

NOTICE AND CLAIM OF LIEN

NOTICE IS HEREBY GIVEN that TARGET CONSTRUCTION, INC., claims a Mechanic's and Materialman's Lien upon the property hereinafter particularly described, which property is located in Eureka County, Nevada, and which claim is made pursuant to the laws of the State of Nevada, particularly Chapter 108 of the Nevada Revised Statutes, as amended, for the value of work, labor, materials and/or services furnished by lien claimant for the improvement of real property hereinafter particularly described, located in the County of Eureka, State of Nevada.

That the whole or real property hereinafter particularly described has been or is in the process of improvement and is reasonably necessary for the convenient use and occupation of said property.

Claimant further states:

1. That the name of the owners or reputed owners of the premises sought to be charged are ATLAS PRECIOUS METALS, INC., and/or ATLAS GOLD, 743 Horizon Court, Suite 105, Grand Junction, Colorado 81506 and Gold Bar Mine, Three Bars Road, Eureka, Nevada 89316.
2. That the name of the person by whom lien claimant was employed and to whom lien claimant furnished work, labor, materials and/or services in connection with the project is ATLAS PRECIOUS METALS, INC.
3. That the terms, time given and conditions of the contract were: construction of mill tailings pond, mill site development, general site development, road building, and for payment in full upon completion.
4. That work, labor, materials and/or services have been furnished to and actually used upon the above-described project in the total amount of ONE MILLION SEVEN HUNDRED THIRTY NINE THOUSAND FIVE HUNDRED FORTY ONE DOLLARS and 93/100 DOLLARS (\$1,739,541.93) plus interest, and said amount is now due and owing to lien claimant.
5. That the first labor and materials furnished by lien claimant to and incorporated in the project was on or about April 21, 1986, and that the last labor and materials furnished by lien claimant and incorporated in the project was in or about October 1986; that there are no other just credits or off-sets to be deducted and the total amount due and owing to lien claimant is the sum of TWO HUNDRED FORTY FOUR THOUSAND THREE HUNDRED EIGHTY TWO and 33/100 DOLLARS (\$244,382.33) plus interest.
6. That a demand for payment has been made by lien claimant and that ONE MILLION FOUR HUNDRED NINETY FIVE THOUSAND ONE HUNDRED FIFTY NINE and 60/100 DOLLARS (\$1,495,159.60) has

been paid; that there are no further off-sets to the claim and that the sum of TWO HUNDRED FORTY FOUR THOUSAND THREE HUNDRED EIGHTY TWO and 33/100 DOLLARS (\$244,382.33) plus interest is now due and owing to lien claimant on account of the work, labor, materials and/or services furnished as above specified and that the undersigned claims a lien upon the real property particularly described herein for said sum, together with interest and attorney's fees as provided by law.

7. That the real property sought to be charged with this Claim of Lien upon which the above described work of improvement has been made is located in the County of Eureka, State of Nevada, and as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference.

DATED: This 5th day of December, 1986.

TARGET CONSTRUCTION, INC.

By: Kevin Fegert
Title: Vice President

STATE OF NEVADA)
) SS.
COUNTY OF WASHOE)

KEVIN FEGERT, being first duly sworn, deposes and says that:

I am the Vice Pres. of TARGET CONSTRUCTION, INC., the company named as lien Claimant in the foregoing Notice and Claim of Lien. I have read the above and foregoing Notice and Claim of Lien, know the contents thereof and state that the same is true. I further state that it contains, among other things, a correct statement of the demand of said lien claimant, after deducting all just credits and off-sets.

Kevin Fegert

SUBSCRIBED AND SWORN to before me
this 5th day of December, 1986.

Mary Vidor
NOTARY PUBLIC in and for said County
and State.

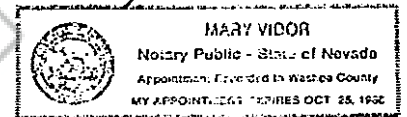


EXHIBIT A

Within portions of

Sections, 22, 23, 26, 27, 28 and 29, T. 22 N., R. 49E,
commonly known as the Gold Bar Mine, Eureka, Co.
Nevada.

RECORDED AT REQUEST OF
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BOOK 153 PAGE 33

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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
K.N. REBALEATI, RECORDER
FILE NO. 106571
FEE \$ 7.00

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