

DEED OF TRUST WITH
ASSIGNMENT OF RENTS AND ROYALTIES,
SECURITY AGREEMENT AND FINANCING STATEMENT

THIS DEED OF TRUST WITH ASSIGNMENT OF RENTS AND ROYALTIES, SECURITY AGREEMENT AND FINANCING STATEMENT (the "Deed of Trust"), is made as of the 1st day of June, 1988, by TONKIN SPRINGS GOLD MINING COMPANY, a Colorado corporation, herein called "Trustor", whose mailing address is 1600 Stout Street, Suite 1600, Denver, Colorado 80202; in favor of FIRST AMERICAN TITLE COMPANY OF NEVADA, a Nevada corporation, herein called "Trustee"; and GERALD METALS, INC., a Delaware corporation, herein called "Beneficiary", whose address is High Ridge Park, Stamford, Connecticut 06904.

W I T N E S S E T H:

That Trustor irrevocably grants, transfers, and assigns to Trustee in trust with power of sale and right of entry and possession, all right, title and interest which Trustor presently has or may hereafter acquire in and to certain mining claims, consisting of patented mining claims, unpatented mining claims and unpatented millsite claims, on property (the "Mining Property") located in Eureka County, Nevada, as more particularly described in Exhibit "A" attached hereto and made a part hereof;

TOGETHER with all structures and improvements now existing or hereafter constructed on the Mining Property, and all precious and non-precious metals and other mineral deposits, ore in place or otherwise, water and water rights, easements, royalties, revenues, rents, issues, proceeds, including cash proceeds, and profits thereof, said items to be collectively a part of and included in the term "Mining Property"; subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, royalties, issues, revenues and profits; and

TOGETHER with all furniture, furnishings, fixtures, machinery, apparatus, equipment and goods of whatever nature now located or which may hereafter be located on the Mining Property, including but not limited to any replacements, additions thereto or proceeds, including cash proceeds, therefrom, said items to be collectively a part of and included in the term "Mining Property".

TOGETHER WITH all of Trustor's accounts, accounts receivable, contract rights, chattel paper, documents, goods, insurance proceeds, condemnation proceeds, instruments, equipment,

See BK. 234 Pg. 136 for
Deed of Reconveyance

machinery, money, general intangibles, licenses, consents, permits, easements, variances, certifications and approvals of governmental agencies, and all other property of Trustor, whether real or personal, tangible or intangible of every nature and description, said items to be collectively a part of and included in the term "Mining Property".

A. FOR THE PURPOSE OF SECURING:

1. Full and timely performance by Trustor of each and every agreement, covenant, term and condition of that certain Gold Loan Agreement made as of the 1st day of June, 1988 by and between Trustor and Beneficiary (the "Loan Agreement"); including but not limited to the full and timely payment by Trustor of all of the principal, interest, fees and other sums due and owing under those two (2) certain Promissory Notes of even date herewith issued by Trustor to Beneficiary pursuant to the Loan Agreement (collectively the "Note") and all sums due under the Loan Agreement or the Security Documents (as defined in the Loan Agreement).

2. Full and timely performance of each agreement of Trustor herein contained.

3. Full and timely performance by Trustor of all the terms, conditions, agreements and obligations in the Security Documents.

4. Full and timely payment of:

(a) all monies which become due and payable to either the Beneficiary or Trustee under the provisions of this Deed of Trust;

(b) all monies now or hereafter to become due and payable by Trustor to Beneficiary pursuant to any other existing or future agreement, deed of trust, promissory note, guarantee, account agreement, instrument or other document to which Beneficiary and Trustor are parties (whether with or without any other person or persons) (including, without limitation, monies now or hereafter to become contingently due and payable and monies now or hereafter to become due and payable by way of damages);

(c) all monies now or hereafter to become due and payable to Beneficiary by Trustor either alone or in conjunction with any other person on any account whatsoever (including, without limitation, monies now or hereafter to become contingently owing or payable and monies now or hereafter to become owing or payable by way of damages);

(d) all monies which Beneficiary shall lend, pay or advance or become liable in any way whatsoever to lend, pay or advance to, for or on account of Trustor either alone or in conjunction with any other person, or to, for or on account of any other person upon the order or request or under the authority of Trustor, either by direct loans or advances or otherwise whatsoever or by having already entered into or by hereafter entering into any promissory note, bond, indemnity, guarantee, surety or letter of credit or otherwise having already incurred or hereafter incurring liabilities for or on behalf of Trustor or said other person; and

(e) all monies which Beneficiary shall pay or become liable to pay or may have advanced or may hereafter advance, the repayment of which Trustor may have guaranteed or may hereafter guarantee to Beneficiary.

B. To protect the security of this Deed of Trust, Trustor agrees:

1. To keep the Mining Property in good condition and repair; not to remove or demolish any structure or improvement used or useful in the operation of the Mining Property; to complete or restore promptly and in a good and workmanlike manner any structure and improvement which may be constructed, damaged, or destroyed thereon; to comply with all laws affecting the Mining Property or requiring any alterations or improvements to be made thereon; and not to commit, suffer or permit any act upon the Mining Property in violation of a law or which could invalidate any insurance coverage on the Mining Property.

2. To provide, maintain and deliver to Beneficiary fire and extended coverage insurance on the structures located on the Mining Property in a sum no less than the value thereof with loss payable to Beneficiary, as Beneficiary's interest appears, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Beneficiary; all such policies shall provide for at least thirty (30) days' written minimum cancellation notice to the Beneficiary; Trustor shall furnish the Beneficiary with certificates or other evidence satisfactory to the Beneficiary of compliance with the foregoing insurance provisions.

3. To appear in and defend any action or proceeding purporting to affect the security hereof, and to pay all costs

and expenses, including cost of evidence to title and attorneys' fees, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose or enforce any provisions of this Deed of Trust.

4. To pay, at least ten (10) days before delinquency, all taxes and assessments affecting the Mining Property and, when due, all encumbrances, charges and liens on the Mining Property or any part thereof, with interest, which appear to be prior or superior hereto; provided that Trustor shall not be required to pay and discharge or cause to be paid and discharged any such tax, assessment, charge, encumbrance or lien so long as the validity thereof shall be contested in good faith by appropriate proceedings and it shall have set aside on its books adequate reserves with respect to any such tax, assessment, charge, encumbrance or lien, so contested, and provided, further, that payment with respect to any such tax, assessment, charge, encumbrance or lien shall be made before any of its property shall be seized and sold in satisfaction thereof.

5. To pay immediately upon notice all sums expended by Beneficiary or Trustee pursuant to the provisions of this Deed of Trust (including, without limitation, expenses incurred under paragraph 6 below), with interest from date such notice is given, at the rate of fifteen percent (15%) per annum.

6. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation to do so, and upon ten (10) days' written notice or demand upon Trustor, and without releasing Trustor from any obligation hereof, the Trustee or Beneficiary may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the Mining Property for such purposes, to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and (subject to the rights of Trustor to contest the validity of certain matters as provided in paragraph 4 above) to pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto and, in exercising any such powers, to pay necessary expenses, employ counsel and pay counsel fees.

7. To perform all work on the Mining Property in a good workmanlike and minerlike manner; to comply with all applicable laws, rules and regulations of any governmental agency, whether state or federal, including without limitation

all laws, rules and regulations relating to the maintenance and reclamation of the Mining Property to the extent that such is required for activities conducted during the term hereof; and to perform all work, including required reclamation, in a timely fashion and hold Beneficiary and Trustee harmless from any liability therefor.

8. To do all things necessary to maintain this Deed of Trust as a prior perfected lien on the Mining Property; and to allow no liens to remain on the Mining Property on account of any debt for materials or services furnished to Trustor for the benefit of the Mining Property during the term hereof; provided, however, that Trustor shall not be required to remove any such liens so long as Trustor is contesting in good faith the validity of the amount thereof and, if such debt is in excess of \$50,000, Trustor has provided a bond to Beneficiary from an insurance company satisfactory to Beneficiary in the amount of the debt.

9. To hold Beneficiary and Trustee harmless and indemnify Beneficiary and Trustee against any claims, losses, damages, expenses and attorneys' fees, and to defend Beneficiary and Trustee from any suit, claim, judgment or demand whatsoever, relating to or arising out of this Agreement, the Loan Agreement or any transaction contemplated hereby or thereby.

10. To maintain at its sole expense liability insurance covering the activities on the Mining Property and naming Beneficiary and Trustee as co-insureds. At Trustor's sole option, such insurance may be by way of endorsement to Trustor's general liability insurance or by separate policy. Such policy shall have personal injury limits of not less than Five Million Dollars (\$5,000,000) per person and per accident, and Five Hundred Thousand Dollars (\$500,000) for damage to property. All such policies shall be prepaid annually in advance and shall provide for at least ten (10) days' written minimum cancellation notice to the Beneficiary; Trustor shall furnish the Beneficiary with certificates or other evidence satisfactory to the Beneficiary of compliance with the foregoing insurance provisions. Beneficiary and Trustee shall be provided with a copy of the insurance policy in force within ten (10) days of the receipt of such policy by Trustor.

11. Commencing with the annual assessment work year beginning at 12:00 o'clock noon on September 1, 1987, and ending at 12:00 o'clock noon on September 1, 1988, and each assessment year thereafter during the term hereof provided that this Deed of Trust has not been released prior to one hundred twenty (120) days before the end of any annual assessment year.

to perform such labor as is required to maintain the unpatented mining claims included in the Mining Property, to timely record and file appropriate proofs thereof with the County Recorder of Eureka County, Nevada, the United States Bureau of Land Management, and such other place or places as may be required from time to time and to furnish to Beneficiary and Trustee appropriate proofs of such performance prior to August 1 of the applicable year. Trustor shall not file any Notice of Intent to hold unpatented mining claims (not including millsite claims) without the prior written consent of Beneficiary, which consent will not be unreasonably withheld. As to unpatented millsite claims, Trustor shall timely record and file with the County Recorder of Eureka County, Nevada, the United States Bureau of Land Management and such other place or places as may be required from time to time and shall furnish to Beneficiary and Trustee appropriate proofs of such performance prior to August 1 of the applicable year.

In the event of the repeal or substantial modification of the current General Mining Law during the life of this Deed of Trust with Assignment of Rents and Royalties, Security Agreement and Financing Statement, such that the interest of Trustor hereunder is modified, reduced or transformed, Trustor shall consult with Beneficiary to determine how best to preserve the interests of Beneficiary hereunder. Trustor shall take no action as a result of such repeal or substantial modification without the written consent of Beneficiary having been first obtained.

12. If any state, federal, municipal or other governmental law, order, rule or regulation, passed subsequent to the date hereof, in any manner changes or modifies existing laws governing the taxation of deeds of trust or debts secured by deeds of trust, or the manner of collecting taxes so as to materially and adversely affect the rights of the Beneficiary, the entire balance of the indebtedness and other sums secured by this Deed of Trust and all interest accrued thereon shall upon thirty (30) days notice become due and payable forthwith at the option of the Beneficiary.

C. It is mutually agreed that:

1. The parties to this Deed of Trust agree that their rights and obligations under this Deed of Trust and under the Loan Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York, without giving effect to the conflicts-of-law rules and principles of such state. The parties further agree and stipulate that the State of New York has a substantial relationship to the parties and to the underlying transactions secured by this

Deed of Trust. Notwithstanding the foregoing, the parties agree that:

a. The procedures governing the enforcement by Beneficiary of the provisional remedies against Trustor, including by way of illustration but not limitation, actions for replevin, for claim and delivery of property, for injunctive relief or for the appointment of a receiver shall be governed by the laws of the State of Nevada;

b. Trustee shall comply with applicable Nevada law to the extent required in connection with the foreclosure of the security interests and liens created hereby; provided, however, that this subparagraph shall in no event be construed to provide that the substantive law of the State of Nevada shall apply to the indebtedness secured by this Deed of Trust or evidenced by the Loan Agreement, which are and shall continue to be governed by the substantive law of the State of New York. The parties further agree that Beneficiary may enforce its rights under this Deed of Trust and the Loan Agreement, including but not limited to, its rights to sue Trustor, to collect any outstanding indebtedness or to obtain a judgment for any deficiency following foreclosure, in accordance with the laws of the State of New York, and Trustor hereby waives, to the maximum extent permitted by applicable law, any rights which it may have under anti-deficiency legislation. Trustor also waives any rights which it may have under N.R.S. 60.240 with respect thereto. Trustor agrees to pay all reasonable attorneys' fees and legal expenses incurred in enforcing the rights, powers and remedies of Trustee and Beneficiary under this Deed of Trust.

2. Notwithstanding anything contained herein which may be to the contrary, this Deed of Trust, the Loan Agreement, any agreement, deed of trust or other document referred to herein by reference, whether specifically or generally, and the transactions contemplated hereby do not and will not constitute, create, indirect, actual or practical ownership of Trustor by Beneficiary, or control, affirmative or negative, direct or indirect, by Beneficiary over the programming, management, or any other aspect of the day-to-day operation of Trustor, which control remains in Trustor, its shareholders and board of directors.

3. By allowing payment of any sum secured hereby after its due date, Beneficiary does not waive its rights

either to require prompt payment when due of all other sums so secured or to declare default for failure to pay such other sums when due.

4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and a copy of the Note and Loan Agreement marked "Paid" and certified to be a true and correct copy by the Beneficiary to Trustee, and upon payment of its fees, Trustee shall reconvey to Trustor, without warranty, the real property then held hereunder.

5. Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of this Deed of Trust, to collect the rents, royalties, issues and profits of the Mining Property. Prior to the occurrence of any Event of Default (as that term is herein defined) by Trustor, Trustor shall have a license to collect and retain such rents, royalties, issues and profits as they become due and payable, which license shall be terminable at the sole option of Beneficiary upon the occurrence and during the continuance of any Event of Default.

6. Upon the occurrence of any Event of Default, Beneficiary may, upon ten (10) days' written notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness or obligations secured hereby, enter upon and take possession of the Mining Property or any part thereof in its own name, sue for or otherwise collect such rents, royalties, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness or obligation secured hereby, in such order as Beneficiary may determine.

7. It is understood and agreed that neither the foregoing assignment of rents and royalties, issues and profits to Beneficiary nor the exercise by Beneficiary of any of its rights or remedies under this Deed of Trust, shall be deemed to make Beneficiary "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Mining Property or the use, occupancy, enjoyment or operation of all or any portion thereof, unless and until Beneficiary, in person or by agent, assumes actual possession thereof; nor shall the appointment of a receiver for the Mining Property by any court, either at the request of Beneficiary or by agreement with Trustor, or the entering into possession of the Mining Property or any part thereof by such receiver be deemed to make Beneficiary "mortgagee-in-possession" or otherwise responsible

or liable in any manner with respect to the Mining Property or the use, occupancy, enjoyment or operation of all or any portion thereof. Further, the entering upon and taking possession of the Mining Property, the collection of such rents, royalties, issues and profits, and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

8. The following shall be deemed to be events of default hereunder ("Events of Default"):

a. The occurrence of an "Event of Default" under the Loan Agreement, the Note or any Security Document;

b. Any default in the payment when due of the principal of, or fees or interest on indebtedness evidenced by, the Note;

c. Failure by Trustor to timely perform or observe any covenant, agreement or provision contained in this Deed of Trust, whether specifically or generally, or any existing or future agreement, deed of trust or other document to which Trustor and Beneficiary are parties (whether with or without any other person or person), and such failure shall continue unremedied for twenty (20) days after Beneficiary gives notice to Trustor of its failure;

d. Any representation or warranty made by Trustor in or in connection with the execution, delivery or performance of this Deed of Trust, the Loan Agreement, the Note, any Security Document or any agreement, deed of trust or other document referred to herein by reference, whether specifically or generally, shall prove to have been false or misleading in any material respect when made;

e. Any statement made by Trustor or in or pursuant to this Deed of Trust, the Loan Agreement, the Note, any Security Document or any agreement, deed of trust or other document referred to herein by reference, whether specifically or generally, or in any certificate, notification or report furnished pursuant to said documents shall prove to have been false or misleading in any material respect when made;

f. Default with respect to any evidence of indebtedness of Trustor, if the effect of such default is to accelerate the maturity of such indebtedness;

g. Institution of judicial or nonjudicial foreclosure or other proceedings to enforce any other deed of trust or any junior security interest or other lien or encumbrance, of any kind, upon the Mining Property or any portion thereof, including proceedings relating to the underlying property;

h. Without the prior written consent of Beneficiary, make any reduction or attempt to reduce the capital of Trustor;

i. Entry of any judgment against Trustor upon which execution may be entered without being stayed on appeal or dismissed within seven (7) days thereof on a claim not covered by insurance in an amount which, in the opinion of Beneficiary, if Trustor were required to pay such amount, would adversely affect Trustor's ability to pay its indebtedness under the Loan Agreement, the Note, this Deed of Trust, any Security Document or any other agreement, deed of trust or other document referred to herein by reference, whether specifically or generally, or to perform its other obligations thereunder;

j. Revocation or material variance of any government approval required for the execution and performance of Trustor's obligations under this Deed of Trust, the Loan Agreement, the Note, any Security Document or any other agreement, deed of trust or other document referred to herein by reference, whether specifically or generally, to the prejudice of Trustor under this Deed of Trust, the Loan Agreement, the Note, any Security Document or any other agreement, deed of trust or other document referred to herein by reference, whether specifically or generally;

k. This Deed of Trust, the Loan Agreement, the Note, any Security Document or any other agreement, deed of trust or other document referred to herein by reference, whether specifically or generally, ceases to be in full force and effect or the validity, binding effect or enforceability thereof or any provision thereof has been denied or disaffirmed by any party thereto (other than Beneficiary) or is declared or becomes void, voidable or unenforceable;

l. Without the prior written consent of Beneficiary, Trustor ceases or threatens to cease to carry on business or a substantial part of such

business, property or assets is seized (other than with payment of fair and adequate compensation therefor);

m. Failure to perform or observe any covenant, agreement or obligation undertaken by Trustor in any agreement, lease or license pertaining to the business conducted on the Mining Property (including, without limitation, mineral leases, licenses and tenements), and such default, is not remedied to the satisfaction of Beneficiary within seven (7) days after written notice of the default is given to Trustor by Beneficiary;

n. Cancellation, surrender or voiding of any agreement, lease, license or tenements pertaining to the business conducted on the Mining Property (except a surrender of an agreement, lease or license conditional upon the grant of a substitute, substantially equal and similar document), or, in the opinion of Beneficiary, the terms thereof are materially varied to the prejudice of the holders or persons (including Trustor) entitled to the benefit thereof except in accordance with the terms thereof;

o. Occurrence of any change in the financial position of Trustor which in the opinion of Beneficiary adversely affects in a material way the ability of Trustor to observe and perform its obligations under this Deed of Trust or any other agreement, deed of trust or other document referred to herein by reference, whether specifically or generally;

p. Any sale, lease, assignment or other transfer of the Mining Property is made by Trustor.

9. If any Event of Default shall have occurred and be continuing and subject to the sixteen (16) business day cure period, if applicable to such Event of Default, provided in Section 12 of the Loan Agreement:

a. Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of Beneficiary's election to cause the Mining Property to be sold to satisfy all agreements and obligations hereunder, and shall cause such notice to be recorded in the Office of the Recorder of each county wherein the Mining Property or some part thereof is situated.

b. Notice of sale having been given as then required by law, and not less than the time then required by law having elapsed after recordation of such notice of default, Trustee, without demand on Trustor, may sell the Mining Property at the time and place of sale fixed by it in said Notice of Sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States of America, payable at time of sale.

c. Trustee may postpone sale of all or any portion of the Mining Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement.

d. Trustee shall deliver to a purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters of facts shall be conclusive proof of the truthfulness thereof.

e. Any person, including Trustor, Trustee or Beneficiary as herein defined, may purchase at such sale.

f. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof not then repaid with accrued interest at fifteen percent (15%) per annum, all other sums then secured hereby and, the remainder, if any, to the persons entitled thereto.

g. Notwithstanding anything to the contrary contained herein, any default by Trustor under any of the Loan Agreement, this Deed of Trust, the Note, any Security Document or any other agreement or document referred to herein by reference, either specifically or generally, shall constitute a default under each and every of the other agreements or documents described herein.

10. Upon the occurrence of an Event of Default by Trustor as described herein and after expiration of the period of time provided for in N.R.S. 107.080(2)(c), upon written demand by Beneficiary, Trustor agrees to execute and deliver

within three (3) calendar days, a Deed in Lieu of Foreclosure in a form acceptable to Beneficiary.

11. The Trustor will, at its expense, execute, deliver, file and record (in such manner and form as the Beneficiary may require), or permit the Beneficiary to file and record, any financing statements, any carbon, photographic or other reproduction of a financing statement or this Deed of Trust (which shall be sufficient as a financing statement hereunder), any specific assignments or other paper that may be reasonably necessary or desirable, or that the Beneficiary may request, in order to create, preserve, perfect or validate any security interest hereunder or to enable the Beneficiary to exercise and enforce its rights hereunder with respect to all fixtures included within the Mining Property, and is to be filed for record in the Office of the County Recorder of each county where any part of the real property is situated. The Trustor hereby appoints Beneficiary as Trustor's attorney-in-fact to execute in the name and behalf of Trustor such additional financing statements as Beneficiary may request. The mailing address of Trustor is set forth on Page 1 hereof and the address of the Beneficiary from which information concerning the security interest may be obtained is also set forth on Page 1 hereof.

12. Subject to the provisions of Section 14 below, this Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. In this Deed of Trust whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. To the extent that any provisions hereof conflict with specific provisions of the Loan Agreement, the provisions of the Loan Agreement shall govern.

13. Beneficiary may, from time to time as provided by statute or by a writing signed and acknowledged by Beneficiary and recorded in the Office of the County Recorder of the county in which the Mining Property or any part thereof as is then affected by this Deed of Trust is situated, appoint another Trustee in place and stead of Trustee herein named, and thereupon, the Trustee herein named shall be discharged and the Trustee so appointed shall be substituted as Trustee hereunder, with the same effect as if originally named Trustee herein.

14. Trustor shall not sell, assign, convey, mortgage, pledge, hypothecate or otherwise transfer (i) all or any part of the Mining Property, (ii) all or any part of Trustor's interest therein, or (iii) all or any part of Trustor's interest in the structures or improvements then located on the Mining Property without first obtaining the written consent of Beneficiary, and any attempt to do so shall be void. Any vio-

lation or attempted violation of the provisions of this Section 12 shall permit Beneficiary to declare, at Beneficiary's option and with notice to Trustor, a default hereunder.

15. EACH OF THE PARTIES WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS DEED OF TRUST OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN.

16. All notices and other communications hereunder shall be given or made by telex, telegraph, telecopy or in writing or delivered to the intended recipient at its address set forth on Page 1 hereof; or, as to any party, at such other address as shall be designated by such party in a notice to the other parties. All such communications shall be deemed to have been duly given when transmitted by telex or telecopy, delivered to the telegraph office or personally delivered or, in the case of a mailed notice, upon receipt, in each case given or addressed as aforesaid.

17. Pursuant to N.R.S. 104.9402, a reproduction of this DEED OF TRUST WITH ASSIGNMENT OF RENTS AND ROYALTIES, SECURITY AGREEMENT AND FINANCING STATEMENT shall be sufficient for filing as a financing statement.

IN WITNESS WHEREOF, the undersigned has executed this Deed of Trust and Assignment of Rents and Royalties, Security Agreement and Financing Statement the month, day and year first above written.

"TRUSTOR"

TONKIN SPRINGS GOLD MINING
COMPANY, a Colorado corporation

By 
President

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

On this 1st day of June, 1988, personally appeared before me, a Notary Public, William W. Reid, known to me to be the President of TONKIN SPRINGS GOLD MINING COMPANY, a Colorado corporation, and, being authorized so to do, acknowledged that he executed the foregoing instrument on behalf of said corporation.

Alfred R. Pallani
Notary Public

ALFRED R. PALLANI
Notary Public, State of New York
No. 24-4857470
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 31, 1992



EXHIBIT A

To Deed of Trust with Assignment of Rents and Royalties; Security Agreement and Financing Statement made on June 1, 1988, by Tonkin Springs Gold Mining Company, a Colorado corporation (Trustor), in favor of First American Title Company of Nevada, a Nevada corporation (Trustee) and Gerald Metals, Inc., a Delaware corporation (Beneficiary).

<u>Claim Name</u>	<u>Recording Data</u> Eureka County, Nevada			<u>BLM NMC No.</u>
	<u>Date Recorded</u>	<u>Book</u>	<u>Page</u>	
Rob #410-#413	8-15-85	137	530-533	346730-346733

RECORDED AT THE REQUEST OF
Hill Cossas, L.L.P. and Ewin
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EUREKA COUNTY, NEVADA
MIN. REG. 11883
FILE NO. 20-00
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