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Official Record
Recording requested By
FIRST AMERICAN TITLE COMPANY

Lincoln County - NV Leslie Boucher - Recorder

Fee: **\$16.00**

Page 1 of 3 Recorded By: AE

Book- 242 Page- 0532

A.P.N.:

009-024-02

File No:

152-2332494 (MJ)

When Recorded Return To: Evergreen Note Servicing 295 Holcomb Avenue, Suite 3 Reno, NV 89502

DEED OF TRUST WITH ASSIGNMENTS OF RENTS

THIS DEED OF TRUST, made June 17, 2008, between Capone Goldmining, Inc., a Nevada Corporation, TRUSTOR, whose address is 2501 East 750 North, St. George, UT 84790, First American Title Insurance Company, TRUSTEE, and Ray F. Brokken, Trustee of the Ray F. Brokken Trust UA DTD October 4, 1994, as to an undivided 1/3 interest, David E. Brokken, as to an undivided 2/9 interest, Shanna C. Brokken, as to an undivided 2/9 interest, and Karen E. Brokken, as to an undivided 2/9 interest, BENEFICIARY, whose address is 2895 SW Fairmont Drive, Corvallis, OR 97333.

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, that property in the County of **Lincoln**, State of **Nevada**, described as:

A PARCEL OF LAND SITUATED WITHIN SECTIONS 30 AND 31 OF TOWNSHIP I NORTH, RANGE 71 EAST, MOUNT DIABLO MERIDIAN, LINCOLN COUNTY, NEVADA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE PATENTED LOAD CLAIMS HORSE SHOE NO.1, HORSE SHOE NO.2, HORSE SHOE NO.3, HORSE SHOE NO. 4, BRYAN AND BRYAN EXTENSION, AS SHOWN ON THE PLAT OF MINERAL SURVEY NO. 1902, APPROVED ON MAY II. 1900. SAID LOAD CLAIMS WERE PATENTED UNDER UNITED STATES PATENT NO. 36277, DATED JULY 16, 1903; SAI CLAIMS ARE FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT CORNER NUMBER I OF THE BRYAN CLAIM, WHENCE THE UNITED STATES MINERAL MONUMENT LN NO. I BEARS N. 86°13' W. A DISTANCE OF 867.7 FEET; THENCE N. 81°11' E. A DISTANCE OF 135.5 FEET TO CORNER NUMBER 2 OF SAID CLAIM; THENCE N. 06°33.' E A DISTANCE OF 151.99 FEET OF CORNER NUMBER 3 OF SAID CLAIM AND CORNER NUMBER 2 OF THE BRYAN EXTENSION, SAID CORNERS BEING COMMON IN LOCATION: THENCE N. 14°11' W. A DISTNACE OF 1233.4 FEET TO CORNER NUMBER 3 OF THE BRYAN EXTENSION; THENCE S. 81°11' W. A DISTANCE OF 505.0 FEET TO THE CORNER OF NUMBER 4 OF THE BRYAN EXTENSION; THENCE S. 09°46' E. A DISTANCE OF 270.6 FEET TO A POINT OF INTERSECTION WITH THE HORSE, SHOE NO.4 CLAIM, SAID INTERSECTION BEING CORNER NUMBER 3 OF SAID HORSE SHOE NO. 4 THENCE S. 76°39' W. A DISTANCE OF 600.0 FEET TO CORNER NUMBER 4.0F SAID HORSE SHOE NO. 4; THENCE S. 09°46' E. A DISTANCE OF 589.0 FEET TO CORNER NUMBER 5 OF SAID HORSE SHOE NO. 4, AND BEING COMMON WITH CORNER NUMBER 4 OF THE HORSE SHOE NO. 1 CLAIM; THENCE S. 86°18' W. A DISTANCEOF 600.0 FEET TO CORNER NUMBER 3 OF SAID SHOE NO. 1; THENCE S. 16°16' E. A DISTANCE OF 1499.5 FEET OF CORNER NUMBER

2 OF SAID HORSE SHOE NO 1, SAID CORNER BEING COMMON WITH CORNER NUMBER 2 OF THE HORSE SHOE. NO.2 CLAIM; THENCE S. 05°57′ E. A DISTANCE OF 1476.8 FEET TO CORNER NUMBER 3 OF SAID HORSE SHOE NO. 2: THENCE N. 86°18′ E, A DISTANCE OF 600.0 FEET TO CORNER NUMBER 4 OF SAID HORSE SHOE NO. 2; THENCE N. 05°57′ W, A DISTANCE OF 584.6 FEET TO A POINT OF INTERSECTION WITH THE HORSE SHOE NO.3 CLAIM, SAID POINT BEING CORNER NUMBER 4 OF SAID HORSE SHOE NO.3; THENCE N. 76°39′ E. A DISTANCE OF 549.0 FEET TO CORNER NUMBER 3 OF SAID HORSE SHOE NO. 3: THENCE N. 12°05′ W. A DISTANCE OF 548.8 FEET TO A POINT OF INTERSECTION WITH THEY BRYAN CLAIM, SAID POINT BEING CORNER NUMBER I OF SAID BRYAN CLAIM AND THE POINT OF BEGINNING.

NOTE: THE ABOVE METES AND BOUNDS LEGAL DESCRIPTION WAS PREPARED BY SPENCER W. HAFEN, PROFESSIONAL LAND SURVEYOR, NEVADA CERTIFICATE NO. 16459, NEVADA 89042.

Together with the rents, issues and profits, thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, and profits.

For the purposes of securing (1) payment of the sum of **Three hundred seventy five thousand and 00/100ths** dollars (\$375,000.00) with interest thereon according to the terms of the promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and all extensions or renewal thereof; and (2) the performance of each agreement of Trustor incorporated herein by reference or contained herein; (3) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or to his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the Security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious Deed of Trust recorded in the Office of each County Recorder in the State of Nevada on January 30, 1968, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely:

County	<u>Book</u>	<u>Page</u>	Doc. No.	И	County	<u>Book</u>	<u>Page</u>	Doc. No.
Churchill	39 Mortgages	363	115384]]	Lincoln			45902
Clark	850 Off. Rec.	/	682747	11	Lyon	37 Off. Rec.	341	100661
Douglas	57 Off. Rec.	115	40050	Ш	Mineral	11 Off. Rec.	129	89073
Elko	92 Off. Rec.	652	35747	Ш	Nye	105 Off. Rec.	107	04823
Esmeralda	3-X Deeds	195	35922	Ш	Ormsby	72 Off. Rec.	537	32867
Eureka	22 Off. Rec.	138	45941	Ш	Pershing	11 Off. Rec.	249	66107
Humboldt	28 Off. Rec.	124	131075	IJ	Storey	"S" Mortgages	206	31506

Lander 24 Off. Rec. 168 50782

| Washoe 300 Off. Rec. 517 107192

|| White Pine 295 R.E. Records 258

shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivision A and B, (identical in all counties, and printed below) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address above set forth.

Dated: June 17, 2008

Capone Goldmining, Inc., a Nevada

corporation

By: Michael Reynolds, Treasurer

STATE OF

:ss.

COUNTY OF

****)

This instrument was acknowledged before me on

The STAXX by

Michael Reynolds

Notary Public

(My commission expires:

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