

Lincoln County

DEED

Pursuant to that certain Joint Formation Agreement dated January 1, 1981 by and between Dallas Explorations, Ltd., a body corporate under the laws of British Columbia ("Dallas") and Combined Metals Reduction Company, a Utah corporation ("CMR"), CMR does hereby grant, bargain and sell to Dallas Mines, Inc., a Delaware corporation, all of its right, title and interest in and to those lands and patented and unpatented mining claims, together with any agreements relating to such mining claims or other properties situated in Lincoln County, State of Nevada, and more particularly described in Exhibits "B", "C" and "D" attached hereto.

Together with all of the improvements, fixtures, equipment and real and personal property, known as the "Caselton Shaft and Mill", including:

- (a) Crushing plant, including crushers, screens, conveyors, samples, weightometer and ventilation systems;
- (b) Flotation plant, including storage bins, ball mills, flotation circuits and sink and float plant;
- (c) Thickener and Filtration Plant, including thickeners, filters and accessories;
- (d) Compressors, blowers, offices, warehouses, oil, brick, sulphur and acid storages; assay office, geological and metallurgical laboratories; scale house; machine, carpenter, truck repair and timber framing shops, reagent plant; transformers, power lines, pipe lines, buildings and equipment;
- (e) Dormitory, commissary, guest house and residences;
- (f) Supplies and reagents;
- (g) Millsites situated in Sections 19, 29, 30 and 32, T 1 N, R 67 E, and Sections 13 and 24, T 1 N, R 66 E, M.D.B. AND M., together with Caselton millsites 1 through 52 situated in Section 32, T 1 N, R 67 E, and in Section 4, T 1 S, R 67 E, M.D.B. & M.

Subject to that certain Trustee's Deed wherein the undersigned appears as grantor and Kerr-McGee Corporation appears as grantee, dated September 16, 1976.

TO HAVE AND TO HOLD by the said Dallas Mines, Inc. and assigns forever, as fully and complete as CMR shall have title therein.

IN WITNESS WHEREOF, this DEED is executed January 22, 1981.

DOCUMENTARY TRANSFER TAX \$ 0
Donald W. Halley
 Signature of Declarant or Agent/Recording Fee: Four Dollars
 NRS 375.070(1)(a)

COMBINED METALS REDUCTION COMPANY

L. T. Atkinson
 LAWRENCE T. ATKINSON, President

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

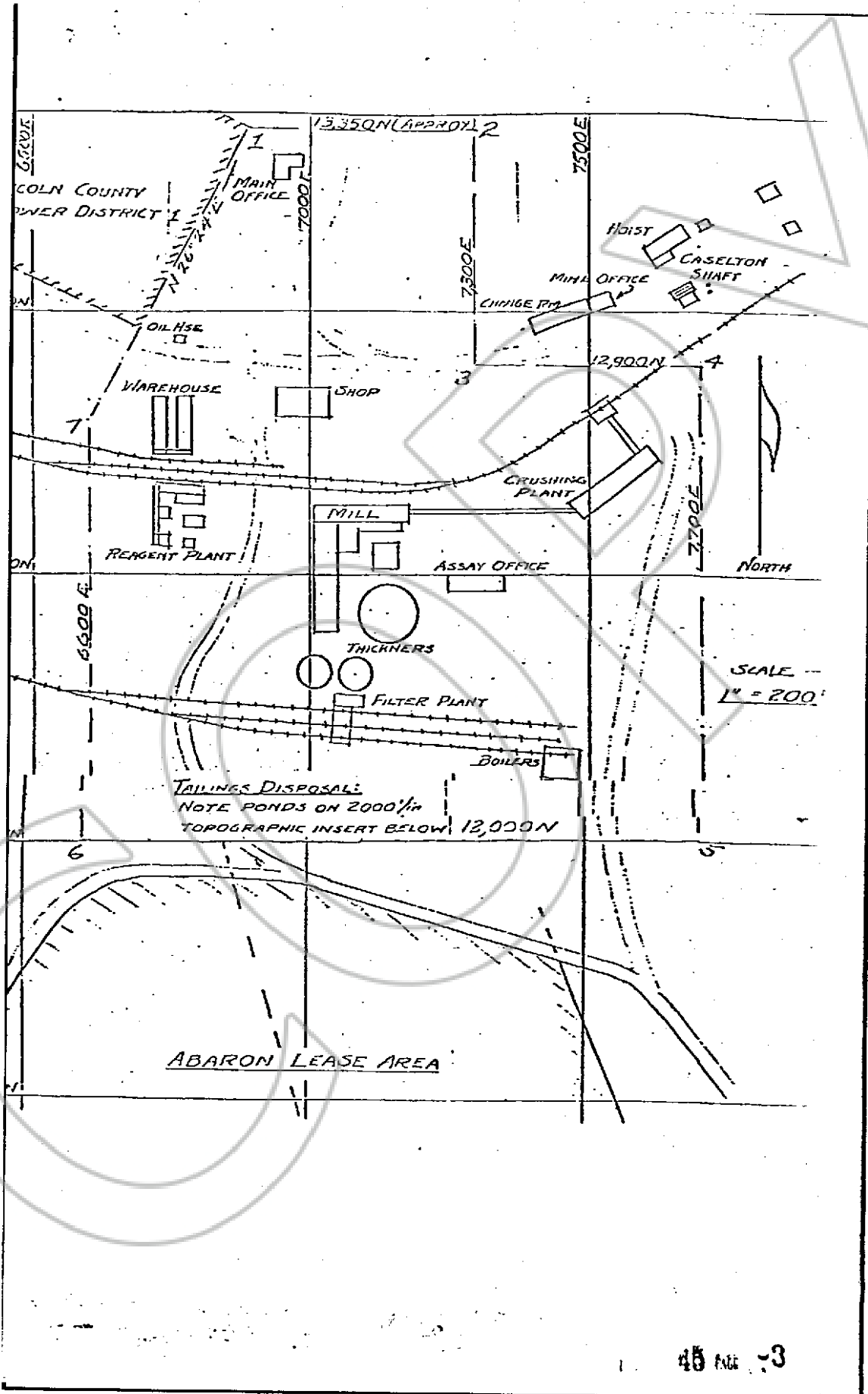
On this 22nd Day of January 1981, personally appeared before me LAWRENCE T. ATKINSON as President of Combined Metals Reduction Company, who duly acknowledged to me that he executed the above instrument.

LOTTE S. SHIFF
 Notary Public, State of New York
 No. 31 4675822
 Qualified in New York County
 Commission Expires March 30, 1988

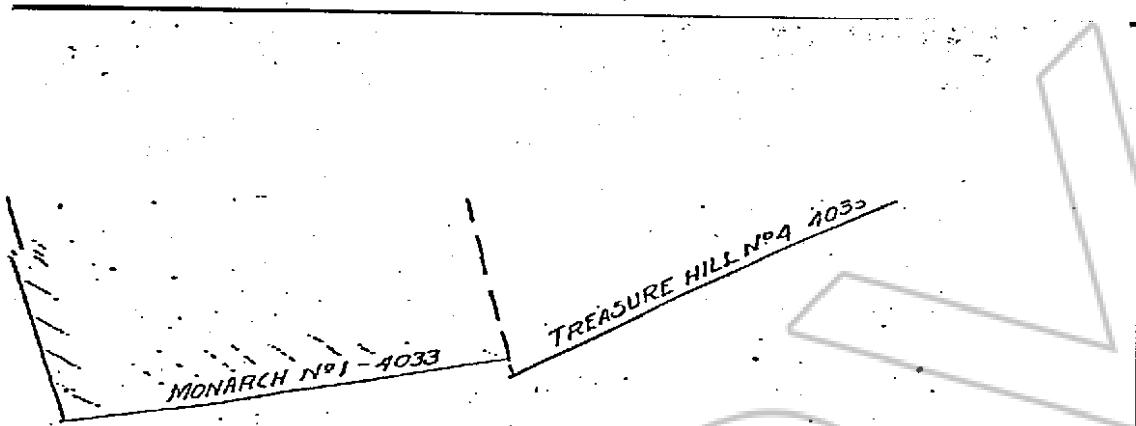
NOTARY PUBLIC

Lotte S. Shiff
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Lincoln County



Lincoln County



Description

Based upon the established coordinate shown on surface maps of the Combined Metal properties and represented on this map, the area intended to be reserved in connection the operations of the Caselton Mill is described as follows:

Beginning at Corner 1, the NE corner of Lincoln Power District No. 1, main distribution substation area, (the coordinates of which are scaled from General Arrangement Map D2-P on scale of 1 inch 160 ft.) thence east an approximate distance of to Corner 2, thence south along coordinate 7300 approximate distance of 450 feet to corner 3, thence east along coordinate 12,900 N a distance of 40 to corner 4, thence south along coordinate 7700 distance of 900 feet to corner 5, thence west along coordinate 12,000 N a distance of 1100 feet to corner 6, thence north along coordinate 5600 E a distance of approximately 800 feet to meet a line projected 24° N from corner 1, said course following along east boundary of Lincoln County Power District, thence in a N 26° 24' E direction to corner 1, point of beginning a distance of approximately

Above distances shown as "approximate" are subject to minor adjustment only to conform with actual position of the NE corner of Lincoln County Power District No. 1, parcel of land.

EXHIBIT "B"

Lincoln County

CASELTON HEIGHTS AREA

The area containing the Caselton Heights Campsite is shown in Exhibit D and specifically described as the:

E1/2 SW1/4 SW1/4, W1/2 W1/2 SE1/4 SW1/4, SE1/4 NW1/4 SW1/4, S1/2 NE1/4 NW1/4 SW1/4, W1/2 SW1/4 NE1/4 SW1/4, S1/2 W1/2 NW1/4 NE1/4 SW1/4, Section 28, Township 1 North, Range 67 East, Mount Diablo Base & Meridian.

PERLITE PLANT AREA

The area known as the Perlite Plant Area consists of approximately five (5) acres and its location is indicated in Exhibit D. This area is bounded on the North by the Caselton Mine Highway right-of-way, on the East by the Caselton Mill Area as described in Exhibit B, on the South by the railroad right-of-way, which leads from the Caselton Mill Northwest past the Perlite Plant, and on the West by the West boundary of the SE-1/4 NW1/4 NE1/4, Section 29, Township 1 North, Range 67 East.

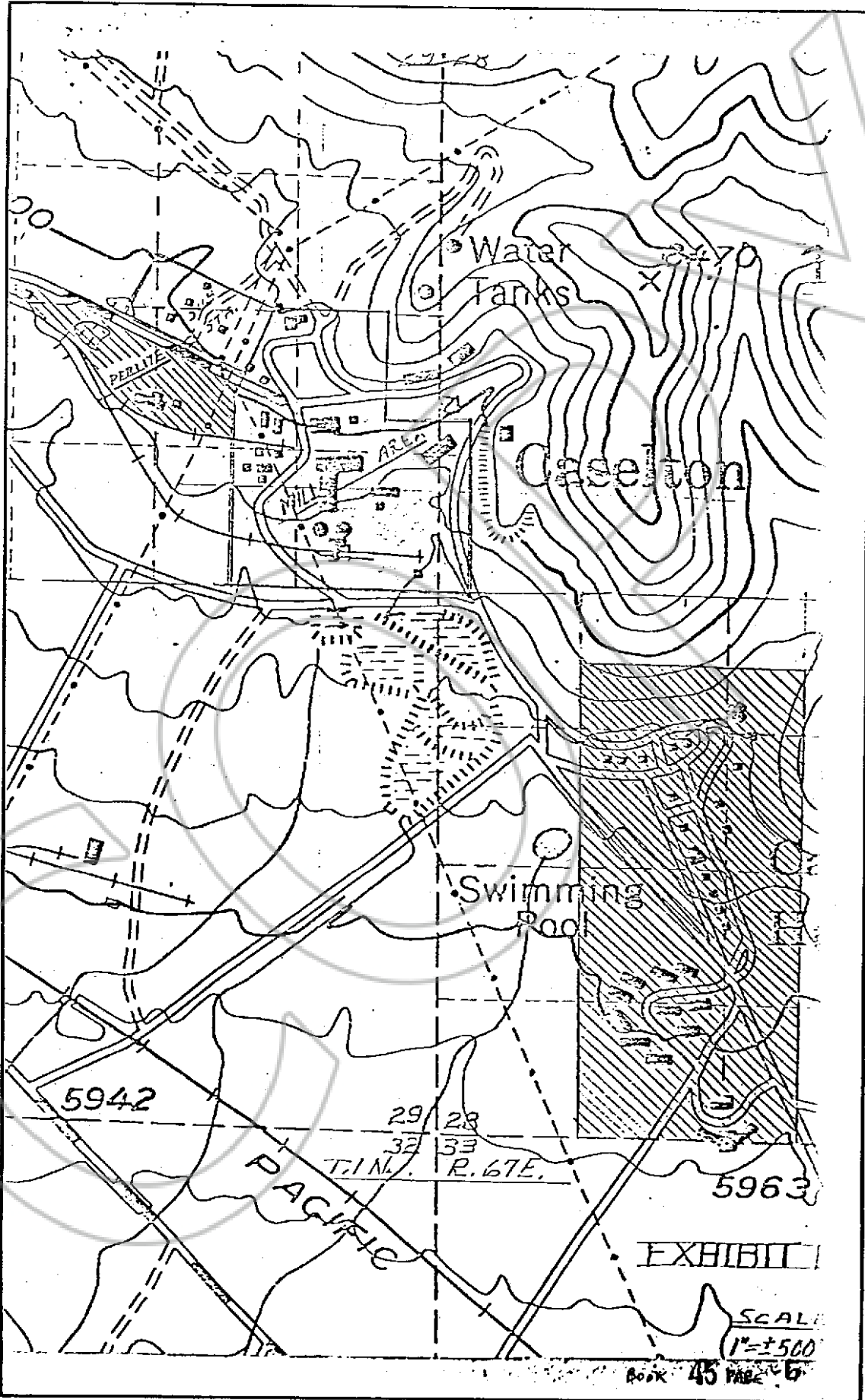
All of the Perlite Plant Area lies within the NW1/4 SE1/4 NE1/4, NE1/4 SW1/4 NE1/4, and the SE1/4 NW1/4 NW1/4, Section 29, Township 1 North, Range 67 East, Mount Diablo Base & Meridian.

TAILINGS AREA

That portion of the surface occupied by mill tailings in Section 32 of Township 1 North, Range 67 East, and Section 4, Township 1 South, Range 67 East, Mount Diablo Base & Meridian.

EXHIBIT "C"

Lincoln County



5942

29 28
32 33

T. 1 N., R. 67 E.

PACIFIC

5963

EXHIBIT

SCALE
1" = ± 500

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Lincoln County

COPY

No. 72670
FILED AND RECORDED AT REQUEST OF
DONALD HALEY
JULY 8, 1981
AT 46 MINUTES PAST 3 O'CLOCK
P.M. IN BOOK 44 OF OFFICIAL
RECORDS, PAGE 3 LINCOLN
COUNTY, NEVADA.
Genevieve Selzer
COUNTY RECORDER

BOOK 45 PAGE 7