

BUSINESS SECURITY AGREEMENT

On this 20th day of March, 1984, PACIFIC SILVER CORPORATION

Debtor hereby agree with and grants to ZIONS FIRST NATIONAL BANK, the "Secured Party," a security interest in the following motor vehicle(s) and all tires, accessories, spare and repair parts, tools, equipment, additions and accessions thereto, herein collectively called the "Collateral":

MOTOR VEHICLES (Describe below)

YEAR	NO. CYL.	MAKE	MODEL	BODY STYLE	SERIAL NO. OR OTHER NO.

NON MOTOR VEHICLES Describe fully, including year, make, model and serial number.

See attached

In addition the Debtor hereby grants to Zions First National Bank as additional security: Any and all proceeds received by debtor from said Collateral, including but not limited to insurance proceeds; and a right in Zions First National Bank to set off against this loan any of Debtors accounts with Zions First National Bank and any other amount owed by Zions First National Bank to Debtor.

This security is to secure all Debtor's present and future debts, obligations and liabilities of whatever nature to Secured Party (the "Obligations"), including the note executed by Debtor to Secured Party in amount of \$ 1,600,000.00 plus interest at the INTEREST RATE on the note.

A. WARRANTIES

Debtor warrants:

1. **USE** — The Collateral is used or bought for use primarily for (check one): personal, family, or household purposes, business, farming operations.
2. **PURCHASE MONEY** — If checked here , the Collateral is being acquired by Debtor with the proceeds of a loan from Secured Party, which proceeds will be used for no other purposes and Secured Party may disburse such proceeds directly to the seller of the Collateral. or Nevada
3. **LOCATION OF COLLATERAL** — The Collateral will not be taken from the State of Utah without the written consent of Secured Party.
4. **OWNERSHIP** — Debtor has clear title to the Collateral free of all encumbrances and security interest other than this Agreement.

B. PERSONS BOUND

Each person signing this Agreement, other than Secured Party, is a Debtor and the obligations of all Debtors are joint and several.

C. OTHER PROVISIONS

WARNING: INSURANCE COVERAGE DOES NOT INCLUDE PUBLIC LIABILITY INSURANCE UNLESS OTHERWISE SPECIFIED AND DOES NOT PROTECT THE DRIVER OF THE VEHICLE AGAINST DAMAGE CLAIMS.

Soc. Sec. or Tax I. D. # 99-0114255

THIS AGREEMENT INCLUDES ALL THE PROVISIONS ON THE REVERSE SIDE

Company Pacific Silver Corporation

By: K. L. Stoker President

Address: 322 First Security Bank Bldg.

Debtor: Salt Lake City, Utah

Address: _____

ZIONS FIRST NATIONAL BANK
One South Main Street, SLC, Utah 84111, Utah
 By: R. A. Weddington
 R. A. Weddington, Vice President

ZIONS FIRST NATIONAL BANK
 P.O. Box 25822
 SALT LAKE CITY, Utah 84125

099379
 BOOK **484** PAGE **817**

ADDITIONAL PROVISIONS

1. **FILING** — Debtor warrants that there is no financing statement now on file in any public office covering any of the Collateral or any of the proceeds thereof and so long as any of the Obligations remain unpaid, Debtor will not execute a financing statement or security agreement covering the Collateral with anyone other than Secured Party. Debtor agrees to sign and deliver one or more financing statements or supplements thereto or other instruments as Secured Party may from time to time require to comply with the Utah Uniform Commercial Code or other applicable law or to preserve, protect and enforce the security interest of Secured Party and to pay all costs of filing such statements or instruments. Secured Party is authorized to sign such statements or instruments for Debtor.

2. **CARE OF PROPERTY** — Debtor shall: keep the Collateral in good repair and be responsible for any loss or damage to it; keep it free from all liens, encumbrances and security interests; pay when due all taxes, license fees and other charges upon it; not sell, misuse, conceal or in any way dispose of it or permit it to be used unlawfully or for hire or contrary to the provisions of any insurance coverage; not permit it to become a fixture or an accession to other goods except as specifically authorized in writing by Secured Party. Loss of or damage to the Collateral shall not release Debtor from any of the obligations.

3. **INSURANCE** — Debtor agrees, at his expense, to insure the Collateral against loss, damage, theft (and such other risks as Secured Party may require) to the full insurable value thereof with insurance companies and under policies and in form satisfactory to Secured Party. Proceeds from the insurance shall be payable to Secured Party as its interest may appear and all policies shall provide for 10 days minimum written cancellation notice to Secured Party. Upon request, policies or certificates attesting the coverage shall be deposited with Secured Party. Insurance proceeds may be applied by Secured Party toward payment of any of the Obligations, whether or not due, in such order of application as Secured Party may determine.

4. **RIGHT TO PROTECT** — If Debtor fails to provide insurance as outlined above or fails to make any payment or perform any act required by this Agreement or which Secured Party deems advisable to preserve the Collateral or the priority or perfection of the Secured Party's security interest, Secured Party may advance funds for the same and such advance shall be one of the Obligations, secured hereby and shall be immediately payable with a finance charge thereon at the rate stated on the Promissory Note.

5. **DEFAULT** — Debtor shall be in default hereafter if any of the following events occur: (1) Debtor fails to pay any of the obligations when due; (2) Debtor fails to perform any undertaking or breaches any warranty in this Agreement or in any of the Obligations; (3) any statement, representation or warranty of Debtor herein or in any other writing at any time furnished by Debtor to Secured Party is untrue in any material respect when made; (4) Debtor becomes insolvent or unable to pay debts as they mature or makes an assignment for the benefit of creditors or any proceeding is instituted by or against Debtor alleging that Debtor is insolvent or unable to pay debts as they mature; (5) entry of any judgment against Debtor; (6) death of Debtor who is a natural person or of any partner of Debtor which is a partnership; (7) dissolution, merger or consolidation or transfer of a substantial part of the property of Debtor which is a corporation or a partnership; (8) an attachment, garnishment, execution or other process is issued or a lien filed against any property of Debtor; (9) transfer of any interest in any of the Collateral without the written consent of Secured Party; (10) any of the Collateral is lost, stolen or materially damaged; (11) Secured Party shall deem itself insecure for any reason whatsoever. Waiver of any default shall not constitute a waiver of any subsequent default.

6. **REMEDIES** — Upon the occurrence of any default hereunder and at any time thereafter all of the Obligations shall, at the election of Secured Party and without notice of such election, become immediately due and payable and Secured Party shall have the remedies of a secured party under the Utah Uniform Commercial Code or other applicable law, and: (1) Secured Party shall have the right to enter upon any premises where the Collateral may be and make possession thereof; (2) Debtor shall if requested by Secured Party, assemble the Collateral at a place designated by Secured Party; (3) Secured Party may sell, lease or otherwise dispose of any or all of the Collateral and, after deducting the expenses incurred by Secured Party, including reasonable attorneys' fees and legal expenses, apply the residue against the Obligations; (4) Secured Party may give any notice to Debtor required by law mailing such notice, postage prepaid, at least 5 days before the event to any address of Debtor set forth in this Agreement; and (5) Secured Party shall have the right immediately and without prior notice or demand to set off against the Obligations, whether or not due, all money or other amounts owed by Secured Party in any capacity to Debtor and Secured Party shall be deemed to have exercised such right of setoff and to have made a charge against any such money or amounts immediately upon occurrence of such default even though such charge is entered in the books of Secured Party subsequent thereto.

7. **GENERAL** — Secured Party may inspect the Collateral wherever located at any reasonable time. Secured Party is authorized to date this instrument and fill in any blanks. All words used herein shall be construed to be of such gender and number as the circumstances require and all references to Debtor shall include all other persons primarily or secondarily liable hereunder. This Agreement is governed by the Utah Uniform Commercial Code. The Debtor agrees that any such action may be brought in any court of said county. Any provisions hereof found to be invalid shall not invalidate the remainder. This Agreement constitutes the entire agreement between the parties and may not be altered or amended except by written agreement of the parties. This Agreement binds each Debtor, their respective heirs, personal representatives, successors and assigns, and inures to the benefit of Secured Party, its successors and assigns.

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BOOK 484 PAGE 818

BALANCE SHEET
AS OF JANUARY 31, 1984
(UNAUDITED)

CONSTRUCTION IN PROGRESS

SUPERVISION & ENGINEERING	22,614.34
CONTRACT ENGINEERING	1,195.00
CONSTRUCTION WAGES	2,693.43
CONSTRUCTION TOOLS	7,146.91
DEPRECIATION EXPENSE	2,344.00
RENTAL-OFFICE & DRY	398.91
EQUIPMENT MAINT & REPAIR	3,311.87
TRUCK EXPENSE	350.91
INSURANCE EXPENSE	200.00
FUEL & LUBRICATION	5,326.56
ELECTRICAL POWER	1,005.50
MISC CONSTRUCTN SUPPLIES	4,684.18
SUNDRY EXPENSE	1,649.57
TOTAL ADM & GEN EXPENSES	53,301.26

CRUSHER BUILDING & EQUIPMENT

CONSTRUCTION WAGES	36,444.48
EXCAVATION	868.09
CONCRETE	16,874.64
EQUIPMENT-CAPITAL COSTS	22,746.82
INSTALLATION COSTS-EQUIPMENT	6,239.00
ELECTRICAL-CAPITAL COSTS	28.79
EQUIPMENT RENTALS	1,575.00
CONSTRUCTION SUPPLIES	3,065.68
TOTAL CRUSHER BUILDING & EQUIP	87,842.50

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MILL BUILDING & EQUIPMENT

SUPERVISION & ENGINEERING	4,374.43
CONTRACT ENGINEERING	1,500.00
CONSTRUCTION WAGES	41,051.18
EXCAVATION	15,466.53
EXCAVATION-CONTRACT	12,745.00
CONCRETE FORM MATERIALS	14,245.99
CONCRETE	9,344.00
EQUIPMENT-CAPITAL COSTS	533.86
INSTALLATION COSTS-EQUIPMENT	17,971.03
ELECTRICAL-CAPITAL COSTS	708.12
INSTALLATION COSTS-ELECTRICAL	2,358.04
MOBILE EQUIP-CAPITAL COSTS	726.95
MILL TOOLS	437.45
CONSTRUCTION SUPPLIES	9,014.18
TOTAL MILL BUILDING & EQUIP	134,497.04

TAILINGS POND

CONTRACT ENGINEERING	1,071.00
CONSTRUCTION WAGES	39.24
TOTAL TAILINGS POND	1,111.04

LAB CONSTRUCTION

EQUIPMENT-CAPITAL COSTS	1,200.00
TOTAL LAB CONSTRUCTION	1,200.00

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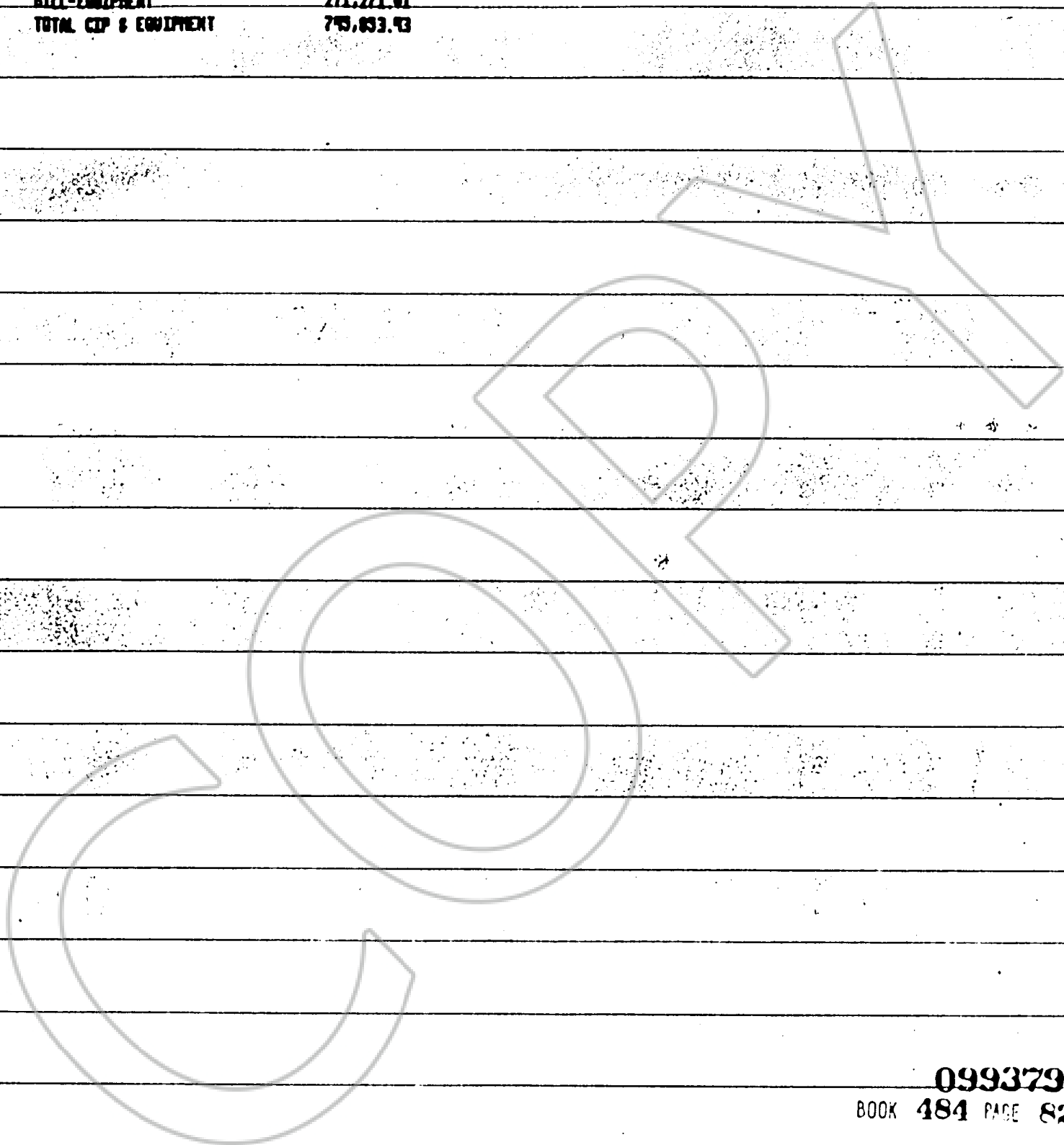
BOOK 484 PAGE 819

BALANCE SHEET
AS OF JANUARY 31, 1984
(UNAUDITED)

OFFICE CONSTRUCTION
TOTAL OFFICE CONSTRUCTION 0.00

TOTAL CONSTRUCTION IN PROG 277,431.92

CRUSHER-BUILDING 16,000.00
CRUSHER-EQUIPMENT 174,431.00
MILL-BUILDING 56,200.00
MILL-EQUIPMENT 271,221.01
TOTAL COP & EQUIPMENT 745,853.93



EQIP. NUMBER	EQUIPMENT DESCRIPTION	PURCH. DATE	COST OR BASIS	DEPRECIABLE SALV. VALUE	DEPRECIABLE BASIS	TOTAL PREV N/LF YEARS	PREV MONTH YTD DEPR	CURRENT MONTH DEPR	TOTAL DEPRECIATION
MM BUILDINGS - TYBO									
10203	SKYLINE MOBILE TRAILER	72281	15085.24	.00	15085.24 S 10	2314.20	1257.10	125.71	3047.01
10204	SKYLINE MOBILE TRAILER	72281	15085.24	.00	15085.24 S 10	2314.20	1257.10	125.71	3047.01
10205	TYBO FURN. SUPPL. FOR TRAIL	81881	7742.06	.00	7742.06 S 5	3148.30	1657.00	165.70	4471.00
162.00 ACCT TOTALS			40112.54	0.00	40112.54	8176.70	4171.20	417.12	12265.02
MM FLY OFFICE									
10300	SKYLINE MOBILE TRAILER	30882	14000.00	.00	14000.00 S 10	1516.71	1166.70	116.67	2800.08
162.00 ACCT TOTALS			14000.00	0.00	14000.00	1516.71	1166.70	116.67	2800.08
MM BUILDINGS - BUCKSKIN									
10400	2663B VINGATE MOBILE HOME	122980	16215.86	.00	16215.86 S 7	5212.35	1430.50	143.05	7335.90
10401	OFFICE TRAILER	62281	5181.75	.00	5181.75 S 7	1295.49	616.90	61.69	1974.08
10402	SHED	100181	1500.00	.00	1500.00 S 5	450.00	250.00	25.00	725.00
162.00 ACCT TOTALS			22897.61	0.00	22897.61	6957.84	2797.40	279.74	10034.98
MM MILL EQUIPMENT - BUCKSKIN									
20401	DRILL, ROTARY WANNER	81003	1212.68	.00	1212.68 S 2	.00	303.18	50.53	353.71
20402	WELDER-KILLER	81983	2356.43	.00	2356.43 S 5	.00	235.62	39.27	274.89
20403	2 VIBRATORS-UYCO	91983	1612.46	.00	1612.46 S 2	.00	332.41	67.19	399.60
20404	16" BUCKET-JOHN DEERE	100183	1046.02	.00	1046.02 S 5	.00	69.72	17.43	87.15
20405	FORK LIFT-GUSSE/CAT 930	100183	1091.34	.00	1091.34 S 5	.00	72.74	18.19	90.93
20406	CRANE-BOCTYRUS ERIC	100183	30070.00	.00	30070.00 S 10	.00	1244.00	317.25	1561.25
20407	20TON HYD JACK-RONG	110183	315.62	.00	315.62 S 2	.00	39.45	13.15	52.60
20408	WELDER-LINCOLN	121383	1400.28	.00	1400.28 S 5	.00	46.94	23.67	70.61
162.00 ACCT TOTALS			47112.83	0.00	47112.83	0.00	2344.08	546.48	2890.56
MM AUTOS & TRUCKS-GENERAL OFFICE									
162.00 ACCT TOTALS			0.00	0.00	0.00	0.00	0.00	0.00	0.00
MM AUTOS & TRUCKS - ELY									

099379

BOOK 484 PAGE 821

EQUIP. NUMBER	EQUIPMENT DESCRIPTION	PURCH. DATE	COST OR BASIS	DEPRECIABLE SALV. VALUE	DEPRECIABLE BASIS	TOTAL PREV N/LF YEARS	PREV MONTH YTD DEPR	CURRENT MONTH DEPR	J. B. & L. DEPRECIATION
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AUTOS & TRUCKS - ELY

162.00 ACCT TOTALS			0.00	0.00	0.00	0.00	0.00	0.00	0.00
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NON AUTOS & TRUCKS - BUCKSKIN

30401	81 1 TON PICKUP	20182	11060.87	.00	11060.87	S 5	3502.65	1843.50	184.35	3530.50
30402	80 CHEV LUV PICK-UP	80182	5200.00	.00	5200.00	S 3	1155.52	144.40	144.44	2744.36
30403	83 CHEV 3/4 TON PICKUP	62083	10391.54	.00	10391.54	S 5	.00	1385.52	173.19	1598.71
30404	AMBULANCE-PONTIAC	72083	704.46	.00	704.46	S 5	.00	63.30	12.74	76.04
30405	75 FORD 1/2 TON PICK UP	111683	3393.50	.00	3393.50	S 3	.00	291.64	91.88	379.52
30406	81 GMC 3/4 TON PICKUP	10584	3500.00	.00	3500.00	S 3	.00	97.22	97.22	174.44
30407	81 CHEV 1/2 TON PICKUP	10584	4000.00	.00	4000.00	S 3	.00	111.11	111.11	222.22

AUTOS & TRUCKS - BUCKSKIN

162.00 ACCT TOTALS			38512.37	0.00	38512.37		6458.17	5244.64	822.93	10725.79
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NON OFFICE FURNITURE - GEN. OFFICE

40000	2-DRAWER FILE CABINET	32580	145.95	.00	145.95	S 7	64.64	17.40	1.74	83.78
40002	10M TYPEWRITER	120880	1233.75	.00	1233.75	S 5	575.68	205.60	20.56	801.84
40003	USED PAYMASTER PROTECTOR	123080	75.00	.00	75.00	S 5	33.75	12.50	1.25	47.50
40004	EXEC WOOD DESK & ACCESS	11681	374.75	.00	374.75	S 5	142.50	62.50	6.25	231.25
40005	EXECUTIVE CHAIR	11681	92.14	.00	92.14	S 5	40.04	15.40	1.54	56.98
40006	GUEST CHAIR	11681	80.33	.00	80.33	S 5	34.84	13.40	1.34	49.58
40007	GUEST CHAIR	11681	80.33	.00	80.33	S 5	34.84	13.40	1.34	49.58
40008	GUEST CHAIR	11681	80.33	.00	80.33	S 5	34.84	13.40	1.34	49.58
40009	GUEST CHAIR	11681	80.33	.00	80.33	S 5	34.84	13.40	1.34	49.58
40010	WOOD BOOKCASE	11681	244.45	.00	244.45	S 5	106.00	40.80	4.08	150.56
40011	72X36 TABLE	11681	159.86	.00	159.86	S 5	67.16	26.60	2.66	98.42
40012	SEC. DESK/RETURN & ACCESS	11681	528.73	.00	528.73	S 5	224.06	88.10	8.81	325.97
40013	LEGAL 4-DR. FILE CABINET	11681	186.90	.00	186.90	S 5	81.12	31.20	3.12	115.44
40014	LEGAL 4-DR. FILE CABINET	11681	186.90	.00	186.90	S 5	81.12	31.20	3.12	115.44
40015	PHONE SYSTEM	12181	3360.36	.00	3360.36	S 7	1040.00	400.00	40.00	1400.00
40016	4-DR. LEGAL FILE CABINET	11381	210.00	.00	210.00	S 5	87.50	35.00	3.50	126.00
40017	CASIO CALCULATOR	51481	168.00	.00	168.00	S 5	64.40	28.00	2.80	95.20
40018	4 DRAWER FILE CABINET-NON	30383	147.33	.00	147.33	S 5	2.46	24.60	2.46	29.52

OFFICE FURNITURE - GEN. OFFICE

162.00 ACCT TOTALS			7435.64	0.00	7435.64		2776.87	1072.50	107.25	3156.62
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NON OFFICE FURNITURE - ELY

162.00 ACCT TOTALS			0.00	0.00	0.00		0.00	0.00	0.00	0.00
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NON OFFICE FURNITURE - BUCKSKIN

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EQUIP. NUMBER	EQUIPMENT DESCRIPTION	PURCH. DATE	COST OR BASIS	DEPRECIABLE SALV. VALUE	DEPRECIABLE BASIS	N/LF YEARS	TOTAL PREV YTD DEPR	PREV MONTH YTD DEPR	CURRENT MONTH DEPR	TOTAL DEPRECIATION
40400	DESK & ACCESSORIES	12301	320.84	.00	320.84 S	5	139.10	53.50	5.35	147.45
40401	CHAIR	12301	133.52	.00	133.52 S	5	57.98	22.30	2.23	82.51
40402	FILE CABINET	12301	184.75	.00	184.75 S	5	80.00	30.80	3.08	113.46
40403	OFFICE FURNITURE	72983	4486.84	.00	4486.84 S	10	.00	241.73	37.37	249.12
40404	MINI TA COPY MACHINE	81183	2215.46	.00	2215.46 S	5	.00	221.52	34.92	258.44
40405	TYPEWRITER-IBM SELECT III	91383	1039.52	.00	1039.52 S	5	.00	84.85	17.33	104.18
40406	BRUING MACHINE USED	91283	578.88	.00	578.88 S	5	.00	38.60	4.65	48.25

OFFICE FURNITURE - BUCKSKIN

162.00 ACCT TOTALS		8439.81	0.00	8439.81			277.16	715.30	111.45	1104.41
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OTHER EQUIPMENT - TYBO

EQUIP. NUMBER	EQUIPMENT DESCRIPTION	PURCH. DATE	COST OR BASIS	DEPRECIABLE SALV. VALUE	DEPRECIABLE BASIS	N/LF YEARS	TOTAL PREV YTD DEPR	PREV MONTH YTD DEPR	CURRENT MONTH DEPR	TOTAL DEPRECIATION
50200	TYBO POWER	20400	448046.85	448046.85	.00 S	10	.00	.00	.00	.00
50201	TYBO SUB-STATION	70181	120338.59	120338.59	.00 S	10	.00	.00	.00	.00
50202	REXINGTON AIR CHAIN SAW	71781	1673.15	.00	1673.15 S	5	557.78	278.90	27.89	864.57
50203	THREADER SETS, CASES, ETC.	81181	1374.20	.00	1374.20 S	5	458.00	229.00	22.90	709.90
50204	TWO 12-VOLT PAGE PHONES	102301	599.82	.00	599.82 S	5	170.00	100.00	10.00	280.00
50205	THREADING MACH. & ADAPTER	113001	650.45	.00	650.45 S	5	173.44	108.40	10.84	292.68

OTHER EQUIPMENT - TYBO

162.00 ACCT TOTALS		572403.06	568605.44	4297.62			1359.22	716.30	71.63	2147.15
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OTHER EQUIPMENT - BUCKSKIN

EQUIP. NUMBER	EQUIPMENT DESCRIPTION	PURCH. DATE	COST OR BASIS	DEPRECIABLE SALV. VALUE	DEPRECIABLE BASIS	N/LF YEARS	TOTAL PREV YTD DEPR	PREV MONTH YTD DEPR	CURRENT MONTH DEPR	TOTAL DEPRECIATION
50400	BUCKSKIN POWER	11281	51742.32	51742.32	.00 S	10	.00	.00	.00	.00
50401	TWO PAGER III PHONES	70981	686.82	.00	686.82 S	5	240.45	114.50	11.45	366.40
50402	LINCOLN WELDER	91281	3382.14	.00	3382.14 S	5	1134.30	597.00	59.70	1791.00
50403	TRAYER FOR WELDER	92381	1586.25	.00	1586.25 S	5	479.82	244.40	24.44	744.74
50404	3150 GAL. WATER TANK	100181	2166.70	.00	2166.70 S	7	444.22	257.40	25.74	747.91
50405	SUITCH BOARD	101981	7090.44	.00	7090.44 S	5	2008.89	1181.70	118.17	3308.76
50406	SUTTON BATT. ATMC	110181	1723.57	.00	1723.57 S	10	264.46	143.88	14.38	402.64
50407	1970 ROAD RUMER TRAILER	33183	1250.00	.00	1250.00 S	5	20.83	200.30	20.83	249.96
50408	HITACHI 14" COLOR TV	51983	388.49	.00	388.49 S	5	.00	58.23	6.47	64.70
50409	SEPTIC TANK-SEWER SYSTEM	90183	4890.60	.00	4890.60 S	10	.00	163.84	16.74	203.88
50410	LINCOLN WELDER	20684	1432.07	.00	1432.07 S	5	.00	.00	24.20	24.20

OTHER EQUIPMENT - BUCKSKIN

162.00 ACCT TOTALS		76561.40	51742.32	24819.00			4389.07	2988.87	340.19	7926.13
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OTHER EQUIPMENT - TYBO

EQUIP. NUMBER	EQUIPMENT DESCRIPTION	PURCH. DATE	COST OR BASIS	DEPRECIABLE SALV. VALUE	DEPRECIABLE BASIS	N/LF YEARS	TOTAL PREV YTD DEPR	PREV MONTH YTD DEPR	CURRENT MONTH DEPR	TOTAL DEPRECIATION
70208	CAT D340 GENERATOR	50174	20500.00	.00	20500.00 S	10	18285.92	1708.30	170.83	20165.05
70209	DRS BTM - USED	110175	1362.50	.00	1362.50 S	10	1012.90	113.50	11.35	1137.75
70210	BYRON JACKSON 11 SUB PUMP	70176	20418.00	.00	20418.00 S	10	13109.10	1701.50	170.15	14980.75
70211	AXIOMME BLOWER	82381	1468.85	.00	1468.85 S	5	623.39	328.10	32.81	984.30
70212	USED CATERPILLAR LOADER	82381	28646.60	.00	28646.60 S	4	11359.15	5478.50	547.85	17935.50

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BOOK 484 PAGE 823

EQUIP. NUMBER	EQUIPMENT DESCRIPTION	PURCH. DATE	COST OR BASIS	DEPRECIABLE SALV. VALUE	DEPRECIABLE BASIS	R/LF	TOTAL PREV YEARS DEPR	PREV MONTH YTD DEPR	CURRENT MONTH DEPR	JAN L DEPRECIATION
70213	400 AMP SWITCH PANEL	100281	10743.71	.00	10743.71 S	5	3223.00	1790.60	179.06	5192.74
70214	FUA AIR TUGGER HOIST	101981	2060.44	.00	2060.44 S	5	583.78	343.40	34.34	961.52
70215	36" FEED LEG & SWIVEL	111881	889.14	.00	889.14 S	5	237.12	148.20	14.82	400.14
70216	SUBMERSIBLE PUMP CABLE	120381	20434.91	.00	20434.91 S	5	5370.80	3405.80	340.58	9117.26

NINE EQUIPMENT - TYBO										
162.00 ACCT TOTALS			107074.15	0.00	107074.15		53005.32	15517.90	1351.79	70875.01

NINE EQUIPMENT - BUCKSKIN		MM								
70400	AIR TUGGER HOIST	21681	2730.00	.00	2730.00 S	7	812.50	325.00	32.50	1170.00
70401	SINKING BUCKET	21681	315.00	.00	315.00 S	7	93.75	37.50	3.75	135.00
70402	FLYCHT PUMP	33081	3603.40	.00	3603.40 S	7	1072.50	429.00	42.90	1544.40
70403	USED 75000 COMPRESSOR	33081	27303.11	.00	27303.11 S	7	8126.00	3250.40	325.04	11701.44
70404	DRILL W/LESSSSHOVELS	33081	3439.80	.00	3439.80 S	7	1023.75	409.50	40.95	1474.20
70405	DRILL W/LESSSSHOVELS	33081	3439.80	.00	3439.80 S	7	1023.75	409.50	40.95	1474.20
70406	PERKINS GENERATOR SET	33081	14482.44	.00	14482.44 S	7	4310.25	1724.10	172.41	6206.76
70407	USED CATERPILLAR LOADER	61581	38500.00	.00	38500.00 S	7	9624.93	4583.30	458.33	14666.56
70408	DEMOLITION TOOL W/POINTS	71681	1043.70	.00	1043.70 S	5	348.00	174.00	17.40	539.40
70409	AIR TUGGER	72381	1200.00	.00	1200.00 S	5	400.00	200.00	20.00	620.00
70410	USED 1 R TUGGER	80381	1004.63	.00	1004.63 S	4	418.60	209.30	20.93	648.83
70411	FLYCHT PUMP	82181	3435.04	.00	3435.04 S	5	1252.67	629.30	62.93	1977.90
70412	LOAD-HAIL-DUMP MACHINE	92881	63304.39	.00	63304.39 S	5	19009.26	10560.70	1056.07	30626.03
70413	C'DA CLANSHELL RUCKER	90981	3937.50	.00	3937.50 S	7	890.72	468.80	46.88	1406.40
70414	HU INGERSOLL RAND TUGGER	91481	846.00	.00	846.00 S	5	267.90	141.00	14.10	423.00
70415	WHEAT CHARGER & LAMPS	110381	922.25	.00	922.25 S	5	245.92	153.70	15.37	414.99
70416	FLYCHT PUMP	111281	3763.71	.00	3763.71 S	7	761.77	448.10	44.81	1254.68
70417	HEAD FRAME, SCROLLS, SKIP	100181	15000.00	.00	15000.00 S	5	4500.00	2500.00	250.00	7250.00
70418	30" SLUSHER BUCKET	121881	528.31	.00	528.31 S	5	132.15	88.10	8.81	229.06
70419	DD AIR SLUSHER HOIST	121881	3272.92	.00	3272.92 S	5	818.25	545.50	54.55	1418.30
70420	COLUMN BAR, SADDLE, 3' ARM	121881	3048.78	.00	3048.78 S	5	762.15	508.10	50.81	1321.06
70421	125HP SINGLE DD HOIST	11282	58874.00	.00	58874.00 S	10	7359.45	4906.30	490.63	12756.38
70422	THREE 75KV TRANSFORMERS	12682	2773.67	.00	2773.67 S	5	647.22	462.30	46.23	1139.75
70423	36" FEED LEG	22882	631.12	.00	631.12 S	5	136.76	105.20	10.52	292.48
70424	5000CFH 125HP COMPRESSOR	112282	7500.00	.00	7500.00 S	3	1041.45	2083.30	208.33	3333.28
70425	VERT AIR RECEIVER 1020CAL	121482	2057.95	.00	2057.95 S	5	137.20	343.00	34.30	514.50
70426	AXIUMME BLOWER FOLKE-SOD	122882	1940.50	.00	1940.50 S	5	130.72	326.80	32.68	490.20
70427	500LB CENTRIFUGAL PUMP	11183	1260.88	.00	1260.88 S	5	43.03	210.10	21.01	294.14
70428	CORE DRILL SELF PROPELLED	61083	27256.81	.00	27256.81 S	5	.00	3634.24	454.28	4088.52
70429	EIMCO BUMP TRUCK	61083	117504.48	.00	117504.48 S	5	.00	13715.87	1459.41	15675.28
70430	EIMCO 922 LOADER	71183	109775.43	.00	109775.43 S	5	.00	12887.13	1829.59	14636.72
70431	SECOMA ATH-L2 DRILL	71183	131067.13	.00	131067.13 S	5	.00	15291.15	2184.45	17475.60
70432	2HRV-50 PUMP	61383	6170.76	.00	6170.76 S	5	.00	719.95	102.85	822.80
70433	2 HRV-50 2 STAGE PUMP	62083	3932.25	.00	3932.25 S	5	.00	458.78	65.54	524.32
70434	CHAIN SAW-REMINGTON AIR	82983	1033.24	.00	1033.24 S	5	.00	103.42	17.22	120.64
70435	AXIUMME BLOWER-JOY 2000	82983	5841.38	.00	5841.38 S	5	.00	584.16	97.36	681.52
70436	HYD PRESS & DRILL PRESS	12584	1852.22	.00	1852.22 S	5	.00	30.87	30.87	61.74
70437	FEED LEG DRILL	12684	2950.43	.00	2950.43 S	5	.00	49.17	49.17	98.34
70438	EIMCO 9220 LHD	20184	99085.11	.00	99085.11 S	5	.00	.00	1651.42	1651.42

NINE EQUIPMENT - BUCKSKIN										
162.00 ACCT TOTALS			777290.74	0.00	777290.74		65410.85	83656.64	12068.35	161135.84

BOOK 099379
181 P. 82.1

EQIP. NUMBER	EQUIPMENT DESCRIPTION	PURCH. DATE	COST OR BASIS	DEPRECIABLE SALV. VALUE	DEPRECIABLE BASIS	TOTAL PREV N/LE YEARS	PREV MONTH DEPR	PREV MONTH DEPR	CURRENT MONTH DEPR	TOTAL DEPRECIATION
REPORT TOTALS			1712840.15	620347.74	1092492.39	149327.91	120791.58	14442.10	20361.99	

099379

BOOK 484 PAGE 825

Pacific Silver Corporation

322 FIRST SECURITY BANK BLDG.

SALT LAKE CITY, UTAH 84111

TELEPHONE: (801) 634-1098

February 29, 1984

MILL CONSTRUCTION - BUCKSKIN MINE

CRUSHING

BUILDING 24X60X30 - Cuckler

\$ 16,000.00

EQUIPMENT:

Jaw Crusher - Pioneer 20X36 \$ 98,837.16
Cone Crusher - Symons 4 1/4 Short Head 57,838.75
Screen - Hewitt Robbins 5X14 17,755.09

174,431.00

MILLING

BUILDING 50X100X24 - Cuckler

56,200.00

EQUIPMENT:

2 Ball Mills - Allis Chalmers 105,649.20
2 Ball Mills - Hardinge 48,961.79
1 Ball Mill - Eimco 5X5 28,437.78
4 Flotation Cells - Galigher 6 Bank #48 66,805.25
3 Sump Tanks - Rubber Lines 1,267.97
Misc Mill Equipment 20,149.02

271,271.01

517,902.00

CONSTRUCTION IN PROGRESS

277,951.92

\$795,853.93

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