proceeds of Sale. The proceeds of any sale of the Collateral or any part thereof will be applied as follows:

(a) First, to the payment of all expenses incurred by the Trustee and Beneficiary in connection therewith, including, without limitation, court costs, legal fees and expenses, fees of accountants, engineers, consultants, agents or managers and expenses of any entry or taking or possession, holding, valuing, preparing for sale, advertising, selling and conveying;

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

(c) Third, any surplus thereafter remaining to Grantor or Grantor's successors or assigns, as their interests may be established to Beneficiary's reasonable satisfaction.

ARTICLE 9 - MISCELLANEOUS

Section 9.1 Discharge of Purchaser. Upon any sale made under the powers of sale herein granted and conferred, the receipt of Beneficiary will be sufficient discharge to the purchaser or purchasers at any sale for the purchase money, and such purchaser or purchasers and the heirs, devisees, personal representatives, successors and assigns thereof will not, after paying such purchase money and receiving such receipt of Beneficiary, be

obliged to see to the application thereof or be in anywise answerable for any loss, misapplication or nonapplication thereof.

Section 9.2 Defense of Claims. Grantor shall notify the Beneficiary in writing of the commencement of any legal proceedings affecting Beneficiary's interest in the Collateral, and Grantor or Beneficiary may take such action as may be necessary to preserve Grantor's, the Trustee's and/or Beneficiary's rights affected thereby. Moreover, Beneficiary or the Trustee on behalf of Beneficiary may take independent action in connection therewith as they may in their discretion deem proper, and Grantor hereby agrees that all reasonable sums advanced and all reasonable expenses incurred in such actions shall be added to the indebtedness secured hereby.

Section 9.3 Termination. If all the Obligations are paid in full, then the Trustee and Beneficiary shall, upon the request of Grantor and at Grantor's cost and expense, deliver to Grantor proper instruments executed by the Trustee and Beneficiary evidencing the release of this instrument. Until such delivery, this instrument shall remain and continue in full force and effect.

Section 9.4 Renewals, Amendments and Other Security. Renewals and extensions of the Obligations may be given at any time, amendments may be made to the agreements relating to any part of the Obligations or the Collateral, and Beneficiary may take or hold other security for the Obligations without notice to or consent of Grantor. The Trustee or Beneficiary may resort

first to other security or any part thereof, or first to the security herein given or any part thereof, or from time to time to either or both, even to the partial or complete abandonment of either security, and such action will not be a waiver of any rights conferred by this instrument.

Section 9.5 Successor Trustees. The Trustee may resign in writing addressed to Beneficiary or be removed at any time with or without cause by an instrument in writing duly executed by Beneficiary. In case of the death, resignation or removal of the Trustee, a successor Trustee may be appointed by Beneficiary by instrument of substitution complying with any applicable requirements of law, and in the absence of any such requirement, without other formality than an appointment and designation in writing. Any appointment and designation will be full evidence of the right and authority to make the same and of all facts therein recited. Upon the making of any appointment and designation, all the estate and title of the trustee in all of the Realty Collateral will vest in the named successor Trustee, and the successor will thereupon succeed to all the rights, powers, privileges, immunities and duties hereby conferred upon the Trustee. All references herein to the Trustee will be deemed to refer to the Trustee from time to time acting hereunder.

Section 9.6 Limitations on Interest. No provision of the Note or other instrument constituting or evidencing any of the Obligations or any other agreement between the parties shall require the payment or permit the collection of interest in excess

of the maximum non-usurious rate which Grantor may agree to pay under applicable laws. The intention of the parties being to conform strictly to applicable usury laws now in force, the interest on the principal amount of the Note and the interest on other amounts due under and/or secured by this instrument shall be held to be subject to reduction to the amount allowed under said applicable usury laws as now or hereafter construed by the courts having jurisdiction, and any excess interest paid shall be credited to Grantor.

Section 9.7 Effect of Instrument. This instrument shall be deemed and construed to be, and may be enforced as, an assignment, chattel mortgage or security agreement, contract, deed of trust, financing statement, financing statement filed as a fixture filing, and real estate mortgage, and as any one or more of them if appropriate under applicable state law. This instrument shall be effective as a financing statement filed as a fixture filing with respect to all Fixture Collateral and is to be filed for record in the Office of the County Clerk or other appropriate office of each county where any part of the Collateral, including Fixture Collateral is situated. This instrument shall also be effective as a financing statement covering minerals or the like (including oil and gas) and accounts subject to Section 9-103(5) (or corresponding provision) of the Uniform Commercial Code as enacted in the appropriate jurisdiction and is to be filed for record in the Office of the County Clerk or other appropriate office of each county where any part of the collateral is

situated. A carbon, photographic, or other reproduction of this Deed of Trust or of any financing statement relating to this Deed of Trust shall be sufficient as a financing statement.

Section 9.8 Unenforceable or Inapplicable Provisions. If any provision hereof or of any of the written instruments constituting part or all of the Obligations is invalid or unenforceable in any jurisdiction, whether with respect to all parties hereto or with respect to less than all of such parties, the other provisions hereof and of the written instruments will remain in full force and effect in that jurisdiction with respect to the parties as to which such provision is valid and enforceable, and the remaining provisions hereof will be liberally construed in favor of Beneficiary in order to carry out the provisions hereof. The invalidity of any provision of this instrument in any jurisdiction will not affect the validity or enforceability of any provision in any other jurisdiction.

Section 9.9 Rights Cumulative. Each and every right, power and remedy given to Beneficiary herein or in any other written instrument relating to the Obligations will be cumulative and not exclusive; and each and every right, power and remedy whether specifically given herein or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by Beneficiary, and the exercise, or the beginning of the exercise, of any such right, power or remedy will not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy. A waiver by

Beneficiary of any right or remedy hereunder or under applicable law on any occasion will not be a bar to the exercise of any right or remedy on any subsequent occasion.

Section 9.10 Non-Waiver. No act, delay, omission or course of dealing between Beneficiary and Grantor will be a waiver of any of Beneficiary's rights or remedies hereunder or under applicable law. No waiver, change or modification in whole or in part of this instrument or any other written instrument will be effective unless in a writing signed by Beneficiary.

Section 9.11 Beneficiary's Expenses. All expenses and reasonable attorneys' fees of Beneficiary which may have been or may be incurred by Beneficiary in connection with the collection of the Obligations and the enforcement of any of Grantor's obligations hereunder and under any documents executed for enforcement of the Obligations shall be added to the indebtedness comprising the Obligations.

Section 9.12 Indemnification. Grantor, to the extent of its assets, shall indemnify Beneficiary and hold it harmless against, and Beneficiary shall not be liable for, any loss, cost or damage, including without limitation attorneys', consultants' or management fees, resulting from exercise by Beneficiary of any right, power or remedy conferred upon it by this instrument not caused by the negligence of Beneficiary, or from the attempt or failure of Beneficiary to exercise any such right, power or remedy.

Section 9.13 Partial Releases. No release from the lien of this instrument of any part of the Collateral by Beneficiary shall in anywise alter, vary or diminish the force, effect or lien of this instrument on the balance or remainder of the Collateral.

Section 9.14 Subrogation. This instrument is made with full substitution and subrogation of Beneficiary and Trustee in and to all covenants and warranties by others heretofore given or made in respect of the Collateral of any part thereof.

Section 9.15 Notice. All deliveries hereunder shall be deemed to have been duly given if actually delivered or mailed by registered or certified mail, postage prepaid, addressed as set forth above; if by mail, then as of the date of such mailing. Each party may, by written notice so delivered to the others, change the address to which delivery shall thereafter be made.

Section 9.16 Successors. This instrument shall bind and inure to the benefit of the respective successors and assigns of the parties.

Section 9.17 Interpretation.

(a) Article and section headings used in this instrument are intended for convenience only and shall be given no significance in interpreting and construing the provisions of this instrument.

(b) As used in this instrument, "Beneficiary" and "Grantor" include their respective successors and assigns. Unless context otherwise requires, words in the singular number include the plural and in the plural number include

the singular. Words of the masculine gender include the feminine and neuter gender and words of the neuter gender may refer to any gender.

Section 9.18 Counterparts. This instrument may be executed in any number of counterparts, each of which will for all purposes be deemed to be an original, and all of which are identical except that, to facilitate recordation, in particular counterparts hereof, portions of Exhibit A hereto which describe properties situated in counties other than the county in which the counterpart is to be recorded have been omitted.

Section 9.19 Further Collateral. Contemporaneously herewith, Borrower has executed and delivered to Beneficiary an Assignment and Security Agreement covering certain options to obtain further interests in or rights to mining claims in Eureka County, Nevada, and upon the exercise of such options the property obtained thereby shall be granted to Beneficiary and Grantor shall execute and deliver a Supplemental Deed of Trust to cover such properties.

Section 9.20 Beneficiary acknowledges that its security is limited solely to the collateral given hereunder and the assets of Eureka Ventures, and the individual Venturers of Eureka Ventures have not undertaken nor shall they be responsible for any Obligation arising hereunder or pursuant to the promissory note.

Section 9.21 Prior Liens. In the event any obligations under any prior liens or security interests against the Collateral which are superior to the liens and security interests created

hereby are in default, Beneficiary shall have the right, but not the obligation, to cure any such default and any sums expended or incurred by Beneficiary thereby shall be added to and included in the Obligations secured hereby.

Executed as of the Effective Date.

GRANTOR:

EUREKA VENTURES, a Texas joint venture

By: VIKING MINERALS, INC., a Nevada corporation

By: [Signature]
Name: Michael D. Campbell
Title: Vice President

By: NORSE MINERALS, INC., a Delaware corporation

By: [Signature]
Name: TEC DUNCAN
Title: President

By: SWISS SECURITY SYSTEMS CORPORATION, a Florida corporation

By: [Signature]
Name: ATTORNEY MARC E. GROSSBERG
Title: Attorney in fact

BENEFICIARY:

INSPECTORATE INTERNATIONAL FINANCE
N.V.

By: *Marc E. Grossberg*

Name: MARC E. GROSSBERG

Title: Attorney in fact

TRUSTEE:

FIRST AMERICAN TITLE COMPANY OF
NEVADA

By: *SIGNATURE OF TRUSTEE NOT NECESSARY.*

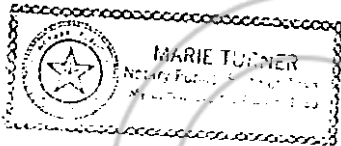
Name: _____

Title: _____

THE STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 27th day of August, 1986, by Michael D. Campbell Vice President of VIKING MINERALS, INC., a Nevada corporation, venturer on behalf of EUREKA VENTURES, a Texas joint venture.

[SEAL]



Marie Turner
Notary Public in and for
The State of _____

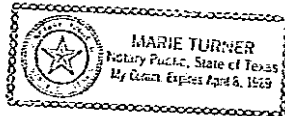
Printed or Stamped Name of Notary

My Commission Expires: _____

THE STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 27th day of August, 1986, by R.D. Duncan, President of NORSE MINERALS, INC., a Delaware corporation, venturer on behalf of EUREKA VENTURES, a Texas joint venture.

[SEAL]



Marie Turner
Notary Public in and for
The State of _____

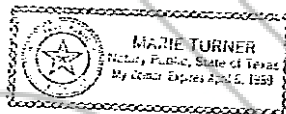
Printed or Stamped Name of Notary

My Commission Expires: _____

THE STATE OF Texas §
COUNTY OF Harris §

This instrument was acknowledged before me on the 27th day of August, 1986, by Marc & Sherry Berg Attorney in fact of SWISS SECURITY SYSTEMS CORPORATION, a Florida corporation, venturer on behalf of EUREKA VENTURES, a Texas joint venture.

[SEAL]



Marie Turner
Notary Public in and for
The State of _____

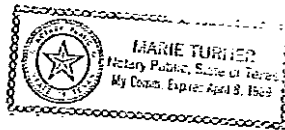
Printed or Stamped Name of Notary

My Commission Expires: _____

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 27th day of August, 1986, by Maria E. Grossberg, Attorney-in-fact of INSPECTORATE INTERNATIONAL FINANCE N.V., a Netherlands Antilles corporation, on behalf of said corporation.

[SEAL]



Maria E. Grossberg
Notary Public in and for
The State of Texas

Printed or Stamped Name of Notary

My Commission Expires: _____

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____, 1986, by _____ of FIRST AMERICAN TITLE COMPANY OF NEVADA, a Nevada corporation, on behalf of said corporation.

[SEAL]

Notary Public in and for
The State of Texas

Printed or Stamped Name of Notary

My Commission Expires: _____

B18257/082686

RETURN TO: ELLEN S. LAIN
SCHLANGER, COOK,
LILES & GROSSBERG
447 SAN FELIPE, SUITE 1700
HOUSTON, TEXAS 77057

ALEXANDRIA Lode Mining Claim designated by the Surveyor General as Lot No. 1745, embracing a portion of the unsurveyed public domain in the Eureka Mining District, as described in Patent No. 28850, executed by the United States of America, recorded February 2, 1898, in Book 14, Page 195, Deed Records, Eureka County, Nevada.

EXCEPTING THEREFROM that portion of said claim lying within the boundaries of Lot No. 61.

ATLAS Lode Mining Claim designated by the Surveyor General as Lot No. 81, embracing a portion of the unsurveyed public domain in the Eureka Mining District, as described in Patent No. 1339, executed by the United States of America, recorded May 31, 1875, in Book 4, Page 268, Deed Records, Eureka County, Nevada.

BLOSSOM Lode Mining Claim designated by the Surveyor General as part of Lot No. 155, embracing a portion of the unsurveyed public domain in the Eureka Mining District, as described in Patent No. 4619, executed by the United States of America, recorded November 26, 1883, in Book 11, Page 75, Deed Records, Eureka County, Nevada.

CORNELLY Lode Mining Claim designated by the Surveyor General as Lot No. 256, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 5746, executed by the United States of America, recorded June 1, 1882, in Book 9, Page 455, Deed Records, Eureka County, Nevada.

EXCEPTING THEREFROM that portion of said claim lying within the boundaries of Lot Nos. 67, 81, 180 and 247.

ELISE Lode Mining Claim designated by the Surveyor General as Lot No. 61 embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 626, executed by the United States of America, recorded November 13, 1873, in Book 1, Page 267, Deed Records, Eureka County, Nevada.

DUNDERBERGE Lode Mining Claim designated by the Surveyor General as Lot No. 67 embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 9109, executed by the United States of America, recorded November 3, 1884, in Book 11, Page 208, Deed Records, Eureka County, Nevada.

Description continued. . .

BOOK 149 PAGE 92

HOME TICKET Lode Mining Claim designated by the Surveyor General as Lot No. 207, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 4833, executed by the United States of America, recorded August 3, 1881, in Book 10, Page 239, Deed Records, Eureka County, Nevada.

EXCEPTING THEREFROM that portion of said claim lying within the boundaries of Lot Nos. 135 and 155.

LONDON Lode Mining Claim designated by the Surveyor General as Lot No. 247, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 16442, executed by the United States of America, recorded July 31, 1890, in Book 13, Page 336, Deed Records, Eureka County, Nevada.

EXCEPTING THEREFROM that portion of said claim lying within the boundaries of Lot No. 207.

MALCOLM Lode Mining Claim designated by the Surveyor General as Lot No. 315, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 21237, executed by the United States of America, recorded July 6, 1892, in Book 13, Page 575, Deed Records, Eureka County, Nevada.

TACOMA Lode Mining Claim designated by the Surveyor General as Lot No. 55, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 879, executed by the United States of America, recorded September 20, 1875, in Book 4, Page 486, Deed Records, Eureka County, Nevada.

An undivided one-half (1/2) interest in and to the SUNSET Lode Mining Claim designated by the Surveyor General as Lot No. 205, in the Eureka Mining District as described in Patent No. 4717, executed by the United States of America, recorded January 29, 1982, in Book 101, Page 108, Official Records, Eureka County, Nevada.

SILVER KING Lode Mining Claim designated by the Surveyor General as Lot No. 172 embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 4020, executed by the United States of America, recorded January 29, 1982, in Book 101, Page 100, Official Records, Eureka County, Nevada.

CALIFORNIA Lode Mining Claim designated by the Surveyor General as Lot No. 180, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 4214 executed by the United States of America, recorded January 29, 1982, in Book 101, Page 85, Official Records, Eureka County, Nevada.

EXCEPTING THEREFROM that portion of said claim lying within the boundaries of Lot No. 172.

Description continued. . .

Description continued. . .

HALE EAGLE Lode Mining Claim designated by the Surveyor General as Lot No. 99, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 2154, executed by the United States of America, recorded March 19, 1877, in Book 5, Page 233, Deed Records, Eureka County, Nevada.

BLACK EAGLE Lode Mining Claim designated by the Surveyor General as Lot No. 126 embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 2589, executed by the United States of America, recorded December 15, 1877, in Book 5, Page 570, Deed Records, Eureka County, Nevada.

GREY EAGLE Lode Mining Claim designated by the Surveyor General as Lot No. 125, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 2587, executed by the United States of America, recorded December 15, 1877, in Book 5, Page 573, Deed Records, Eureka County, Nevada.

CHATTANOOGA, KITTIE PRICE AND PIONEER Lode Mining Claim designated by the Surveyor General as Lot No. 252, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 11617, executed by the United States of America, recorded January 25, 1962, in Book 101, Page 93, Official Records, Eureka County, Nevada.

EXCEPTING THEREFROM that portion of said claim lying within the boundaries of Lot No. 140.

The Southerly 835 feet of the **EAGLE'S NEST** Lode Mining Claim designated by the Surveyor General as Lot No. 124, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 2588, executed by the United States of America, recorded December 15, 1877, in Book 5, Page 576, Deed Records, Eureka County, Nevada.

BELLE Lode Mining Claim designated by the Surveyor General as Lot No. 253, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 11633, executed by the United States of America, recorded January 29, 1962, in Book 101, Page 78, Official Records, Eureka County, Nevada.

EXCEPTING THEREFROM that portion of said claim lying within the boundaries of Lot Nos. 99 and 252.

PARCEL 2

EUREKA Lode Mining Claim designated by the Surveyor General as Lot No. 152, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 3507, executed by the United States of America, recorded June 28, 1880, in Book 8, Page 608, Deed Records, Eureka County, Nevada.

Description continued. . .

BOOK 149 PAGE 94

KEYSTONE Lode Mining Claim designated by the Surveyor General as Lot No. 153, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 3506, executed by the United States of America, recorded June 28, 1880, in Book 8, Page 611, Deed Records, Eureka County, Nevada.

CLIPPER Lode Mining Claim designated by the Surveyor General as Lot No. 154, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 3508, executed by the United States of America, recorded June 28, 1880, in Book 8, Page 614, Deed Records, Eureka County, Nevada.

PARCEL 3

SOUTHERN CROSS NO. 2 MINE designated by the Surveyor General as Lot No. 100A, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 2902, executed by the United States of America, recorded November 29, 1878, in Book 6, Page 634, Deed Records, Eureka County, Nevada.

TIGER LILY Lode Mining Claim designated by the Surveyor General as Lot No. 147, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 3666, executed by the United States of America, recorded February 5, 1880, in Book 7, Page 535, Deed Records, Eureka County, Nevada.

EUREKA GIANT Lode Mining Claim designated by the Surveyor General as Lot No. 146, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 3661, executed by the United States of America, recorded February 5, 1880, in Book 7, Page 538, Deed Records, Eureka County, Nevada.

BEST AND BELCHER Lode Mining Claim designated by the Surveyor General as Lot No. 197, in the Eureka Mining District as described in Patent No. 6091, executed by the United States of America, recorded January 29, 1982, in Book 101, Page 117, Official Records, Eureka County, Nevada.

PARCEL 4

STELLA Lode Mining Claim designated by the Surveyor General as Lot No. 88, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 1665, executed by the United States of America, recorded December 15, 1876, in Book 6, Page 112, Deed Records, Eureka County, Nevada.

SEVENTY-SIX Lode Mining Claim designated by the Surveyor General as Lot No. 219, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 5329, executed by the United States of America, recorded March 6, 1882, in Book 10, Page 380, Deed Records, Eureka County, Nevada.

EXCEPTING THEREFROM that portion of said claim lying within the boundaries of Lot No. 153.

Description continued. . .

BOOK 149 PAGE 95

Description continued. . .

PARCEL 5

SENTINEL Lode Mining Claim designated by the Surveyor General as Lot No. 305, in the Eureka Mining District as described in Patent No. 11969, executed by the United States of America.

PARCEL 6

The northerly 665 feet of the EAGLE'S NEST Lode Mining Claim designated by the Surveyor General as Lot No. 124, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 2588, executed by the United States of America, recorded December 15, 1877, in Book 5, Page 576, Deed Records, Eureka County, Nevada.

PARCEL 7

GOLDEN RULE Lode Mining Claim designated by the Surveyor General as Lot No. 132, embracing a portion of the unsurveyed public domain in the Eureka Mining District as described in Patent No. 3943, executed by the United States of America.

RECORDED AT REQUEST OF
First American Title Co. of Nev.
BOOK 149 PAGE 053.

86 SEP 27 P 3: 31

OFFICIAL RECORDS
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