

**QUITCLAIM DEED AND RESERVATION OF ROYALTY**

THIS QUITCLAIM DEED AND RESERVATION OF ROYALTY is made and entered into this 20<sup>th</sup> day of February, 2002, by and among Atlas Minerals Inc., a Colorado corporation, and its wholly-owned subsidiaries Atlas Gold Mining Inc. and Atlas Precious Metals Inc., both Nevada corporations, whose address for each of which is 10920 W. Alameda Ave., Lakewood, Colorado 80226 (collectively, "Atlas"), and Bonanza Explorations, Inc., a Nevada corporation, whose address is 2900 Nutry Way, Suite #6, Reno, Nevada 89502 ("Bonanza").

PURSUANT TO THAT certain Option and Acquisition Agreement among Atlas Corporation (predecessor-in-interest to Atlas Minerals Inc.), Atlas Gold Mining Inc., Atlas Precious Metals Inc., and Vengold Inc. (predecessor-in-interest to Bonanza), dated as of August 27, 1999 (the "Agreement"), Atlas granted to Bonanza the option to purchase certain unpatented mining claims, and Bonanza has now exercised that option.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Atlas does hereby remise, release and forever quitclaim to Bonanza, its successors and assigns forever, all of Atlas' right, title and interest in and to those unpatented mining claims situate in Eureka County, Nevada and listed on Exhibit A attached hereto and incorporated herein by reference (the "Claims"), reserving to Atlas the Production Royalty described below. The conveyance of the Claims is made subject to (i) the production royalties set forth on page 2 of Exhibit A, and (ii) all liens, claims and encumbrances of record and pertaining to the Claims.

ATLAS CONVEYS ITS INTEREST IN THE CLAIMS TOGETHER WITH its right, title and interest in all lodes, ledges, veins and mineral-bearing rock, both known and unknown, lying within the boundaries of the Claims, together with all dips, spurs, and angles, and all the ores, mineral-bearing matrix, rock and earth or other deposits therein or thereon and all of the rights, privileges and franchises thereto incident, and all and singular the tenements and hereditaments thereon in anywise appertaining, and the rents, issues and profits thereof, and also all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity of Atlas of, in or to the Claims and every part and parcel thereof.

ATLAS HEREBY reserves, and Bonanza hereby agrees to pay to Atlas, its successors and assigns, a production royalty (the "Production Royalty"), which the parties intend to be a covenant running with the land, from the production and sale by Bonanza, its successors and assigns, of Mineral Products (as defined in Exhibit B) from the Claims. The percentage of Net Smelter Returns payable to Atlas is:

- (a) Two percent of Net Smelter Returns on those Claims listed on Part 1 of Exhibit A; and

(b) A percege of Net Smelter Returns equal to the difference between two percent and the actual percentage royalty less than two percent held by third parties on those Cms listed on Part 2 of Exhibit A.

The calculation and pment of the Production Royalty shall be made in accordance with the provisions of Exhibit leached hereto and incorporated herein by reference.

ATLAS CONWS the Claims and Bonanza accepts the Claims in an "AS IS, WHERE IS" condition, without tranty of any kind, whether express, implied or statutory.

IN WITNESS HEREOF, Atlas and Bonanza have caused this Quitclaim Deed to be duly executed as of that first above written.

Atlas Minerals Inc Colorado corporation

Bonanza Explorations, Inc., a Nevada corporation

By: [Signature]  
Name: Gary E. Davis  
Title: PRINCIPAL FINANCIAL OFFICER

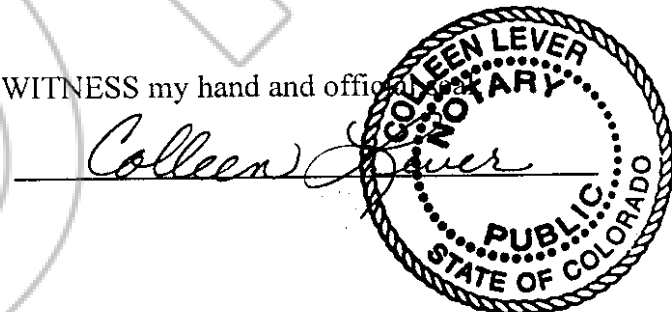
By: [Signature]  
Name: Brian Kirwin  
Title: President

STATE OF COLADO )  
 ) ss:  
COUNTY OF JEFFERSON )

This instrument was acknowledged before me on February 20, 2002, by Gary E. Davis as Principal Financial Officer of Atlas Minerals Inc., a Colorado corporation.

WITNESS my hand and office

My commission expires 4/29/2003



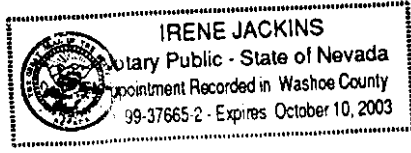
STATE OF NEVADA )  
 ) ss:  
COUNTY OF W. HOE )

This instrument was acknowledged before me on June 7, 2002, by Brian Kirwin as President of Bonanza Explorations, Inc., a Nevada corporation.

BOOK 349 PAGE 097

WITNESS my hand and official seal.

My commission expires: 10-10-03



COPY



BOOK 349 PAGE 098

**EXHIBIT A**

The following unpatented lode mining claims situated in Sections 4 and 5, Township 22 North, Range 50 East, and in Section 32, Township 23 North, Range 50 East, Mt. Diablo Meridian, Eureka County, Nevada

CLAIM NAME	RECORD	BLM	EUREKA COUNTY	
	OWNER	NMC #	BOOK	PAGE
R #13, as amended	APMI	164135	201	557
			85	53
R #14, as amended	APMI	164136	201	558
			85	54
R #52, as amended	APMI	361638	201	561
			142	156
R #53, as amended	APMI	361639	201	562
			142	157
R #54, as amended	APMI	361640	201	563
			142	158
RC	APMI	567865	201	554
RD	APMI	567866	201	555
RF	APMI	567867	201	556

The above claims are subject to the provisions of the following:

- Agreement for the purchase and Sale of Mining Claims between NL Industries, Inc. and Phelps Dodge Corporation, dated July 1, 1987, and the subsequent Quitclaim Deed between NL Industries Inc. and through its NL Baroid Division, and Phelps Dodge Corporation dated May 28, 1988 recorded June 5, 1987 in Book 157, Page 113 of the official records of Eureka County, Nevada
- Option Agreement between Phelps Dodge Mining Company, a division of Phelps Dodge Corporation, and Atlas Corporation, dated September 26, 1991, as amended by letter agreement dated July 21, 1992, and the subsequent Special Warranty Deed from Phelps Dodge Corporation Atlas Corporation dated April 22, 1992, recorded May 4, 1992 in Book 234, Page 262 of the official records of Eureka County, NV; and
- Quitclaim Deed from Atlas Corporation to Atlas Precious Metals Inc. dated April 22, 1992, recorded May 8, 1992 in Book 234, Page 319 of the official records of Eureka County, NV.

The following unpatented lode mining claims situated in Sections 4 and 5, Township 22 North, Range 50 East, and Sections 32 and 33, Township 23 North, Range 50 East, Mt. Diablo Meridian, Eureka County, Nevada:

CLAIM NAME	RECORD	BLM	EUREKA COUNTY	
	OWNER	NMC #	BOOK	PAGE
WI 8	APMI	373448	147	205
WI 9	APMI	373449	147	206
WI 10	APMI	373450	147	207
WI 12	APMI	373452	147	209
WI 31	APMI	373471	147	228

**EXHIBIT A**

WI 32	APMI	373472	147	229
WI 33	APMI	373473	147	230
WI 34	APMI	373474	147	231
WI 277	APMI	388513	153	67
WI 278	APMI	388514	153	68
WI 279	APMI	388515	153	69
WI 280	APMI	388516	153	70
WI 281	APMI	388517	153	71

The following unpaten lode mining claims situated in Sections 22, 23, 26, and 27, Township 22 North, Range 49 E, Mt. Diablo Meridian, Eureka County, Nevada:

CLAIM NAME	RECORD	BLM	EUREKA COUNTY	
	OWNER	NMC #	BOOK	PAGE
Jasper 269	APMI	296387	120	40
Jasper 270, as anled	APMI	296388	141	587
Jasper 271, as anled	APMI	296389	143	162
Jasper 272, as anled	APMI	296390	143	164
Jasper 273, as anled	APMI	296391	135	56
Jasper 274, as anled	APMI	296392	143	166
Jasper 276, as anled	APMI	296394	143	168
Jasper 282	APMI	296400	120	53
Jasper 282A, as ended	APMI	314799	135	74
Jasper 283, as anled	APMI	296401	135	76
Jasper 283A	APMI	339282	135	78
Jasper 285, as anled	APMI	296403	135	80
Jasper 287, as anled	APMI	296405	135	82
Jasper 310, as anled	APMI	296428	143	174
Jasper 312, as anled	APMI	296430	143	176
Jasper 314, as anled	APMI	296432	135	92
Jasper 315, as anled	APMI	296433	135	96
Jasper 316, as anled	APMI	296434	135	98
Jasper 317, as anled	APMI	296435	135	102
Jasper 322, as anled	APMI	296439	135	110
Jasper 323	APMI	296440	135	112
Jasper 323A	APMI	339285	135	114
Jasper 325	APMI	296442	120	95

The following unpaten lode mining claims situated in Sections 22, 23, 26, and 27, Township 22 North, Range 49 E, Mt. Diablo Meridian, Eureka County, Nevada:

CLAIM NAME	RECORD	BLM	EUREKA COUNTY	
	OWNER	NMC #	BOOK	PAGE

*BMK*  
*[Signature]*

**EXHIBIT A**

Jasper 275, as amended	CORP	296393	135	60
Jasper 277, as amended	CORP	296395	135	64
Jasper 278, as amended	CORP	296396	143	170
Jasper 279, as amended	CORP	296397	135	68
Jasper 280, as amended	CORP	296398	143	172
Jasper 281	CORP	296399	120	52
Jasper 281A, as amended	CORP	314798	135	72
Jasper 316A, as amended	CORP	314800	135	100
Jasper 318, as amended	CORP	296436	135	104
Jasper 319, as amended	CORP	296437	135	106
Jasper 320, as amended	CORP	296438	135	108
Jasper 364A, as amended	CORP	314801	135	124

The following unpatented lode mining claims situated in Section 26, Township 22 North, Range 49 East, Mt. Diablo Meridian, Eureka County, Nevada:

CLAIM NAME	RECORD OWNER	BLM NMC #	EUREKA COUNTY BOOK	PAGE
WAH 22, as amended	APMI	293570	128	297
WAH 23, as amended	APMI	293571	128	298

The following unpatented lode mining claims situated in Sections 26 and 27, Township 22 North, Range 49 East, Mt. Diablo Meridian, Eureka County, Nevada:

CLAIM NAME	RECORD OWNER	BLM NMC #	EUREKA COUNTY BOOK	PAGE
WAH 24, as amended	CORP	293572	143	159
WAH 25, as amended	CORP	293573	143	160
WAH 26, as amended	CORP	293574	128	301
WAH 27, as amended	CORP	293575	143	161
WAH 28, as amended	CORP	293576	128	303
WAH 30, as amended	CORP	293578	128	305
WAH 32, as amended	CORP	293580	128	307
WAH 34, as amended	CORP	293582	128	309
WAH 36, as amended	CORP	293584	128	311
WAH 38, as amended	CORP	293586	128	313
WAH 40, as amended	CORP	293588	128	315
WAH 41, as amended	CORP	293589	128	316

*BKR*  
*[Signature]*

**EXHIBIT B**

**NET SMELTER ROYALTY INTEREST**

1. The Production Royalty will be the appropriate percentage (calculated as set forth in the Quitclaim Deed to which this Exhibit B is attached to a maximum of 2%) of the Net Smelter Returns (as hereinafter defined) and will be paid to Atlas pursuant to the provisions and in accordance with the terms of this Exhibit B.
2. Net Smelter Returns will be calculated on a calendar quarterly basis and will be equal to Gross Revenue (as hereinafter defined) less Permissible Deductions (as hereinafter defined) for such quarter.
3. In this Exhibit the following words have the following meanings:
  - a. "Gross Revenue" means the aggregate of the following revenues (without duplication) actually received or accrued in each quarterly period:
    - i. revenue from arm's length purchasers of all Mineral Products;
    - ii. fair market value of all Mineral Products sold to persons not dealing at arm's length with the processor; and
    - iii. net proceeds of insurance on Mineral Products.
  - b. "Mineral Products" means all ores, concentrates, minerals and refined or semi-refined products produced from the Claims.
  - c. "Payor" means Bonanza and its successors and assigns who own or hold an interest in all or any portion of the Claims.
  - d. "Payee" means Atlas or any successor or assign of Atlas who is the holder of all or any portion of the Production Royalty.
  - e. "Permissible Deductions" means the aggregate of the following charges (without duplication) that are paid or accrued with respect to Mineral Products produced from the Claims in each quarterly period:
    - i. all costs, expenses and charges of any nature whatsoever which are either paid or incurred in connection with refinement or beneficiation of Mineral Products, including all smelter and refinery charges and all weighing, sampling, assaying, representation and storage costs, any umpire charges, and any penalties charged by the processor, refinery or smelter, but

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Exhibit B

-1-

BOOK 349 PAGE 102

*BPR*  
*[Signature]*

not including mining, milling or concentration charges paid or incurred with respect to Mineral Products;

ii. transportation costs for Mineral Products from the Claims to the place of beneficiation, processing or treatment and thence to the place of delivery of Mineral Products to a purchaser thereof, including shipping, freight, handling and forwarding expenses;

iii. sales charges levied by any sales agent on the sale of Mineral Products;

iv. in transit insurance on Mineral Products; and

v. any sales, excise, production, import, export and other taxes and levies, including mining taxes on such Mineral Products (but excluding income taxes).

f. All terms which are defined in the Quitclaim Deed to which this Exhibit B is attached and are used herein shall have the same meaning as defined in the Quitclaim Deed, unless the context expressly requires otherwise.

4. For greater certainty, and without limiting the generality of the foregoing, all charges deducted by an arm's length purchaser of ores or concentrates whether for smelting, treatment, handling, refining, storage or any other operation on or service relating to the Mineral Products that occurs after the point of sale shall be considered to be legitimate deductions in arriving at the Net Smelter Returns amount.

5. Payor shall have the right to commingle ore or concentrates produced from the Claims with ores or concentrates produced from other mineral properties in which the Payor may have an interest, provided that Payor shall (i) adopt and employ reasonable practices and procedures for weighing, determining moisture content, sampling and assaying such ore or concentrates and recording such data, and (ii) utilize reasonably accurate recovery factors to determine the amount of Mineral Products attributable to Claims. The Payee or its authorized representative shall have the right at all reasonable times during normal business hours to examine and audit from time to time at its own expense records of the Payor relative to the commingling of ores and concentrates produced from the Claims.

6. Payor agrees to maintain up-to-date and complete records for any operations carried out on or with relation to Claims in respect of which a Royalty is payable. If treatment and/or smelting of the Mineral Products derived from such operations is performed off the Claims, accounts, records, statements and returns relating to such treatment and smelting arrangements shall be maintained by payor. Payee or its agents shall have the right at all reasonable times during normal business hours to inspect such accounts, records, statements and returns and make copies thereof at its own expense for the sole purpose of verifying the amount of Production Royalty payments.



7. The Production Royalty will be calculated and paid within sixty (60) days after the end of each calendar quarter. After settlement sheets, if any, and a statement setting forth calculations in sufficient detail to show the payment's derivation (the "Statement") must be submitted with the payment.

8. In the event that amounts required for the calculation of the Royalty are not available within the time period referred to in Section 7 of this Exhibit B, then provisional amounts will be estimated and the Production Royalty paid on the basis of this provisional calculation. Positive or negative adjustments will be made to the Production Royalty payment made during the succeeding quarter.

9. Subject to the adjustment provisions of this Exhibit B, all Production Royalty payments will be considered final in full satisfaction of all obligations of the Payor with respect thereto, unless the Payee delivers to the Payor a written notice ("Objection Notice") describing and setting forth a specific objection to the calculation thereof within sixty (60) days after receipt by the Payee of a Statement. If the Payee objects to a particular Statement as herein provided, the Payee will, for a period of sixty (60) days after the Payor's receipt of such Objection Notice, have the right, upon reasonable notice and at a reasonable time, to have the Payor's accounts and records relating to the calculation of the Production Royalty in question audited by the auditors or other representative of the Payee. If such audit determines that there has been a deficiency or an excess in the payment made to the Payee such deficiency or excess will be resolved by adjusting the next quarterly Production Royalty payment due hereunder. The Payee will pay all the costs and expenses of such audit unless a deficiency of five (5%) percent or more of the amount due is determined to exist. The Payor will pay the costs and expenses of such audit if a deficiency of five (5%) percent or more of the amount due is determined to exist. All books and records used and kept by the Payor to calculate the Production Royalty due hereunder will be kept in accordance with Canadian generally accepted accounting principles. Failure on the part of the Payee to make claim against the Payor for adjustment in such sixty (60) day period by delivery of an Objection Notice will conclusively establish the correctness and sufficiency of the Statement and Production Royalty payments for such quarter, and forever preclude the filing of exceptions thereto or making of claims for adjustment thereon by the Payee. Nothing herein will limit the Payee's right to bring an action for fraud.

BOOK 349 PAGE 96  
OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
*Bonanza Explorations Inc*  
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LUNAKA COUNTY NEVADA  
M.N. REBALEATI, RECORDER  
FILE NO. FEES \$22<sup>00</sup>

**178485**

BOOK 349 PAGE 104

STATE OF NEVADA  
DECLARATIO OF VALUE

FOR RECORDERS OPTIONAL USE ONLY	
Document/Instrument#:	178485
Book:	349 Page 96
Date of Recording:	8/15/02
Notes:	

1. Assessor Parcel Niber (s)  
 a) NA  
 b) \_\_\_\_\_  
 c) \_\_\_\_\_  
 d) \_\_\_\_\_

2. Type of Property:
- |  |                                       |                             |                 |
|--|---------------------------------------|-----------------------------|-----------------|
| a) <input type="checkbox"/>            | Vacant L                              | b) <input type="checkbox"/> | Single Fam Res. |
| c) <input type="checkbox"/>            | Condo/Tse                             | d) <input type="checkbox"/> | 2-4 Plex        |
| e) <input type="checkbox"/>            | Apt. Bld.                             | f) <input type="checkbox"/> | Comm/Indl       |
| g) <input type="checkbox"/>            | Agricult.                             | h) <input type="checkbox"/> | Mobile Home     |
| i) <input checked="" type="checkbox"/> | Other <u>unpatented Mining claims</u> |                             |                 |

3. Total Value/Sale Price of Property: \$ NA  
 Deed in Lieu of Foreclosure Only (value of property) \$ \_\_\_\_\_  
 Transfer Tax Value \$ \_\_\_\_\_  
 Real Property Trans Tax Due: \$ \_\_\_\_\_

4. If Exemption Claimed:  
 a. Transfer Tax Exemption, per NRS 375.090, Section: 9  
 b. Explain Reason Exemption: Unpatented mining claims.

5. Partial Interest: Percentage being transferred: 100 %

The undersigned decls and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, thae information provided is correct to the best of their information and belief, and can be supted by documentation if called upon to substantiate the information provided herein. Furimre, the disallowance of any claimed exemption, or other determination of additional tax due, y result in a penalty of 10% of the tax due plus interest at 1% per month.

Pursuant to NRS 3750, the Buyer and Seller shall be jointly and severally liable for any additional amount od.

Signature [Signature] Capacity President - Buyer  
 Signature \_\_\_\_\_ Capacity \_\_\_\_\_

**SELLER (GRANT) INFORMATION**  
(REQUIRED)

**BUYER (GRANTEE) INFORMATION**  
(REQUIRED)

Print Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 State: \_\_\_\_\_ Zip: \_\_\_\_\_

Print Name: Bonanza Explorations Inc.  
 Address: 290 Gentry Way, Suite 6  
 City: Reno  
 State: Nv Zip: 89502

**COMPANY/PERSON REQUESTING RECORDING**

(REQUIRED IF NOT THE SELLER OR BUYER)

Print Name: \_\_\_\_\_ Escrow # \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

(AS A PUBLIC RECORD THIS FORM MAY BE RECORDED)