DÉED OF TRUST

This deed of trust, made on March 10, , 1980, by and between Silverhorn Joint Venture, a Texas general partnership, of 3400 Republic National Bank Building, Dallas, Texas 75204, as trustor, and William Vogel, Esq., 800 Continental Bank Building Salt Lake City, Utah 84101, as trustee, and Frejonley Mining, Inc. of 1709 North 580 East, Provo, Utah 84601, as beneficiary, witnesseth: that trustor hereby grants, conveys, and confirms unto trustee, in trust with power of sale, the real property situate in Lincoln County, Nevada, described as follows:

U.S. Mineral Survey 3727
Horn Silver No. 1
Horn Silver No. 2
Horn Silver No. 3
Horn Silver No. 4
Horn Silver No. 5
Ruby Lodes

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, also all water and water rights, ditch and ditch rights used in connection therewith, all shares of stock evidencing the same, pumping stations, engines, machinery, pipes, ditches, and also all the estate, right, title, and interest, homestead or other claim or demand, as well in law as in equity, which trustor now has or may hereafter acquire of, in, and to the premises or any part thereof, with appurtenances.

To have and to hold the same unto trustee and its successors, on the trusts hereinafter expressed, namely, a security for the payment of that certain promissory note of even date herewith in the sum of Two Hundred Seventeen Thousand Five Hundred Dollars (\$217,500).

This trust deed is intended to and does secure such additional amounts as may be hereafter loaned by beneficiary or its successors or assigns to trustor, and any present or future demands of any kind or nature which beneficiary or its successor may have against trustor, whether created directly or acquired by assignment; whether absolute or contingent, due or not, or otherwise secured or not; or whether existing at the time of the execution of this instrument or arising thereafter; also as security for the payment and performance of every obligation, covenant, promise, or agreement herein or in such promissory note contained.

The following covenants, numbers 1 and 3 through 9 of Nevada Revised Statutes 107:030, are hereby adopted and made a part of this deed of trust, except that the amounts agreed on by the parties to this instrument with respect to the covenants numbers 4 and 7, incorporated by reference, of such trusts and agreements are respectively as follows: 10% and 5%. Such provisions so incorporated shall have the same force and effect as though specifically set forth and incorporated verbatim in this deed of trust. In the event of conflict between the provisions on the face of this deed of trust and the covenants adopted by reference, the covenants on the face of this deed of trust shall control.

As additional security, trustor hereby gives to and confers on beneficiary after default, the right, power, and authority during the continuance of such default, to collect the rents, issues, and profits of the property, or of any personal property located thereon, with or without taking possession of the property affected thereby, reserving unto trustor the right prior to any default by trustor in payment of any indebtedness secured hereby, or in the performance of any agreement hereunder, to collect and retain such rents, issues, and profits as may accrue and become payable. If breach or default is made in the prompt payment, when due, or any sum secured hereby, or in the

performance of any promise contained herein, or in any conveyance under which trustor claims or derives title, then, and at any time thereafter, beneficiary hereunder may declare all sums secured hereby immediately due and payable, without demand or notice.

Beneficiary may, without notice to or consent of trustor, extend the time of the payment of any indebtedness secured hereby to any successor in interest of trustor without discharging trustor from liability thereon.

In the event that any action or proceeding is brought to exercise the right of eminent domain on the property or any part thereof, trustor agrees to pay to beneficiary all sums received by him as compensation or damages for the condemnation of the property or any part thereof, and such sums shall be applicable to the payment of the indebtedness secured hereby, whether due or not.

In the event of the transfer of the property and assumption of any indebtedness secured hereby, trustor agrees to pay to beneficiary a fee of Two Hundred Fifty Dollars (\$250).

All the provisions of this instrument shall inure to and bind the successors and assigns of each party hereto respectively. The rights or remedies granted hereunder or by law shall not be exclusive but shall be concurrent and cumulative.

It is expressly agreed that the trusts created hereby are irrevocable by trustor.

Trustor hereby convenants and agrees to pay all reconveyance fees charged by trustee at the time of full payment of the indebtedness secured hereby.

In witness whereof, trustor has executed the above and foregoing the day and year first above written.

a _____ general partnership

SILVERHORN JOINT VENTURE

A General Partner

STATE OF NEVADA)
COUNTY OF Dalla :
On this 17th day of March, 1980, personally
appeared before me, a notary public, Jung Chardle
a general partner in the partnership of Silverhorn Joint Venture
who acknowledged that he executed the above instrument in behalf
of said partnership.
Novary Public
My Commission Expires: Residing in:
11-16-81 Dallas Dellas

FILED AND RECORDED AT REQUEST OF

MARCH 21, 1999

AT ______ MINITIES PAST ______ OCLOOR

PM IN BOOK 36______ OF OFFICIAL

RECORDS, PAGE 226______ LINCOLN

COUNTY, NEVADA.

COUNTY ENCORDER

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