

**DEED OF TRUST, SECURITY AGREEMENT,
FINANCING STATEMENT AND
ASSIGNMENT OF PRODUCTION AND PROCEEDS**
dated as of June 8, 1994
by and among

PAN AMERICAN ZINC CORPORATION

and

BBU MEZZANINE FUND II

**WHEN RECORDED PLEASE
RETURN TO:**

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Davis, Graham & Stubbs
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Washington, D.C. 20005
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DEED OF TRUST, SECURITY AGREEMENT, FINANCING STATEMENT AND ASSIGNMENT OF PRODUCTION AND PROCEEDS

This DEED OF TRUST, SECURITY AGREEMENT, FINANCING STATEMENT AND ASSIGNMENT OF PRODUCTION AND PROCEEDS (the "Deed of Trust"), dated as of June 8, 1994, is made by and among PAN AMERICAN ZINC CORPORATION ("PAZ"), a Nevada corporation, whose address is Fish Lake Valley, Via Tonopah, Nevada 89049, COMBINED METALS REDUCTION COMPANY, a Utah corporation ("CMR"), whose address is Fish Lake Valley, Via Tonopah, Nevada 89049, CHICAGO TITLE INSURANCE COMPANY, a California corporation (the "Trustee"), whose address is 1717 Walnut Grove Avenue, Rosemead, California 91770 and BBU MEZZANINE FUND II, a California limited partnership (the "Lender"), whose address is 88 Kearny Street, Suite 1850, San Francisco, California 94108.

WITNESSETH:

Recitals

WHEREAS, CMR, Mohave Mines Limited ("MML") (MML and CMR are collectively referred to as the "Borrowers") and the Lender have entered into a Loan Agreement dated as of the date hereof (the "Loan Agreement"), whereunder the Lender committed to extend credit and make loans to the Borrowers, subject to the terms and conditions stated in the Loan Agreement, up to an aggregate principal amount of Three Million Seven Hundred Thousand Dollars (\$3,700,000);

WHEREAS, pursuant to the Loan Agreement, the Borrowers have executed a note (the "Note"), under which the aggregate principal amount and interest thereon are due and payable in no event later than December 31, 1997;

WHEREAS, CMR currently legally and beneficially owns at least 75% of the issued and outstanding capital stock of PAZ, which owns or leases certain mining and milling assets located in Lincoln County, Nevada lead-zinc-silver mines known as the "Pan American Mine" and the "Comet Mine" and a floatation mill known as the "Caselton Mill;"

WHEREAS, it is a condition precedent to the Lender's making of loans (the "Loans") under the Loan Agreement that PAZ shall have granted the liens and security interests contemplated by this Deed of Trust; and

WHEREAS, all capitalized terms not defined herein shall have the same meaning as set forth in the Loan Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and in order to induce the Lender to disburse funds pursuant to the Loan Agreement (which disbursement shall benefit PAZ's 75% parent company, CMR, and, therefore, PAZ as well), PAZ hereby agrees with the Trustee and the Lender as follows:

**ARTICLE I
GRANT OF SECURITY**

In order to secure the payment of the Indebtedness by Borrowers as defined herein, PAZ hereby grants, bargains, sells, assigns, transfers, pledges, conveys and mortgages to the Trustee for the benefit of the Lender, and for the same consideration grant a security interest to the Lender in, the following collateral (the "Collateral"):

- (a) All of PAZ's present or hereafter acquired right, title and interest in and to the patented and unpatented mining claims, State of Nevada prospecting permits, mining leases and fee lands located in Lincoln County, Nevada (referred to herein as the "Claims" or the "Lands"), all as described in Schedule A attached hereto;
- (b) All of PAZ's present or hereafter acquired right, title and interest in and to all buildings, structures and improvements now or hereafter located or erected on the Lands (the "Improvements") and any and all easements, licenses and rights-of-way used in connection therewith;
- (c) All of PAZ's present or hereafter acquired water and water rights, ditch and ditch rights, reservoir and reservoir rights, stock or interest in irrigation or ditch companies used in relation to the Lands, including, but not limited to, the water rights described in Schedule A attached hereto;
- (d) All of the gold and all other minerals to which PAZ is presently or hereafter entitled in, on or under the Lands (herein called the "Minerals");
- (e) All of PAZ's present or hereafter acquired right, title and interest in and to the surface or subsurface machinery, equipment, facilities, supplies and other personal property, structures and fixtures, as defined under applicable law, now or hereafter located in Lincoln County, Nevada, and comprising the Caselton Mill and any replacements thereof, substitutions therefor or accessions thereto (the "Operating Equipment"), including, but not limited to, the property listed in Schedule B attached hereto;
- (f) All of PAZ's present or hereafter acquired right, title and interest in and to all of the accounts, contract rights and general intangibles now or hereafter arising in connection with the production, treatment, storage, transportation, manufacture or sale of PAZ's interest in and to the Minerals;

(g) All of PAZ's present or hereafter acquired right, title and interest in and to the severed and extracted Minerals produced from the Lands; and

(h) All the cash and noncash proceeds and products of the property described in paragraphs (a) through (g) above now existing or hereafter arising, including, without limitation, whatever is received upon the sale, exchange, collection or other disposition of said property and the insurance payable by reason of loss or damage to said property (the "Proceeds"), and all additions thereto, substitutions and replacements thereof or accessions thereto;

TO HAVE AND TO HOLD all of the Collateral, together with all of the rights, privileges, benefits, hereditaments and appurtenances in anywise belonging, incidental or appertaining thereto, to the Trustee IN TRUST, NEVERTHELESS, for the security and benefit of the Lender and its successors and assigns, subject to all of the terms, conditions, covenants, agreements and trusts herein set forth.

ARTICLE II INDEBTEDNESS SECURED

This instrument is executed and delivered by PAZ to secure and enforce the payment and satisfaction of PAZ's indebtedness under the Loan Agreement and as described below (herein called the "Indebtedness"):

(a) All sums advanced to PAZ pursuant to the Loan Agreement and evidenced by the Note and all interest on the sums so advanced;

(b) All commitment fees, establishment fees, termination fees and other costs and expenses charged by the Lender to PAZ pursuant to the Loan Agreement and the other Loan Documents;

(c) All sums advanced and costs and expenses incurred by the Lender (directly or on its behalf by the Trustee), including all reasonable legal and engineering fees and expenses, made and incurred in connection with the Indebtedness or any part thereof, any renewal, extension or change of or substitution for the Indebtedness or any part thereof, or the acquisition or perfection of the security therefor, whether such advances, costs and expenses were made and incurred at the request of PAZ, the Trustee or the Lender; and

(d) All renewals, extensions, amendments and changes of, or substitutions for, all or any part of the items described under paragraphs (a) and (b) above.

**ARTICLE III
COVENANTS, REPRESENTATIONS AND WARRANTIES**

3.1 Representations and Warranties. PAZ jointly and severally represents and warrants to and with the Trustee and the Lender as follows:

(a) PAZ is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and is duly qualified to do business in each jurisdiction in which the character of its properties or the transaction of its business makes such qualification necessary.

(b) PAZ has full power, authority and legal right to own or lease its assets and properties and to conduct its business as now being conducted.

(c) PAZ has full power and authority to execute this Deed of Trust.

(d) The execution, delivery and performance of this Deed of Trust has been duly authorized by all necessary action (corporate or otherwise) and do not and will not violate any provision of law, any order of any court or other agency of government, the articles of incorporation or bylaws or other organizational documents of PAZ, any provision of any indenture, agreement or other instrument to which PAZ is a party or by which it or any of its properties or assets are bound, or be in conflict with, result in a breach of or constitute (with due notice and lapse of time) a default under any such indenture, agreement or other instrument. There is no law, rule or regulation, nor is there any judgment, decree or order of any court or governmental authority binding on PAZ which would be contravened by the execution, delivery, performance or enforcement of this Deed of Trust or any instrument or agreement required hereunder. This Deed of Trust constitutes a legal, valid and binding agreement of PAZ, enforceable against PAZ in accordance with its terms, subject to applicable equitable remedies and operation of any bankruptcy, insolvency, reorganization and similar laws affecting the rights of creditors generally.

(e) PAZ has good and marketable leasehold or, as the case may be, fee title to an undivided one hundred percent (100%) of all of the unpatented mining claims or millsite claims comprising the Lands, superior and paramount to any adverse claim or right of title which may be asserted subject only to the paramount title of the United States and the rights of third parties to the Lands pursuant to the Multiple Mineral Development Act of 1954 and the Surface Resources and Multiple Use Act of 1955. PAZ has good and marketable fee title to an undivided one hundred percent (100%) of all of the other properties and assets reflected in Schedule B attached hereto. The Collateral is owned free and clear of all clouds to title and of all Liens, and all Operating Equipment is in a state of repair adequate for normal operations and is in all material respects in good working order.

(f) PAZ has filed or caused to be filed all material federal, state and local tax returns which are required to be filed by it and has paid or caused to be paid all taxes as shown on such returns or any assessment received by PAZ to the extent that such taxes or assessments have become due, except for such taxes as are diligently being contested in good

faith and by appropriate proceedings or as to which a bona fide dispute may exist and for which adequate reserves have been made. PAZ has established reserves which are reasonably believed by the officers of PAZ to be adequate for the payment of such taxes.

(g) PAZ is presently obligated under any purchase or sale agreements, refining agreements, production payment agreements, operating agreements, participation agreements, security agreements or any other agreements to make future deliveries of production attributable to the Lands. No payments for production attributable to the Lands are presently being held in suspense or escrow accounts.

(h) With respect to the Lands owned or controlled by PAZ on which the Collateral is situated, and with respect to its operations thereon, PAZ has complied in all material respects with all applicable local, tribal, state and federal laws and regulations relating to its operations, and PAZ is not aware of any investigation (other than a routine inspection) of PAZ or its operations underway by any local, state or federal agency with respect to enforcement of such laws and regulations.

(i) Except for the due and timely filing or recording of this Deed of Trust and any other Collateral Document (and except for the delivery to the Lender of any Collateral as to which possession is the only method of perfecting a security interest in or lien on such Collateral), no further action is necessary in order to establish and perfect the Lender's prior security interest in or first lien on all Collateral.

(j) No event or condition has occurred or exists, is continuing or would result from the incurring of obligations by PAZ under this Deed of Trust which constitutes or, with the giving of notice or lapse of time or both, would constitute an Event of Default.

3.2 **Affirmative Covenants.** PAZ covenants and agrees with the Trustee and the Lender that so long as any part of the Indebtedness secured hereby remains unpaid or until the earlier termination hereof by the operation of Section 3.5 of the Loan Agreement (unless the Lender shall have otherwise consented in writing):

(a) PAZ shall comply with all of the terms and provisions of this Deed of Trust:

(b) PAZ shall (i) promptly, at PAZ's own expense and insofar as not contrary such times and as often as may be necessary, any instrument as may be necessary to create, perfect, maintain and preserve the lien and security interest intended to be created hereby and the rights and remedies hereunder, (ii) promptly furnish to the Lender evidence satisfactory to the Lender of all such filings and refilings, and (iii) otherwise do all things necessary or expedient to be done to effectively create, perfect, maintain and preserve the liens and security interests intended to be created hereby as a valid lien of first priority on real property and fixtures and a perfected security interest in personal property and fixtures, and hereby authorizes the Trustee and the Lender to file one or more financing or continuation

statements, and amendments thereto, relative to any or all of the Collateral without the signature of PAZ where permitted by law.

(c) PAZ shall (i) cause each of the Claims described in Schedule A attached hereto and any water rights, rights of way, easements or privileges owned or hereafter acquired by PAZ and necessary or appropriate to the operation of a mine upon the Lands to be kept in full force and effect by the payment of whatever sums may become payable and by the fulfillment of whatever other obligations and the performance of whatever other acts may be required to the end that forfeiture or termination of each such Claim shall be prevented unless the termination, forfeiture or other relinquishing of the Claim is authorized by any operating plan or plan of operations then in effect thereunder, (ii) conduct all mining and milling operations in accordance with good and minerlike practice, (iii) permit the Lender, through its employees and agents, to enter upon the Lands for the purpose of investigating and inspecting the condition and operation of the Collateral, and do all other things necessary or proper to enable the Lender to exercise this right upon reasonable notice at such times as the Lender may reasonably request, and (iv) do all other things necessary to preserve the Trustee's and the Lender's interest in the Collateral.

(d) PAZ shall keep all Improvements, Operating Equipment, inventory and fixtures of every kind now or hereafter included in the Collateral in good working order, and all repairs, renewals, replacements, additions, substitutions and improvements needful to such end shall be promptly made.

(e) PAZ shall comply with all lawful rulings and regulations of each regulatory authority having jurisdiction over the Equipment or the Lands or the properties on which the Collateral is otherwise situated.

(f) PAZ shall pay when due all liabilities of any nature, including all liabilities for labor and material and equipment, incurred in or arising from the administration or operation of the Lands or the properties on which the Collateral is located.

(g) PAZ shall protect every part of the Collateral from removal, destruction and damage and shall protect same from the doing or suffering to be done of any act, other than the use of the Collateral as hereby contemplated, whereby the value of the Collateral may be lessened.

(h) PAZ shall execute, acknowledge and deliver to the Lender such other and further instruments and do such other acts as in the opinion of the Lender may be necessary or desirable to effect the intent of this Deed of Trust, upon the reasonable request of the Lender and at PAZ's expense.

(i) PAZ shall promptly furnish to the Lender such information concerning PAZ, PAZ's business affairs and financial condition and the Collateral as the Lender may reasonably request.

(j) PAZ shall keep proper books, records and accounts in which complete and correct entries shall be made of PAZ's transactions in accordance with generally accepted accounting principles and shall keep the records concerning the accounts and contract rights included in the Collateral at PAZ's respective principal place of business, or at such other location designated in writing by PAZ, and the Lender shall have the right to inspect such records, and PAZ shall furnish copies upon reasonable request and upon reasonable notice.

(k) If the title or the right of PAZ, the Trustee or the Lender to the Collateral or any part thereof shall be attacked, either directly or indirectly, or if any legal proceedings are commenced against PAZ, PAZ shall promptly give written notice thereof to the Trustee and the Lender and, at PAZ's own expense, shall proceed diligently to defend against any such attack or proceeding, and the Trustee and the Lender may take such independent action in connection therewith as they may, in their reasonable discretion, deem advisable to protect the Trustee's and the Lender's interest in the Collateral, and all costs, expenses and reasonable attorneys' fees incurred by the Trustee or the Lender in connection therewith shall be a demand obligation owing by PAZ to the Lender and shall bear interest at the rate of interest provided in Section 2.9(b) of the Loan Agreement from the date such expenses are incurred until paid and shall be part of the Indebtedness.

3.3 Negative Covenants. PAZ covenants and agrees with the Trustee and the Lender that, so long as any part of the Indebtedness secured hereby remains unpaid, or until the earlier termination hereof pursuant to Section 3.5 of the Loan Agreement, PAZ shall not, either directly or indirectly, without the prior written consent of the Lender:

(a) Dispose of any material part of the Collateral other than for full, fair and reasonable consideration in the ordinary course of business or enter into any sale and leaseback agreement covering any of such Collateral;

(b) Create, incur, assume or suffer to exist any Lien on any item of Collateral, whether now owned or hereinafter acquired by PAZ; or

(c) Liquidate or dissolve, or enter into any consolidation, amalgamation or merger, or enter into any partnership, joint venture or other combination where such combination involves a contribution by PAZ of all or a substantial portion of its assets; or

(d) Sell transfer, convey, lease or otherwise dispose of any material part of the Collateral other than for full, fair and reasonable consideration in the ordinary course of business.

3.4 Lender May Perform. PAZ covenants and agrees with the Lender that if PAZ fails to perform any act which it is required to perform hereunder, or if either Borrower fails to perform any act required of it under the Loan Agreement or pay any money which it is required to pay hereunder, the Lender may, but shall not be obligated to, perform or cause to be performed such act and may pay such money, and any expenses so incurred by the Lender and any money so paid by the Lender shall be a demand obligation owing by the Borrowers to

the Lender and shall bear interest at the rate of interest provided in Section 2.9(b) of the Loan Agreement from the date of making such payment until paid and shall be a part of the indebtedness hereby secured. No such advancement or expenditure thereof shall relieve PAZ of any default under the terms of this Deed of Trust.

**ARTICLE IV
COLLECTION OF PRODUCTION PROCEEDS**

4.1 Lender's Receipt and Application of Proceeds. The Lender shall be entitled to receive all Proceeds from the sale of any item of Equipment beginning on the date hereof All payments of Proceeds received by the Lender pursuant to the terms hereof shall be placed in the Security Account and at least monthly be applied as follows:

- (a) first, to interest and fees then due and payable to the Lender;
- (b) next, to principal then due and payable to the Lender on the Loans; and
- (c) next, in accordance with PAZ's instructions.

If an Event of Default, as defined in Section 6.1 hereof, shall have occurred and be continuing, the Lender may at its option hold any surplus balances in the Security Account for application to the indebtedness under the Loan Agreement or the Note as it becomes due or on the next monthly application date, as the case may be.

If no Event of Default shall have occurred and be continuing, or if such an Event of Default shall exist but the Lender shall not have elected to hold surplus balances as provided in the preceding paragraph, then any balance remaining in the Security Account after the monthly or other application of funds by the Lender pursuant to the foregoing provisions of this Section shall be transferred to any other account of PAZ at any bank as may be designated by PAZ from time to time by instructions to the Lender.

If any date of application specified above (herein called a "Regular Application Date") shall be on a Saturday, Sunday or legal banking holiday under the laws of the jurisdiction in which such Proceeds shall be applied, the Proceeds to be applied by the Lender pursuant to this Section 4.2 shall be applied on the last business day next preceding such Regular Application Date that is not a Saturday, Sunday or legal banking holiday, but the amount to be applied pursuant to paragraph (b) of this Section 4.2 shall nevertheless be the amount accrued up to, but not including, such Regular Application Date.

4.2 PAZ's Payment Duties. Nothing contained herein shall limit PAZ's duty to make payment on the Indebtedness when the Proceeds received by the Lender pursuant to this Article IV are insufficient to pay the costs, interest and principal thereof then owing, and

the receipt of Proceeds by the Lender will be in addition to all other security now or hereafter existing to secure payment of the Indebtedness.

4.3 Inconsistencies with Related Documents. To the extent, if any, that the foregoing provisions of this Deed of Trust are inconsistent with the provisions of the Loan Agreement, such inconsistencies shall be resolved by giving controlling effect to the Loan Agreement.

4.4 Liability of Lender. The Lender shall have no obligation to enforce collection of any Proceeds and is hereby released from all responsibility in connection therewith, except the responsibility to account for Proceeds actually received.

4.5 Indemnification. PAZ agrees to indemnify the Lender against all claims, actions, liabilities, losses, judgments, attorneys' and consultants' fees, costs and expenses and other charges of any description whatsoever (all of which are hereafter referred to in this Section 4.6 as "Claims") made against or sustained or incurred by the Lender as a consequence of the assertion, either before or after the payment in full of the Indebtedness, that the Lender received Proceeds pursuant to this instrument. The Lender shall have the right to employ attorneys and to defend against any Claims, and, unless furnished with satisfactory indemnity, the Lender shall have the right to pay or compromise and adjust all Claims in its sole discretion. PAZ shall indemnify and pay to the Lender all amounts as may be paid by the Lender in compromise or adjustment of any of the Claims or as may be adjusted against the Lender in respect of any of the Claims. The liabilities of PAZ as set forth in this Section 4.6 shall constitute Indebtedness and shall survive the termination of this instrument.

**ARTICLE V
TERMINATION**

Upon indefeasible payment in full of the Indebtedness pursuant to the terms and conditions of this Deed of Trust and the instruments evidencing the Indebtedness, or upon earlier termination hereof by the operation of Section 3.5 of the Loan Agreement, this Deed of Trust shall become null and void. In such event, the within conveyance of the Collateral shall become of no further force and effect, all of the Collateral shall revert to PAZ, and the entire right, title and interest of the Trustee and the Lender shall terminate. The Trustee and the Lender shall, promptly after the request of PAZ, and at PAZ's cost and expense, execute, acknowledge and deliver to PAZ proper instruments evidencing the termination of this Deed of Trust and any Uniform Commercial Code financing statements filed in connection herewith, and the relinquishment of any right, interest, claim or demand in or to all or any portion of the Collateral. Otherwise, this Deed of Trust shall remain and continue in full force and effect.

**ARTICLE VI
DEFAULT**

6.1 Events of Default. The occurrence of any one or more of the following events (whether or not in the control of PAZ) shall constitute an Event of Default:

(a) PAZ shall fail to pay when due any amount of principal of or interest on the Loans or any other sum due in accordance with the terms of the Loan Agreement, the Note, the Production Payment Agreement or any other Loan Document;

(b) Any representation or warranty herein or in the Loan Agreement or any agreement, instrument or certificate executed pursuant hereto or thereto or in connection with any transaction contemplated hereby or thereby shall prove to have been false or misleading in any material respect when made or when deemed to have been made;

(c) The Lender shall fail to have a valid and enforceable first perfected security interest in or lien on any Collateral;

(d) Any involuntary Lien or Liens for amounts then due in the aggregate sum of One Hundred Thousand Dollars (\$100,000) or more, of any kind or character, shall attach to any of the Collateral, if such Lien shall not be released, discharged, satisfied or bonded pending proceedings to release such Lien within sixty (60) days after the date of attachment or unless such Lien is being contested in good faith by appropriate proceedings by PAZ;

(e) Any judgments or orders for the payment of money in excess of One Hundred Thousand Dollars (\$100,000) in the aggregate shall be rendered against PAZ and either (i) enforcement proceedings shall have been commenced by any creditor upon any such judgments or orders or (ii) there shall be a period of thirty (30) consecutive days during such judgments or orders shall not have been discharged or a stay of enforcement of such judgments or orders, by reason of a pending appeal or otherwise, shall not be in effect;

(f) PAZ shall generally fail to pay its debts as they come due, or shall file any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors, or PAZ shall take any corporate or partnership action to authorize, or in furtherance of, any of the foregoing;

(g) Any involuntary petition shall be filed under any bankruptcy statute against PAZ, or a custodian, receiver, trustee, or assignee for the benefit of creditors (or other similar official) shall be appointed to take possession, custody or control of the properties of PAZ, unless such petition or appointment is set aside or withdrawn or ceases to be in effect within thirty (30) days from the date of said filing or appointment;

(h) Any Governmental Authority shall condemn, seize or appropriate any property of PAZ that is material to its financial condition, business or operations, if such Governmental Authority fails to compensate PAZ for such taking within one year after such

power is exercised in an amount at least equal to the fair market value as a going concern of the property taken;

(i) Any Governmental Authority shall take any action with respect to PAZ which would materially and adversely affect its financial condition or operations, unless such action is set aside, dismissed or withdrawn within ninety (90) days of its institution or such action is being contested in good faith by PAZ and its effect is stayed during such contest;

(j) Any approval, consent, exemption or other action of any Governmental Authority required under the Loan Agreement shall be withdrawn or become ineffective for a period of thirty (30) consecutive days and the absence thereof would materially and adversely affect the operations of the Mohave Project or the financial condition, operations or ability of PAZ to repay the Loans;

(k) Any breach or default shall occur under the Loan Agreement or under any other Collateral Document (and shall remain uncured beyond any applicable grace period); or

(l) PAZ shall breach, or default under, any term, condition or provision contained in this Deed of Trust not specifically referred to above in this Article VI, if such breach or default shall continue for ten (10) days after notice from the Lender.

6.2 Effect of Event of Default.

(a) In the case of an Event of Default, other than one referred to in paragraph 6.1(f) or (g) herein, any obligation on the part of the Lender to make or continue the Loans shall terminate, and the Lender may declare all sums of principal and interest outstanding on the Loans, and all other sums outstanding under or in respect of the Loan Agreement and the Note immediately due and payable, without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or other notices or demands of any kind or character (other than as stated in any of the foregoing sections of this Article VI), all of which are hereby expressly waived by PAZ.

(b) In the case of an Event of Default referred to in paragraph 6.1(f) or (g) herein, the Lender's obligations to make or continue the Loans shall be automatically cancelled and all sums of principal and interest on the Loans and all other sums outstanding under or in respect of the Loan Agreement and the Note shall automatically become immediately due and payable without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, all of which are hereby expressly waived by PAZ.

6.3 Resort to Collateral. Upon the occurrence of any Event of Default, or at any time thereafter during which such Event of Default is continuing, the Lender may elect to treat the fixtures included in the Collateral either as real property or as personal property, but not as both, and proceed to exercise such rights as apply to the type of property selected. The Lender may resort to any security given by this Deed of Trust, or to any other security now existing or hereafter given to secure the payment of any of the Indebtedness secured

hereby, in whole or in part, and in such portions and in such order as may seem best to the Lender, in its sole discretion, and any such action shall not in any way be considered as a waiver of any of the rights, benefits or liens created by this Deed of Trust or granted by applicable law. In any foreclosure proceeding or private sale, the Collateral may be sold in its entirety, and shall not be required hereunder to be sold parcel by parcel.

6.4 Costs and Expenses. All costs, expenses and reasonable attorneys' fees incurred by the Trustee and/or the Lender in protecting and enforcing their rights hereunder and in connection with any refinancing or restructuring of the Loans in the nature of a "work out" shall constitute a demand obligation owing by PAZ to the Lender and shall draw interest at the rate of interest provided in Section 2.9(b) of the Loan Agreement from the date such expenses are incurred until paid, all of which shall constitute a portion of the Indebtedness secured by this instrument.

6.5 Rights and Remedies of Lender. Upon the occurrence of any Event of Default, and at all times thereafter during which such Event of Default is continuing, in addition to all other rights and remedies herein conferred, the Lender shall have all of the rights and remedies of a beneficiary under a deed of trust granted by applicable law, and the Lender shall have all the rights and remedies of an assignee and secured party granted by applicable law, including the Uniform Commercial Code, and shall, to the extent permitted by applicable law, have the right and power, but not the obligation, to enter upon and take immediate possession of the Collateral or any part thereof, to exclude PAZ therefrom, to the extent of PAZ's interest therein at such time to take possession of the mining and milling or other operations thereon and the production from such operation, to remove any personal property included in the Collateral, to hold, use, operate, manage and control the Collateral, to make all such repairs, replacements, alterations, additions and improvements to the same as it may deem proper, to demand, collect and retain all earnings, Proceeds and other sums due or to become due with respect to the Indebtedness after charging against the receipts therefrom all costs, expenses, charges, damages and losses incurred by reason thereof plus interest thereon at the rate of interest provided in Section 2.9(b) of the Loan Agreement, as fully and effectually as if the Lender were the absolute owner of the Collateral and without any liability to PAZ in connection therewith.

6.6 Foreclosure. Upon the occurrence of any Event of Default, or at any time thereafter during which such Event of Default is continuing, the Lender, in lieu of or in addition to exercising any other power hereby granted, may, without notice, demand, or declaration of default, which are hereby waived by PAZ except as expressly provided herein or in the Loan Agreement, proceed by an action or actions in equity or at law for the seizure and sale of the Collateral or any part thereof, for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, for the foreclosure or sale of the Collateral or any part thereof under the judgment or decree of any court of competent jurisdiction, for the appointment or decree of a receiver pending any foreclosure hereunder or the sale of the Collateral or any part thereof, or for the enforcement of any other appropriate equitable or legal remedy.

6.7 Public and Private Sale. Upon the occurrence of any Event of Default, or at any time thereafter during which such Event of Default is continuing, the Lender may require PAZ to assemble the personal property included in the Collateral and make it available to the Lender at a place to be designated by the Lender which is reasonably convenient to the Lender and PAZ. If notice is required by applicable law, ten (10) days prior written notice of the time and place of any public sale or of the time after which any private sale or any other intended disposition thereof is to be made shall be reasonable notice to PAZ. No such notice is necessary if such property is perishable, threatens to decline speedily in value or is of a type customarily sold on a recognized market. If the Lender reasonably believes that the Securities Act of 1933, or any other state or federal law, prohibits or restricts the customary manner of sale or distribution of any of such property, the Lender may sell such property privately, or in any other manner reasonably deemed advisable by the Lender, at such price or prices as the Lender determines in its reasonable discretion. PAZ recognizes that such prohibition or restriction may cause such property to have less value than it otherwise would have and that, consequently, such sale or disposition by the Lender may result in a lower sales price than if the sale were otherwise held.

6.8 Power of Sale. Upon the occurrence of any Event of Default, or at any time thereafter during which such Event of Default is continuing, the Lender, with or without entry, by itself or by its agents or attorneys, insofar as applicable, shall have the power and authority to invoke the power of sale, which is hereby granted to the Trustee. The Lender shall give written notice to the Trustee of its election to invoke the power of sale. The Trustee shall give such notice to PAZ of PAZ's rights as is provided by law. The Trustee shall advertise the time and place of the sale of the real property included in the Collateral in such manner as is required by law and shall mail copies of such notice of sale to PAZ and other persons as prescribed by law. After the lapse of such time as may be required by law, the Trustee, without demand on PAZ, shall sell the real property included in the Collateral at public auction to the highest bidder for cash at the time and place and in one or more parcels as the Trustee may think best and in such order as the Trustee may determine. The Lender may become a purchaser at any such sale and shall have the right to credit the amount of its bid to the amount due to it. It shall not be obligatory upon any purchaser at any such sale to see to the proper application of the purchase money. The Lender shall be entitled to a receiver for the real property included in the Collateral upon or at any time after the election to invoke the power of sale, and shall be entitled to such receiver without notice, without regard to the solvency of PAZ at the time of the application for the appointment of such receiver, and without regard to the then value of the real property included in the Collateral.

6.9 Divestiture. Any sale of the Collateral or any part thereof pursuant to the provisions of this Article VI will operate to divest all right, title, interest, claim and demand of PAZ in and to the property sold and will be a perpetual bar against PAZ. Nevertheless, if requested by the Trustee or the Lender to do so, PAZ shall join in the execution, acknowledgment and delivery of all proper conveyances, assignments and transfers of the property so sold. Any purchaser at a foreclosure sale will receive immediate possession of the property purchased, and PAZ agrees that if PAZ retains possession of the property or any part thereof subsequent to such sale, PAZ will be considered a tenant at sufferance of the purchaser, and will, if PAZ remains in possession after demand to remove, be guilty of unlawful detainer.

and will be subject to eviction and removal, forcible or otherwise, with or without process of law, and all damages to PAZ by reason thereof are hereby expressly waived.

6.10 Waiver of Defenses. The liens and rights created and granted hereby shall not affect or be affected by any other security taken by the Lender for the same debts or any part thereof. PAZ shall have and assert no rights, under any statute or rule of law pertaining to the marshalling of assets, the exemption of homestead, the administration of estates of decedents, or other matters whatever, to defeat, reduce or affect the rights of the Lender under the terms of this Deed of Trust, to a sale of the Collateral for the collection of the Indebtedness secured hereby or the right of the Lender, under the terms of this Deed of Trust, to the payment of the Indebtedness secured hereby out of the proceeds of the sale of the Collateral in preference to every other person and claimant whatever.

6.11 Application of Proceeds. The proceeds of any sale of the Collateral or any part thereof made pursuant to this Article VI shall be applied as follows:

(a) First, to the payment of all out-of-pocket costs and expenses incident to the enforcement of this instrument, including, but not limited to, a reasonable compensation to the attorneys for the Lender;

(b) Second, to the payment of the full amount of all Indebtedness and all other sums secured by this Deed of Trust; and

(c) Third, the remainder, if any, to be distributed as required by law.

6.12 Powers of Attorneys. If an Event of Default shall occur hereunder, PAZ will, upon the request of the Lender, execute and deliver to such person or persons as may be designated by the Lender appropriate powers of attorney to act for and on behalf of PAZ in all transactions with any person owning an interest in the Collateral and any Governmental Agency or person having authority relating to any of the Collateral.

6.13 Conflict with Law. Should a conflict arise between the provisions of this Deed of Trust and applicable Nevada law, Nevada law shall prevail.

ARTICLE VII MISCELLANEOUS PROVISIONS

7.1 Cumulative Remedies; No Waiver; Amendments. All options, powers, remedies and rights herein granted to the Lender are continuing, cumulative and not exclusive, and the failure to exercise any such option, power, remedy or right upon a particular default or breach, or upon any subsequent default or breach, shall not be construed as waiving the right to exercise such option, power, remedy or right with respect to the Indebtedness secured hereby after its due date. No exercise of the rights and powers herein granted, and no delay or omission in the exercise of such rights and powers shall be held to exhaust the same or be construed as a waiver thereof, and every such right and power may be exercised at any time.

Any and all covenants in this Deed of Trust may, from time to time, by instrument in writing signed by the Lender, be waived to such extent and in such manner as the Lender may desire, but no such waiver shall ever affect or impair the Lender's rights hereunder, except to the extent specifically stated in such written instrument. All changes to and modifications of this Deed of Trust must be in writing and signed by the Lender.

7.2 Partial Release. No release from the lien of this Deed of Trust on any part of the Collateral shall in any way alter, vary or diminish the force, effect or lien of this Deed of Trust on the balance of the Collateral.

7.3 Severability. If any provision hereof is invalid or unenforceable in any jurisdiction, the other provisions hereof shall remain in full force and effect in such jurisdiction, the remaining provisions hereof shall be liberally construed in favor of the Lender in order to effectuate the provisions hereof, and the invalidity or unenforceability of any provisions hereof in any jurisdiction shall not affect the validity or enforceability of any such provision in any other jurisdiction. Any reference herein contained to the statutes or laws of a state in which no part of the Collateral is situated shall be deemed to be inapplicable to, and not used in, the interpretation hereof.

7.4 Substitution and Subrogation. This Deed of Trust is made with full substitution and subrogation of the Trustee or the Lender in and to all covenants and warranties by others heretofore given or made in respect of the Collateral or any part thereof.

7.5 No Duty to Perform. No provision of this Deed of Trust shall be construed to impose upon the Trustee or the Lender a duty to perform any of the covenants and obligations of PAZ or the Borrowers.

7.6 Characterization of Instrument. This Deed of Trust will be deemed to be, and may be enforced from time to time as, an assignment, chattel mortgage, contract or security agreement, and from time to time as any one or more thereof as is appropriate under applicable state law.

7.7 Recording References. All recording references in Schedule A attached hereto are to the real property records of Mineral County, Nevada, the county in which the Lands are located.

7.8 Counterparts. This Deed of Trust may be executed in several original counterparts and each counterpart shall be deemed to be an original for all purposes, and all counterparts shall together constitute but one and the same instrument.

7.9 Notices. All notices, requests, demands, consents or other communications hereunder shall be deemed to have been duly made if actually delivered, or if mailed by registered or certified mail, postage prepaid, to the addresses first set forth hereinabove. Each party may, by written notice so delivered to the other, change the address to which delivery shall thereafter be made.

7.10 **Successor Trustee.** The Lender may appoint a successor trustee at any time to execute the trust created by this Deed of Trust by filing for record, in the office of the County Recorder of each county in which said property or some part thereof is situated, a substitution of trustee in conformity with applicable state law. From the time the substitution is filed for record, the new trustee shall succeed to all the powers, duties, authority and title of the Trustee named herein or of any successor trustee. Each such substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by law.

7.11 **Binding Effect.** The terms, provisions, covenants and conditions hereof shall bind and inure to the benefit of the respective successors and assigns of PAZ, of the Trustee and of the Lender.

IN WITNESS WHEREOF, PAZ and the Lender has caused this Deed of Trust to be duly executed by its duly authorized representative, all as of the day and year first above-written.

PAN AMERICAN ZINC CORPORATION,
a Nevada corporation

By: L. T. Atkinson
Lawrence T. Atkinson
President

BBU MEZZANINE FUND II,
a California limited partnership

By: BBU ADVISORS,
a California limited partnership,
its general partner

By: James H. Boettcher
James H. Boettcher
General Partner

CMR has executed this Deed of Trust to evidence its acknowledgement of the terms hereof, and agrees to cause its 75% owned subsidiary, PAZ, to comply with the terms hereof.

COMBINED METALS REDUCTION COMPANY,
a Utah corporation

By: L. T. Atkinson
Lawrence T. Atkinson
President

ACKNOWLEDGMENTS

DISTRICT OF COLUMBIA) ss.

On this 8th day of June, 1994, Lawrence T. Atkinson personally appeared before me, a notary public, who acknowledged that he executed the above instrument as the president of Pan American Zinc Corporation, a Nevada corporation.

Witness my hand and official seal.

My commission expires: July 31, 1997

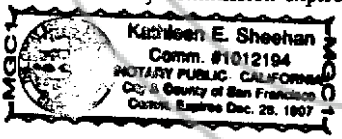
Lori G. Chaplin
Notary Public

STATE OF California)
COUNTY OF San Francisco) ss.

On this 13th day of June, 1994, James H. Boettcher personally appeared before me, a notary public, who acknowledged that he executed the above instrument as a general partner of BBU Advisors, a California limited partnership and the general partner of BBU Mezzanine Fund II, a California limited partnership.

Witness my hand and official seal.

My commission expires: Dec. 28, 1997



Kathleen E. Sheehan
Notary Public

DISTRICT OF COLUMBIA) ss.

On this 8th day of June, 1994, Lawrence T. Atkinson personally appeared before me, a notary public, who acknowledged that he executed the above instrument as president of Combined Metals Reduction Company, a Utah corporation.

Witness my hand and official seal.

My commission expires: July 31, 1997

Lori G. Chaplin
Notary Public

Schedule A to
DEED OF TRUST, SECURITY AGREEMENT,
FINANCING STATEMENT AND
ASSIGNMENT OF PRODUCTION AND PROCEEDS
dated as of June , 1994
by and among

PAN AMERICAN ZINC CORPORATION
and
BBU MEZZANINE FUND II

PAN AMERICAN MINE UNPATENTED MINING CLAIMS

<u>Claim Name</u>	<u>Location Date</u>	<u>Co. Record Book Page</u>	<u>BLM Serial No.</u>
Albert	07/01/1925	H-1; 185	87849
Argentum	05/20/1929	J-1; 71	87783
Argentum #1	05/20/1929	J-1; 72	87784
Argentum #2	05/20/1979	J-1; 72	87785
Argentum #4 (amd)	09/26/1979	32; 671	98080
Argentum #5 (amd)	09/26/1979	32; 672	98081
Argentum #6 (amd)	09/26/1979	32; 673	98082
Bald Eagle (amd)	08/10/1936	L-1; 187	87851
Boarding House	07/01/1925	H-1; 185	87850
Calico	03/01/1928	H-1; 277	87776
Calico #2 (amd)	09/26/1979	32; 675	98084
Cedar #1	12/12/1928	H-1; 406	87729
Cedar #2	12/13/1928	H-1; 407	87730
Cedar #3	12/13/1928	H-1; 407	87731
Cedar #4	12/13/1928	H-1; 408	87732
Cedar #8	12/23/1928	H-1; 408	87733
Central	07/01/1926	H-1; 107	87778
Central #1	07/01/1926	H-1; 107	87779
Central #2	07/01/1926	H-1; 108	87780
Christianson	12/20/1928	H-1; 417	87857
Comet Chief #1	07/12/1928	H-1; 343	87781
Comet Giant	12/20/1928	H-1; 415	87854
Comet King	12/20/1928	H-1; 416	87855
Curtis	03/04/1929	H-1; 484	87853
Deerhorn #1	07/12/1929	J-1; 118	87701
East Side #15	09/18/1929	J-1; 218	87716
East Side #16	09/18/1929	J-1; 218	87717
East Side #17	09/20/1929	J-1; 219	87718
East Side #18	09/20/1929	J-1; 219	87719
East Side #19	09/20/1929	J-1; 220	87720
East Side #20	09/20/1929	J-1; 220	87721
East Side #21	10/08/1929	J-1; 221	87722
East Side #22	10/08/1929	J-1; 221	87726

<u>Claim Name</u>	<u>Location Date</u>	<u>Co. Record Book Page</u>	<u>BLM Serial No.</u>
Evergreen #1	08/18/1984	61; 406	317130
Evergreen #3	08/18/1984	61; 408	317132
Evergreen #4	08/18/1984	61; 409	317133
Flapper #1 (amd)	08/18/1935	L-1; 61	87900
Flapper #2	12/10/1928	H-1; 402	87901
Flapper #4	12/10/1928	H-1; 403	87903
Flapper #5	12/10/1928	H-1; 403	87904
Franklin	03/18/1927	H-1; 172	87868
Galena	05/20/1929	J-1; 73	87905
Galena #1	05/20/1929	J-1; 74	87906
Galena #2	05/20/1929	J-1; 74	87907
Galena #3	05/20/1929	J-1; 75	87908
Galena #5 (amd)	09/26/1979	32; 679	98088
Galena #7 (amd)	09/26/1979	32; 681	98090
Galena #8 (amd)	09/26/1979	32; 682	98091
Gigolo	12/14/1928	H-1; 401	87917
Gigolo #2	11/15/1929	J-1; 209	87918
Great Western #1	10/22/1928	H-1; 390	87766
Great Western #2	10/22/1928	H-1; 390	87767
Great Western #3	10/22/1928	H-1; 391	87768
Great Western #4	10/22/1928	H-1; 391	87769
Great Western #5	10/22/1928	H-1; 392	87770
Hanna	12/20/1928	H-1; 418	87753
Hard Luck	05/26/1927	H-1; 221	87754
Harwood	12/20/1928	H-1; 417	87755
Hub #2	07/01/1928	H-1; 345	87749
Hub #3	07/01/1928	H-1; 346	87750
Hub #5	07/01/1928	H-1; 347	87751
Hub #7	07/01/1930	J-1; 400	87752
Hulla	12/29/1928	H-1; 410	87756
Hulla #2	12/30/1928	H-1; 411	87757
Iron Cap (amd)	08/10/1936	L-1; 186	87762
Iron Cap #1	11/20/1928	H-1; 395	87763
Iron Cap #2	11/20/1928	H-1; 396	87764
Iron Queen	12/20/1928	H-1; 416	87876
Jennie	08/02/1914	E-1; 415	87872
Lindberg	03/04/1929	H-1; 484	87877
Log Cabin #1	12/10/1928	H-1; 405	87878
Lone Eagle	10/26/1928	H-1; 368	87879
Lucky Bill	04/02/1919	E-1; 293	87881
Maracoba	07/02/1929	J-1; 119	87919
Mount Comet	04/04/1919	F-1; 294	87913
Mount Comet #2	01/18/1919	F-1; 289	87914
Mount Comet #5 (amd)	11/01/1935	L-1; 75	87915

<u>Claim Name</u>	<u>Location Date</u>	<u>Co. Record Book Page</u>	<u>BLM Serial No.</u>
Mount Comet #8	07/01/1925	G-1; 466	87916
Mount Comet #9 (amd)	09/26/1979	32; 676	98085
Mount Comet #10 (amd)	09/26/1979	32; 677	98086
Mount Comet #11 (amd)	09/26/1979	32; 678	98087
Murphy #1 (amd)	12/10/1928	J-1; 413	87910
Murphy #2	07/01/1928	H-1; 337	87911
Murphy #3 (amd)	11/11/1930	J-1; 413	87912
Pine #1	02/17/1929	H-1; 468	87744
Pine #2	02/18/1929	H-1; 468	87745
Pine #3	02/20/1929	H-1; 469	87746
Pine #4	02/20/1929	H-1; 469	87747
Pine Fraction	07/01/1930	J-1; 399	87748
Ramona #1	07/01/1929	J-1; 98	87771
Ramona #2	07/01/1929	J-1; 98	87772
Rim #1	10/08/1929	J-1; 230	87734
Rim #2	10/08/1929	J-1; 231	87735
Rim #7	10/08/1929	J-1; 231	87740
September	09/26/1935	L-1; 71	87897
Sheik (amd)	11/01/1935	L-1; 77	87809
Sheik #2	08/26/1929	J-1; 209	87810
Sheik #4 (amd)	11/01/1935	L-1; 77	87811
Silver Star #3 (amd)	08/10/1936	L-1; 185	87813
Silvertip	03/01/1929	H-1; 485	87814
Silvertip #4	03/01/1929	H-1; 486	87816
Snow #7	02/05/1929	H-1; 486	87794
Snow #9	02/05/1929	H-1; 486	87796
Snow #10	02/03/1929	H-1; 455	87797
Snow #11	02/03/1929	H-1; 456	87798
Snow #12	02/03/1929	H-1; 456	87799
Snow #13	01/30/1929	H-1; 457	87800
Snow #14	01/30/1929	H-1; 457	87801
Snow #15	01/30/1929	H-1; 458	87802
Snow #17	08/27/1929	J-1; 179	87804
Snow #18	08/27/1929	J-1; 178	87805
Snow #19	08/27/1929	J-1; 179	87806
Snow #20	08/27/1929	J-1; 180	87807
Snow #21	11/15/1929	J-1; 210	87808
South	08/18/1984	61; 410	317144
Southside #1	01/15/1928	H-1; 266	87896
Spearhead	03/01/1928	H-1; 278	87898
Spoke #3	11/02/1928	H-1; 385	87818
Spoke #4	11/02/1928	H-1; 386	87819
Tom Boy	04/06/1926	H-1; 274	87899
Top #1	08/28/1929	J-1; 180	87821

<u>Claim Name</u>	<u>Location Date</u>	<u>Co. Record Book Page</u>	<u>BLM Serial No.</u>
Top #2	08/28/1929	J-1; 181	87822
Top #3	08/28/1929	J-1; 181	87823
Top #4	08/28/1929	J-1; 182	87824
Top #5	08/28/1929	J-1; 182	87825
Top #7	08/30/1929	J-1; 182	87827
Top #8	08/31/1929	J-1; 184	87828
Top #9	09/14/1929	J-1; 184	87829
Top #11	09/22/1929	J-1; 185	87831
Top #12	09/23/1929	J-1; 186	87832
Top #13	09/23/1929	J-1; 186	87833
Top #14	09/24/1929	J-1; 187	87834
Top #15	09/24/1929	J-1; 187	87835
Top #16	09/24/1929	J-1; 188	87836
Top #17	09/24/1929	J-1; 188	87837
Top #18	09/24/1929	J-1; 189	87838
Wonder	06/01/1929	J-1; 47	87840
Wonder #1	06/01/1929	J-1; 43	87841
Wonder #3	06/01/1929	J-1; 46	87843
Wonder #5	06/01/1929	J-1; 46	87845
Wonder #6	06/01/1929	J-1; 45	87846

COMET MINE UNPATENTED MINING CLAIMS

<u>Comet Mine Claims</u>	<u>N. MC Number</u>
Burnett	117695
Elmer 1	117697
Tungsten	117709
Greenback 1 through 5	117714 - 117718

PATENTED MINING CLAIMS

M.S. 4731: Cedar No. 7, Hub, Hub No. 1, Hub No. 8, Hulla No. 1, Spoke No. 1, Spoke No. 2, Pine No. 5, Pine No. 6, Pup No. 1, Juniper No. 1, Juniper No. 2.

M.S. 4732: Juniper No. 3, Juniper No. 4, Comet Chief, Log Cabin, Log Cabin No. 2, Murphy (Murphy Amd.), Murphy No. 4, Murphy No. 5, Roxana, Stone Cabin, Tom Boy No. 1.

M.S. 4734: Mount Comet No. 1, Mount Comet No. 3, Mount Comet No. 4, Mount Comet No. 6, Mount Comet No. 7, Central No. 3, Central No. 4,

Central No. 6, Central No. 7, Central No. 8, Dorothy, Ramona, Ronnow,
Sheik No. 3, Stella No. 2.

M.S. 4738: Fox, Southside.

Ms 4741: Iron Cap No. 3, Iron Cap Extension, Silver Star.

Schedule B to
DEED OF TRUST, SECURITY AGREEMENT,
FINANCING STATEMENT AND
ASSIGNMENT OF PRODUCTION AND PROCEEDS
dated as of June , 1994
by and among
PAN AMERICAN ZINC CORPORATION
and
BBU MEZZANINE FUND II
CASELTON MILL EQUIPMENT

Gyratory crusher
150 HP, 870 RPM motor (Gyrator 6)
Cone crusher
150 HP, 870 RPM motor (cone crusher)
Track hopper feeder
Conveyor #1, Incl. gallery
Conveyor #2
Conveyor #3
Conveyor #4
Conveyor #5
Conveyor #6, Incl. gallery
Weightometer
Dust ventilation system
Distribution conveyor
Fine ore bins (8 Ea.)
Bin feeders (8 Ea.)
Gathering and cross conveyors
Weightometers (3 Ea.)
Ball mill, 10' x 48" (with drives & liners) (3 Ea.)
300 HP motor (3 Ea.)
66" Akins classifier, double spiral
78" Akins classifier, single spiral (2 Ea.)
Overflow pump (3 Ea.)
40 HP pump motors TEFC (3 Ea.)
Wemco 100 ft³ flotation cell (39 Ea.)
#30 Deco flotation cell (3 x 4) (12 Ea.)
Conditioner tank (8 Ea.)
Double disc reagent feeder (8 Ea.)
Clarkson reagent feeder (10 Ea.)
Reagent tank, 6' Dia. x 7' H.
Reagent mixing tank, 9' Dia. x 12' H. (2 Ea.)
Bozo mixing tank, 6'5" Dia. x 8' H. (2 Ea.)
Reagent tank, 4' Dia. x 8' H.
Reagent drive
Regrind ball mill, 3' x 16'
Regrind ball mill, 3' x 8'
"A" Frame hydro-seal pumps 3" (4 Ea.)
"B" Frame hydro-seal pumps 4" (10 Ea.)
3" Kelsey dual pumps (2 Ea.)
4" Kelsey dual pumps (8 Ea.)
Autosampler (8 Ea.)
Sump pumps (3 Ea.)

Sample pressure Filter (4 Ea.)
 Air compressor
 60' Dia. thickener
 60' Dia. thickener
 60' Dia. thickener
 120' Dia. thickener
 Filter, 6 discs, 6' Dia. (3 Ea.)
 Filter, 8 discs, 6' Dia.
 Vacuum pump and blower
 Vacuum pump
 Vacuum pump
 Filter pumps (3 Ea.)
 Crushing plant building (176' x 36')
 Main Flotation building (259' x 176')
 Filter plant building, 70' x 50'
 Mill Office (35' x 15')
 Assay lab. & engineering office Bldg. (100' x 25')
 Electric substation & distribution
 Water supply & distribution
 Compressed air distribution
 Fire water system
 Crushing & other spares, NOC
 Spare motors
 Electrical salvage, NOC
 Mechanical salvage, NOC
 Reagent inventory
 Ball mill liner inventory
 Transformers (NIS)
 Fibreglass vent line (NIS)
 300 HP, skid mounted fan (NIS)
 Pump spares inventory
 Process control laboratory equipment
 Electrical substation @ Pan American Mine

NOC - Not otherwise classified
 NIS - Not in Service

101955

FILED AND RECORDED AT REQUEST OF
Jeremy Benezet
 June 15, 1994
 30 MINUTES PAST 9 O'CLOCK
 A.M. IN BOOK 109 OF OFFICIAL
 RECORDS, PAGE 689 LINCOLN
 COUNTY, NEVADA.

Yuriko Setzer
 COUNTY CLERK
 By April Bouchie, Deputy