

DOC# 0214362

12/15/2009

09:13AM

Official Record

Recording Requested By
FIRST AMERICAN TITLE RENO

Eureka County - NV

Mike Rebaleati - Recorder

Fee: \$25.00

Page: 001 of 012

RPTT: \$0.00

Recorded By FS

Book- 0496 Page- 0219

APN#: 007-140-01

Recording Requested by:

First American Title Insurance Company
5310 Kietzke Lane, Suite 100
Reno, NV 89511-2043



0214362

When Recorded Mail to:

Michael K. Branstetter
Hull & Branstetter Chartered
P.O. Box 709
Wallace, ID 83873

Mail Tax Statement to:

General Moly, Inc.
1726 Cole Boulevard, Suite 115
Lakewood, CO 80401

AFFIRMATION

Pursuant to NRS 239B.030, the undersigned hereby affirms that
this document submitted for recording DOES NOT contain a Social Security number.

Signature:

Bruce D. Hansen

Print Name:

BRUCE D. HANSEN

2388110 W00

DEED OF TRUST

THIS DEED OF TRUST ("Deed of Trust"), is made this 15th day of December, 2009 by General Moly, Inc., a Delaware corporation, ("Grantor"), to First American Title Insurance Company of Nevada as trustee ("Trustee") for the use and benefit of Barbara J. Heard, as beneficiary and secured party ("Beneficiary").

1. Grant and Assignment. For good and valuable consideration, Grantor hereby irrevocably and unconditionally grants, transfers and assigns to Trustee, in trust, with power of sale and right of reentry and possession, all that certain real property ("Land") located in Eureka County, Nevada identified as Assessor's Parcel Number 007-140-01, and more particularly described in Exhibit "A" attached hereto and incorporated herein, together with all right, title and interest of Grantor in all buildings, fixtures and improvements now located

or hereafter to be constructed thereon (collectively "Improvements"); (The Land and Improvements are collectively referred to herein as "Property" or "Real Property".)

TOGETHER WITH all right, title and interest of Grantor, now or hereafter acquired, in the appurtenances, hereditaments, privileges, reversions, remainders, profits, easements, franchises and tenements thereof, including all minerals, oil, gas and other hydrocarbon substances thereon or therein, air rights, water rights, and any land lying in the streets, roads or avenues, open or proposed, in front of or adjoining the Land and Improvements;

2. Obligations Secured. Grantor makes this Deed of Trust for the purpose of securing:

A. Payment of all indebtedness and other obligations evidenced by that certain Promissory Note ("Note"), of even date, in the principal sum of One Hundred and Three Thousand Dollars (\$103,000) made by Grantor to the order of Beneficiary;

B. Payment and performance of all obligations of Grantor under this Deed of Trust, together with interest thereon at the rate specified in the Note, in the preservation, enforcement and realization of the rights of Beneficiary hereunder or under any of the other obligations secured hereby including, but not limited to, attorney's fees, court costs, other litigation expenses, and foreclosure expenses;

C. Payment and performance of all future advances and other obligations that the then record owner of all or part of the Property may agree to pay or perform for the benefit of Beneficiary;

D. All modifications, extensions and renewals (if any) of one or more of the obligations secured hereby, including without limitation (i) modifications of the required principal payment dates or interest payment dates, deferring or accelerating payment dates wholly or partly, and (ii) modifications, extensions or renewals at a different rate of interest, whether or not, in the case of a note or other contract, the modification, extension or renewal is evidenced by a new or additional promissory note or other contract;

E. Performance of each and every obligation of Grantor as lessor or lessee under any and all leases, which have or will be executed in connection with the Property; and,

F. Payment and performance of any other notes or obligations owed by Grantor to Beneficiary.

The obligations secured by this Deed of Trust are herein collectively called the "Secured Obligations." All persons who may have or acquire an interest in the Property shall

16620.023/4817-0893-5171.1

Page 2 of 12



0214362

Book: 496 12/15/2009
Page: 220 Page: 2 of 12

be deemed to have notice of, and shall be bound by, the terms of the Note, this Deed of Trust and any other instruments or documents made or entered into in connection herewith (collectively "Documents") and each of the Secured Obligations.

3. Representation and Warranties. Grantor acknowledges, represents and warrants to Beneficiary that Grantor has not entered into and will not enter into any agreements with respect to the Property effecting the performance of the Documents or conveyance of the Property to Trustee, and Grantor's execution and performance of this agreement will not breach, conflict with, or constitute a default under any agreement, judgment, order or decree, or other instrument; and that Grantor shall fully comply with any and all applicable laws relating its intended uses for the Property. The representations and warranties by Grantor contained in this paragraph shall be deemed to be remade as of the date of recording of this Deed of Trust and shall survive after such recording. Grantor agrees to notify Beneficiary in writing if it is discovered that any of said representations or warranties are, have, or may become materially false.

4. Taxes and Assessments. Grantor shall pay prior to delinquency all taxes, assessments, levies and charges of any kind or nature whatsoever imposed by any governmental or quasi-public authority or utility company which are (or, if not paid, may become) a lien upon or cause a loss in value of any interest in any of the Property, including assessments on appurtenant water rights. Grantor shall also pay prior to delinquency all taxes, assessments, levies and charges imposed by any governmental authority upon Beneficiary by reason of its interest in any Secured Obligation or in any of the Property or by reason of any payment made to Beneficiary hereunder or pursuant to any Secured Obligation. Grantor shall furnish Beneficiary, within ten (10) days after the date such payments are due and payable, official receipts of the appropriate authority or other proof satisfactory to Beneficiary evidencing the payment thereof.

5. Insurance.

A. During the continuance of this trust, Grantor covenants to keep all Improvements insured against loss by fire, or other hazard, with extended coverage endorsement (including without limitation, loss of rentals or business interruption), for the full insurable value of the Improvements, at replacement cost. Such policies shall not contain a co-insurance provision whereby Grantor in the event of loss becomes a co-insurer and shall contain a non-contributory standard mortgagee or beneficiary endorsement making losses payable to Beneficiary and/or its nominee as its interests may appear.

B. Grantor agrees to provide Beneficiary original or certified copies of such policies upon request therefore. The form of all such policies and the companies issuing them shall be acceptable to Beneficiary. At least fifteen (15) days prior to the expiration date



of such policies, original or certified copies of renewals thereof satisfactory to Beneficiary shall be delivered to it together with receipts evidencing the payment of all premiums on such policies and renewals. In the event of loss or of any actual or potential claim under such policies, Grantor will give immediate written notice to Beneficiary and Beneficiary may make proof of loss if not made promptly by Grantor. All right, title and interest to such policies shall pass to the purchaser at any Trustee's sale hereunder or at any other sale or transfer of the Property to satisfy the Secured Obligations. All such policies shall provide that they may not be cancelled or terminated without the written consent of Beneficiary.

6. Insurance and Condemnation Proceeds. All awards of damages and all other compensation payable directly or indirectly by reason of a condemnation for public or private use affecting any interest in any of the Property and all proceeds of any insurance policies payable by reason of loss of or damage to any part of the Property shall be paid to Beneficiary. Except as otherwise set forth herein, Beneficiary shall apply any such sum to the payment of the Secured Obligations. Beneficiary shall be entitled to settle and adjust all claims under insurance policies provided hereunder; and Beneficiary may deduct and retain from the proceeds of any insurance the amount of all expenses incurred by Beneficiary in connection with any settlement or adjustment. Beneficiary may, in the absolute discretion of Beneficiary, release to Grantor all or any part of the entire amount so collected upon any conditions Beneficiary may choose. Application of all or any portion of said funds, or the release thereof, shall not cure or waive any Default or notice thereof or invalidate any acts done pursuant to such notice.

7. Liens, Encumbrances and Charges. Grantor shall immediately discharge any lien, claim or encumbrance which has not been approved by Beneficiary in writing. Grantor shall pay at or prior to maturity all obligations secured by or reducible to liens or encumbrances which shall now or hereafter encumber or appear to encumber all or any interest in any of the Property, whether senior or subordinate hereto.

8. Maintenance and Preservation of the Subject Property. Grantor covenants:

- A. To keep the Property in good condition and repair;
- B. To complete or restore promptly and in good and workmanlike manner any of the Property which may be damaged or destroyed or which may be affected by any condemnation or eminent domain proceeding;
- C. Not to suffer violation of any, and to comply with all, (i) laws, ordinances, regulations and standards; (ii) covenants, conditions, restrictions and equitable servitudes, whether public or private, or every kind and character; and (iii) requirements of



12. Expenses and Fees. All reasonable expenses, costs and other liabilities, including attorney's fees, which Beneficiary or Trustee may incur, (i) in enforcing, defending, construing or administering this Deed of Trust (or its priority) or any of the other Documents, or (ii) in the exercise by Beneficiary of any rights or remedies granted by this Deed of Trust or any of the other Documents, shall be paid by Grantor upon demand by Beneficiary, together with interest thereon, from the date of expenditure until payment in full, at the rate(s) provided for under the Note, and until payment in full, such obligations shall be secured hereby with the same priority as Grantor's other obligations hereunder.

13. Beneficiary's Powers. Beneficiary may commence, appear in, defend or prosecute any assigned claim or action; and Beneficiary may adjust, compromise, settle and collect all claims and awards assigned to Beneficiary, but shall not be responsible for any failure to collect any claim or award regardless of the cause of the failure. Without affecting the liability of any other person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Deed of Trust upon any portion of the Property not then or theretofore released as security for the full amount of the Secured Obligations, Beneficiary may, from time to time and without notice, (i) release any person so liable, (ii) extend the maturity or alter any of the terms of any such obligation, (iii) grant other indulgences, (iv) release or reconvey, or cause to be released or conveyed, at any time and at Beneficiary's option, any parcel, portion or all of the Property, (v) take or release any other or additional security for any Secured Obligation or (vi) compromise or make other arrangements with debtors in relation thereto.

14. Trustee's Powers. At any time, or from time to time, without liability therefore and without notice, upon written request of Beneficiary and without affecting the effect of this Deed of Trust upon the remainder of the Property, Trustee may, (i) reconvey any part of the Property, (ii) consent in writing to the making of any map or plat thereof, (iii) join in granting any easement thereon, or (iv) join in any extension agreement or any agreement subordinating the lien or charge hereof.

15. Default and Cross Default. Each of the following events is a "Default" hereunder:

A. The occurrence of a default under the Note, or the failure to pay or perform any other Secured Obligation as and when first due;

B. The failure by Grantor to perform or comply with any other obligation, covenant or condition contained in this Deed of Trust or any of the other Documents and any other agreements by Grantor made in connection with this transaction, or the determination by Beneficiary that any of the representations or warranties made by Grantor and contained in



this Deed of Trust or any of the other Documents and any other agreements by Grantor made in connection with this transaction were materially false when made;

C. The occurrence of a default under any of the other Documents;

D. The occurrence of any transfer or encumbrance not consented to in writing by Beneficiary and prohibited by this Deed of Trust;

E. The filing by or against Grantor for appointment of a receiver or trustee or an assignment or arrangement for the benefit of creditors; and

F. The failure of Grantor to pay or perform at or prior to maturity any obligation, lien or encumbrance affecting all or any portion of the Property.

16. Remedies. Upon a default by Grantor, Beneficiary may do any or all of the following, although it shall have no obligation to do any of the following:

A. Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of Beneficiary's security, enter upon and take possession of the Property, or any part thereof, and do any acts which Beneficiary deems necessary or desirable to preserve the value, marketability or rentability of the Property, or to increase the income therefrom or to protect the security hereof and, with or without taking possession of any of the Property, sue for or otherwise collect all rents and profits, including those past due and unpaid, and apply the same, less costs and expenses, upon the Secured Obligations, all in such order as Beneficiary may determine. The collection of rents and profits and the application thereof shall not cure or waive any Default or notice thereof or invalidate any act done in response thereto or pursuant to such notice.

B. Bring an action in any court of competent jurisdiction to foreclose this instrument or to enforce any of the covenants thereof.

C. Elect to sell by power of sale the Property which is Land and Improvements, such notice of default and election to sell shall be given as may then be required by law. Thereafter, upon the expiration of such time and the giving of such notice of sale as may then be required by law, at the time and place specified in the notice of sale, Trustee shall sell such Property, or any portion thereof specified by Beneficiary, at public auction to the highest bidder for cash in lawful money of the United States. Trustee may, and upon request of Beneficiary shall, from time to time, postpone the sale by public announcement thereof at the time and place noticed therefor. If the Property consists of several lots, parcels or interests, Beneficiary may designate the order in which the same shall



be offered for sale or sold. Should Beneficiary desire that more than one such sale or other disposition be conducted, Beneficiary may, at its option, cause the same to be conducted simultaneously, or successively on the same day, or at such different days or times and in such order as Beneficiary may deem to be in its best interest. Any person, including Grantor, Trustee or Beneficiary, may purchase at the sale. Upon any sale, Trustee shall execute and deliver to the purchaser or purchasers a deed or deeds conveying the Property so sold, but without any covenants or warranty whatsoever, express or implied, whereupon such purchaser or purchasers shall be let into immediate possession.

D. Exercise each of its other rights and remedies under this Deed of Trust and each of the other Documents.

E. Except as otherwise required by law, apply the proceeds of any foreclosure or disposition hereunder to payment of the following: (i) the expense of such foreclosure or disposition, (ii) the cost of any search or other evidence of title procured in connection therewith and revenue stamps on any deed of conveyance, (iii) all sums expended under the terms hereof, not then repaid, with accrued interest in the amount provided herein, (iv) all other sums secured hereby, and (v) the remainder, if any, to the person or persons legally entitled thereto.

F. Upon any sale or sale made under or by virtue of this section, whether made under the power of sale or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, or by private sale, Beneficiary may bid for and acquire the Property or any part thereof. In lieu of paying cash for the Property, Beneficiary may make settlement for the purchase price by crediting the Secured Obligations, or any portion thereof, against the sales price of the Property so sold.

17. Releases, Extensions, Modifications and Additional Security. Without notice to or the consent, approval or agreement of Grantor, any subsequent owner of any part of the Property, any maker, surety, guarantor, or endorser of this Deed of Trust or any Secured Obligation, or any holder of a lien or other claim on all or any part of the Property, whether senior or subordinate hereto, Beneficiary may, from time to time, do one or more of the following: release any person's liability for the payment of any Secured Obligation, take any action or make any agreement extending the maturity or otherwise altering the terms or increasing the amount of any Secured Obligation, or accept additional security or release all or any portion of the Property and other security for any Secured Obligation. No such release of liability, taking of additional security, release of security, change in terms or conditions of any Secured Obligation, or other action shall release or reduce the personal liability of Grantor (if any), subsequent purchasers of all or any part of the Property, or makers, sureties, guarantors or endorsers of the Deed of Trust or any Secured Obligation, under any covenant of this Deed of Trust or any Secured Obligation, under any covenant of this Deed of Trust or



any Secured Obligation, or release or impair the priority of the lien of this Deed of Trust upon any of the Property.

18. No Waiver. Any failure by Beneficiary to insist upon the strict performance by Grantor of any of the terms and provisions of any of the Documents shall not be deemed to be a waiver of any of the terms and provisions of any of the documents; and Beneficiary, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Grantor of any and all of the terms and provisions of each of the Documents. The acceptance by Beneficiary of any sum after any Default shall not constitute a waiver of the right to require prompt performance of all of the covenants and conditions contained in any of the Documents. The acceptance by Beneficiary of any sum less than the sum then due shall be deemed an acceptance on account only and shall not constitute a waiver of the obligation of Grantor to pay the entire sum then due. Grantor's failure to pay said entire sum due shall be and continue to be a Default notwithstanding such acceptance of such lesser amount on account. Beneficiary shall be entitled to exercise all rights conferred upon it following a Default notwithstanding such acceptance.

19. Cumulative. The rights of Beneficiary arising under this Deed of Trust and the other Documents shall be separate, distinct and cumulative, and none of them shall be in exclusion of the others. No act of Beneficiary shall be construed as an election to proceed under any one provision to the exclusion of any other provision, notwithstanding anything herein or otherwise to the contrary.

20. Statement of Condition. Beneficiary shall furnish any statement required by law regarding the obligations secured hereby or regarding the amounts held in any trust or reserve fund hereunder. Prior to delivery of any such statement, Beneficiary may require payment of a reasonable fee, not to exceed the maximum amount permitted by law at the time of the request therefore.

21. Reconveyance. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and the Note to Trustee for cancellation, and upon payment of its fees, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals in any such reconveyance of any matters or facts shall be conclusive proof of the truth thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto." Such request and reconveyance shall operate as a re-assignment of the rents, issues and profits herein assigned to Beneficiary.

22. Substitution. Beneficiary may elect to appoint a substitute Trustee hereunder in any manner now or hereafter provided by law or, in lieu thereof, Beneficiary may from time to time, by an instrument in writing, substitute a successor or successors to any Trustee



named herein or acting hereunder, which instrument, executed and acknowledged by Beneficiary and recorded in the office of the recorder of the county or counties in which the Land and Improvements are situated, shall be conclusive proof of proper substitution of such successor Trustee, who shall thereupon and without conveyance from the predecessor Trustee, succeed to all its title, estate, rights, powers and duties.

23. Law. Grantor acknowledges and agrees that this Deed of Trust and the other Documents, including provisions with respect to the creation of any monetary obligations and the rights accruing and compensation payable to Beneficiary in connection therewith, shall be governed by and construed in accordance with the laws of the State of Nevada.

24. Severable. If any provision of this Deed of Trust or its application to any person or circumstance is held invalid, the other provisions hereof or the application of the provision to other persons or circumstances shall not be affected.

25. Successors and Assigns. Each of the covenants and obligations of Grantor set forth in this Deed of Trust and each of the other Documents shall run with the land and shall bind Grantor, the heirs, personal representatives, successors and assigns of Grantor and all subsequent encumbrancers and tenants of the Property and shall inure to the benefit of Beneficiary and its respective successors and assigns.

26. Captions. The captions or headings at the beginning of each section hereof are for the convenience of the parties and are not a part of this Deed of Trust.

27. Notice. Except as otherwise provided by law, any notice, request, demand, consent, approval or other communication ("Notice") provided or permitted under this Deed of Trust, or any other instrument contemplated hereby, shall be in writing, signed by the party giving such Notice, and shall be given by personal delivery to the other party or by United States certified or registered mail, postage prepaid, return receipt requested, addressed to the party for whom it is intended at its address as set forth below. Unless otherwise specified, Notice shall be deemed given when received, but if delivery is not accepted, on the earlier of the date delivery is refused or the third day after same is deposited in any official United States Postal Depository. Any party from time to time, by Notice to the other parties given as above set forth, may change its address for purposes of receipt of any such communication.

TO BENEFICIARY: Barbara J. Heard
8035 W. Craig Road
Las Vegas, NV 89129



TO GRANTOR:

General Moly, Inc.
1726 Cole Boulevard, Suite 115
Lakewood, CO 80401

TO TRUSTEE:

First American Title Insurance Company of
Nevada
5310 Kietzke Lane, Suite 100
Reno, NV 89511

28. No Third Party Beneficiaries. This Deed of Trust is made and entered into for the sole protection and benefit of the parties hereto, and no other person or entity shall be a direct or indirect beneficiary of, or shall have any direct or indirect cause of action or claim in connection with this Deed of Trust or any of the other Documents.

29. Amendments. This Deed of Trust contains (or incorporates) the entire agreement of the parties hereto with respect to the matters discussed herein, and this Deed of Trust may only be modified or amended by a written instrument executed by each of the parties hereto.

30. Survival of Warranties. All representations, warranties, covenants and agreements of Grantor hereunder shall survive the delivery of this Deed of Trust and shall continue in full force and effect until the full and final payment and performance of all of the Secured Obligations.

31. Time. Time is of the essence of each provision of this Deed of Trust.

32. Due On Sale or Encumbrance; Required Consent By Lender.

A. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, or upon the further encumbrance, without Lender's consent (that consent not to be unreasonably withheld), of all or any part of the Real Property, or any interest in the Real Property.

B. An "encumbrance" shall refer to any mortgage, deed of trust, contract for the sale of land or other financing interest recorded against or binding the Real Property.

33. Specific Performance. At any time, Beneficiary may commence and maintain an action in any court of competent jurisdiction for specific performance of any of the covenants and agreements contained herein, and may obtain the aid and direction of the court in the performance of any of the covenants and agreements contained herein, and may obtain orders or decrees directing the execution of the same and, in case of any sale hereunder,



directing, confirming or approving its or Trustee's acts and granting it such relief as may be warranted in the circumstances.

34. Books and Records. Grantor will keep proper records and books of account with respect to the Property and the operation thereof in accordance with sound accounting principals and will permit Beneficiary or any person duly authorized by it, to conduct an independent audit of the operation of the Property and to have access to examine the books and records pertaining to the operation of the Property at all reasonable business hours.

IN WITNESS WHEREOF, this Deed of Trust has been duly executed and acknowledged by Grantor as of the day and year first above written.

GRANTOR

By: Bruce D. Hansen

Print Name: Bruce D. Hansen

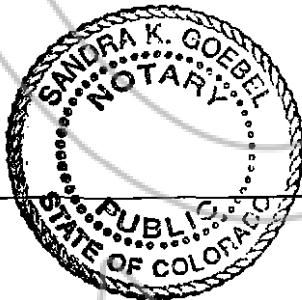
Its: Chief Executive Officer

(Notary Block Follows)

STATE OF COLORADO)

COUNTY OF Jefferson) ss.

This instrument was acknowledged before me on December 9, 2009 by Bruce D. Hansen



Sandra K. Goebel
Notary Public in and for the State of Colorado,
Residing at: Lafayette Colorado
My Commission Expires: August 17, 2014



EXHIBIT 'A'

**LOTS 3, 4, 5 AND 6 OF SECTION 6, TOWNSHIP 22 NORTH, RANGE 54 EAST, M.D.B.&M.,
EUREKA COUNTY, NEVADA.**

COPY



0214362

Book: 496 12/15/2009
Page: 230 Page: 12 of 12