SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT ("Agreement") is made effective on the date it has been fully executed, by and between Lead Plaintiffs in the First Amended Consolidated Class Action Complaint for Violation of Federal Securities Laws (the "Complaint"), filed on July 28, 2008 in In Re Atlas Mining Company Securities Litigation, in the United States District Court for the District of Idaho, Civil Action No. 07-428-N-EJL (the "Plaintiffs") and Atlas Mining Company, in its own capacity and as successor in interest to Nano Clay Technologies, Inc. ("Atlas" or "the Company"), William Jacobsen, Robert Dumont, Barbara Suveg and Ronald Price, and their respective marital community, representatives, heirs, executors, administrators, attorneys, agents, successors and assigns (collectively, "the Parties")

RECITALS

A. WHEREAS, the Parties are currently involved in a dispute regarding claims asserted by the Plaintiffs alleging violations of §§10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Dispute"). The Dispute is currently pending in In Re Atlas Mining Company Securities Litigation, in the United States District Court for the District of Idaho, including all cases consolidated under Civil Action No. 07-428-N-EJL.

B. WHEREAS, Plaintiffs and Atlas entered into a Memorandum of Understanding dated May 1, 2009, pursuant to which Plaintiffs and Atlas agreed to draft a final settlement agreement. This Agreement is intended to memorialize the final agreement of the Parties.

C. WHEREAS, the Parties have entered into this Agreement to avoid the expense, inconvenience and uncertainty of further litigation and collection efforts. The purpose of this Agreement is to achieve a full and complete settlement and compromise of all claims and counterclaims arising out of the dispute between them.

D. WHEREAS, the claims pending against Atlas's outside auditor, non-settling defendant, Chisolm, Bierwolf & Nilson, LLC ("CBN"), remain pending and are in no way affected by this Settlement Agreement

TERMS

1. The Parties hereby incorporate all of the terms, conditions and obligations of the Stipulation of Settlement (the "Stipulation") attached as Exhibit A and the Parties agree that Exhibit A is part of the Agreement and the Parties are bound by its terms. The Parties agree that, following the execution of this Agreement, the Parties will cooperate in good faith in preparing all necessary exhibits and submitting the Stipulation to the Court.
2. In addition to performance of the terms, conditions and obligations of the Stipulation, the Parties further agree that Atlas will afford Plaintiffs the opportunity to undertake confirmatory discovery by providing Plaintiffs the following information:

a. a complete Atlas balance sheet as of May 1, 2009;

b. a copy of the settlement agreement between Atlas and defendant William Jacobson and a briefing by Atlas’ counsel responsible for the conduct of the settlement negotiations with respect to that settlement agreement, so as to verify Atlas’ good faith efforts with respect to the settlement;

c. a reasonable accounting by Atlas with respect to Atlas’ understanding of the Atlas shares owned or controlled by William Jacobson and his family;

d. Atlas’ due diligence with respect to an evaluation of its claims against third parties related to Atlas’ issuance of 14.6 million shares, as described in Atlas’ August 20, 2008 Form 8-K, including a copy of Atlas’ Special Litigation Committee’s PowerPoint presentation to the Securities and Exchange Commission;

e. a summary of Atlas’ current geological report, which Atlas represents and warrants is an accurate representation of the report as of the date it is made available as well as making the report available as of June 12, 2009, on a read only basis for one day, at K&L Gates’ Newark, New Jersey offices;

f. a list of all shareholders who purchased Atlas stock during the Class Period, or if that list is unavailable a listing of current shareholders;

All of the information specified in this ¶2 shall be made available for confirmatory discovery only and shall be produced pursuant to a confidentiality agreement between the Parties. After completion of confirmatory discovery, to the extent that Plaintiffs in good faith and with reasonable basis seek to terminate the Agreement, the Agreement and the attached Stipulation shall become null and void and will have no legal force or effect nor will any of the provisions of these documents bind the Parties other than the confidentiality provisions contained in Section 2 of this Agreement.

3. The Parties expressly understand and acknowledge that this Agreement constitutes a compromise and settlement of disputed claims. No action taken by any Party, either previously or in connection with this Agreement, shall be deemed or construed to be an admission of the truth or falsity of any claims heretofore made or an acknowledgment or admission by any Party of any fault or liability whatsoever to another Party, which is expressly denied. This Agreement is entered into solely in settlement of such claims and to avoid the disruption, time, and expense of litigation.
4. The United States District Court for the District of Idaho (Boise) shall retain jurisdiction to enforce this Agreement and any disputes that relate to or involve this Agreement (including all exhibits to this Agreement). The Parties agree that this Agreement and its terms and conditions shall be subject to and construed in accordance with the laws of the State of Idaho.

5. This Agreement, including all provisions of Exhibit A, constitutes the entire agreement between the Parties pertaining to the settlement of obligations between them with respect to the subject matter of this Agreement.

6. The Parties each acknowledge and agree that they have reviewed this Agreement in its entirety, and every part thereof, have had the opportunity (should they wish) to consult with counsel, and that they understand the Agreement. The Parties have in fact consulted with their respective counsel as to the Agreement, and acknowledge and agree that the terms and conditions adequately and correctly reflect their respective understandings.

7. This Agreement has been generated pursuant to the equal negotiations and advice of counsel. Accordingly, this Agreement should not be construed more favorably or unfavorably as to any Party.

8. If any term, condition or provision contained in this Agreement shall contravene or be invalid under applicable law, such contravention or invalidity shall not invalidate the whole Agreement, but the Agreement shall be construed as not containing the particular term and condition or provision held to be invalid, and the rights and obligations of the Parties shall be construed and enforced accordingly.

9. The undersigned each covenant and warrant that they have the right and authority to enter into this Agreement and carry out its terms.

10. This Agreement may be executed in counterparts, and by facsimile or other electronic transmission, all of which taken together shall constitute one agreement.

WHEREFORE, the Parties hereby acknowledge their agreement and consent to the terms and conditions set forth above through their respective signatures as contained below.

K&L GATES LLP

DATED: July 2, 2009

Richard A. Kirby
Philip M. Guess

Settlement Agreement-3
ATLAS MINING COMPANY, AND AS SUCCESSOR IN INTEREST TO NANO CLAY TECHNOLOGIES, INC.

DATED: 06/24/09

Andre Zeitoun
Chief Executive Officer

LITE DEPALMA GREENBERG & RIVAS LLC

DATED: ________________
Joseph DePalma
Katrina Carroll

DATED: ________________
James O’Hern

DATED: ________________
John O’Hern

DATED: ________________
William Jacobson

TEMKIN WIELGA HARDT & LONGENECKER LLP

DATED: ________________
Nathan M. Longenecker

DATED: ________________
Robert Dumont
ATLAS MINING COMPANY, AND AS SUCCESSOR IN INTEREST TO NANO CLAY TECHNOLOGIES, INC.

DATED: ________________

Andre Zeitoun
Chief Executive Officer

DATED: 6/24/09

LITE DEPALMA GREENBERG & RIVAS LLC

Joseph DePalma
Katrina Carroll

DATED: ________________

James O’Hern

DATED: ________________

John O’Hern

DATED: ________________

William Jacobson

DATED: ________________

Nathan M. Longenecker

DATED: ________________

Robert Dumont

Settlement Agreement-4
ATLAS MINING COMPANY, AND AS SUCCESSOR IN INTEREST TO NANO CLAY TECHNOLOGIES, INC.

DATED: ________
Andre Zeitoun
Chief Executive Officer

LITE DEPALMA GREENBERG & RIVAS LLC

DATED: ________
Joseph DePalma
Katrina Carroll

DATED: 6-29-09
James O'Hern

DATED: ________
John O'Hern

DATED: ________
William Jacobson

TEMKIN WIELGA HARDT & LONGENECKER LLP

DATED: ________
Nathan M. Longenecker

DATED: ________
Robert Dumont

Settlement Agreement-4
ATLAS MINING COMPANY, AND AS
SUCCESSOR IN INTEREST TO NANO CLAY
TECHNOLOGIES, INC.

DATED: ________________

Andre Zeitoun
Chief Executive Officer

LITE DEPALMA GREENBERG & RIVAS LLC

DATED: ________________

Joseph DePalma
Katrina Carroll

DATED: ________________

James O’Hern

DATED: 6/30/09

John O’Hern

DATED: ________________

William Jacobson

DATED: ________________

Nathan M. Longenecker

DATED: ________________

Robert Dumont

Settlement Agreement-4
ATLAS MINING COMPANY, AND AS SUCCESSOR IN INTEREST TO NANO CLAY TECHNOLOGIES, INC.

DATED: ____________________________

Andre Zeitoun
Chief Executive Officer

LITE DEPALMA GREENBERG & RIVAS LLC

DATED: ____________________________

Joseph DePalma
Katrina Carroll

DATED: ____________________________

James O’Hern

DATED: ____________________________

John O’Hern

DATED: ____________________________

William Jacobson

TEMKIN WIELGA HARDT & LONGENECKER LLP

DATED: 7/1/09

Nathan M. Longenecker

DATED: 6/30/09

Robert Dumont

Settlement Agreement-4
DATED: June 25, 2009

Winston & Cabilatt

C. Matthew Andersen
Courtney R. Beaudoin

DATED: June 24, 2009

Barbara Suveg

Elam & Burke, P.A.

DATED: __________________________

William G. Dryden

DATED: __________________________

Ronald Price
WINSTON & CASHATT

DATED: __________________

C. Matthew Andersen
Courtney R. Beaudoin

DATED: __________________

Barbara Suveg

DATED: June 29, 2009

Williams G. Dryden

DATED: June 29, 09

Ronald Price

Settlement Agreement-5
DATED: June 30, 2009

William Jacobsen

YARMUTH WILSDON CALFO PLLC

By

Matthew Carvalho
Angelo J. Calfo

Settlement Agreement-6
DATED: ____________________________

William Jacobson

YARMUTH WILSDON CALFO PLLC

By ________________________________
Matthew Carvalho
Angelo J. Calfo

DATED: 6/30/09

Settlement Agreement-6
EXHIBIT A
This Stipulation of Settlement dated as of June __, 2009 (the “Stipulation”), is submitted pursuant to Rule 23 of the Federal Rules of Civil Procedure. Subject to the approval of the Court, this Stipulation is entered into by and among the following Settling Parties (as defined further in Section IV below) to the above-entitled Litigation: (i) the Lead Plaintiffs (on behalf of themselves and each of the Settlement Class Members), by and through their counsel of record in the Litigation; and (ii) those Defendants, as set forth below,
by and through their counsel of record in the Litigation (the “Settling Defendants”). The
Stipulation is intended by the Settling Parties to fully, finally and forever resolve, discharge
and settle the Released Claims, upon and subject to the terms and conditions hereof. This
Stipulation of Settlement does not discharge or release any claims that Lead Plaintiffs or the
Class have against Atlas’s outside auditor during the Class Period, non-settling defendant,
Chisolm, Bierwolf & Nilson, LLC (“CBN”).

I. THE LITIGATION

On and after October 11, 2007, the following actions were filed in the United States
District Court for the District of Idaho (Boise) as securities class actions on behalf of
purchasers of the securities of Atlas Mining Company (“Atlas”) during a defined period of
time:

<table>
<thead>
<tr>
<th>Abbreviated Case Name</th>
<th>Case Number</th>
<th>Date Filed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Benson v. Atlas Mining Co., et al.</td>
<td>C-07-428</td>
<td>10/11/07</td>
</tr>
<tr>
<td>(b) Berger v. Atlas Mining Co., et al.</td>
<td>C-07-449</td>
<td>10/19/07</td>
</tr>
<tr>
<td>(c) O’Hern v. Atlas Mining Co., et al.</td>
<td>C-07-503</td>
<td>11/26/07</td>
</tr>
</tbody>
</table>

These actions were consolidated for all purposes by an Order of the Court entered
January 22, 2008. The consolidated action, In re Atlas Mining Securities Litigation, No. C-
07-428, is referred to as the “Litigation.”

On March 25, 2008, the Court appointed James O’Hern and John O’Hern as Lead
Plaintiffs, as defined herein pursuant to §21D(a)(3)(B) of the Securities Exchange Act of 1934
(the “Act”), as amended by the Private Securities Litigation Reform Act of 1995, and
approved their selection of Lite DePalma Greenberg & Rivas, LLC as Lead Counsel.

The operative complaint in the Litigation is the First Amend Consolidated Class
Action Complaint for Violation of Federal Securities Laws (the “Complaint”), filed July 28,
2008. The Complaint alleges violations of §§10(b) and 20(a) of the Act.
II. SETTLING DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

The Settling Defendants have denied and continue to deny each and all of the Lead Plaintiffs' claims and contentions in this Litigation. The Settling Defendants expressly have denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Litigation. The Settling Defendants also have denied and continue to deny, among other things, the allegations that the Lead Plaintiffs or the Settlement Class have suffered and/or could prove either damage or that the prices of Atlas securities were artificially inflated by reasons of alleged misrepresentations, non-disclosures or otherwise, and that the Lead Plaintiffs or the Settlement Class were harmed by the conduct alleged in the Complaint.

Nonetheless, the Settling Defendants have concluded that further conduct of the Litigation would be protracted and expensive, and that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. The Settling Defendants also have taken into account the uncertainty and risks inherent in any litigation, especially in complex cases like this Litigation. The Settling Defendants have, therefore, determined that it is desirable and beneficial to them that the Litigation be settled in the manner and upon the terms and conditions set forth in this Stipulation.

III. CLAIMS OF THE LEAD PLAINTIFFS AND BENEFITS OF SETTLEMENT

The Lead Plaintiffs believe that the claims asserted in the Litigation have merit and that the evidence developed to date supports their claims. Lead Plaintiffs believe they would present supporting evidence at trial that Settling Defendants issued materially false and misleading statements and omissions of material information concerning Atlas, causing the price of Atlas securities to be artificially inflated during the Class Period (as defined in the operative Complaint) and causing injury to Lead Plaintiffs and the Class Members.
Lead Plaintiffs' Counsel believes that Atlas is facing many financial pressures and that the Class will benefit from securing a substantial settlement now with Settling Defendants, rather than continuing to bear the risk that Atlas will be unable to fund a settlement or satisfy a judgment of equivalent size to this Settlement. The Lead Plaintiffs recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against the Settling Defendants through trial and through appeals. The Lead Plaintiffs also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Litigation, as well as the difficulties and delays inherent in such Litigation. The Lead Plaintiffs also are mindful of the inherent problems of proof under and possible defenses to the securities law violations asserted in the Litigation. Finally, given the risks associated with pending litigation involving Atlas and its insurance carriers concerning the available limits of coverage, as well as Atlas' precarious financial position, the Lead Plaintiffs are concerned about their ultimate ability to collect on any judgment that they may obtain. The Lead Plaintiffs believe that the settlement set forth in the Stipulation confers substantial benefits upon the Settlement Class. Based on their evaluation, the Lead Plaintiffs and Lead Counsel have determined that the Settlement set forth in the Stipulation is in the best interests of the Lead Plaintiffs and the Settlement Class.

IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among the Lead Plaintiffs (for themselves and the Settlement Class Members) and the Settling Defendants, by and through their respective counsel or attorneys of record, that, subject to the approval of the Court, the Litigation and the Released Claims shall be finally and fully compromised, settled and released, and the Litigation shall be dismissed with prejudice, as to all Settling Parties, upon and subject to the terms and conditions of the Stipulation, as follows.
1. **Definitions**

As used in the Stipulation the following terms have the meanings specified below:

1.1 “Act” shall have the meaning set forth in Section I.

1.2 “Atlas” means Atlas Mining Company in its own capacity and on behalf of its former wholly owned subsidiary Nano Clay Technologies, Inc.

1.3 “Authorized Claimant” means any Settlement Class Member whose claim for recovery has been allowed pursuant to the terms of the Stipulation and Plan of Allocation, defined below.

1.4 “Claimant” means any Settlement Class Member who files a Proof of Claim in such form and manner, and within such time, as the Court shall prescribe.

1.5 “Claims Administrator” means the firm of Rust Consulting, Inc.

1.6 “Class Notice and Administration Fund” shall have the meaning set forth in section 2.6 hereof.

1.7 “Complaint” shall have the meaning set forth in Section I.


1.9 “Effective Date” means the first date by which all of the events and conditions specified in paragraphs 2.1 and 7.1 of the Stipulation have been met and have occurred.

1.10 “Escrow Agent” means the firm of Rust Consulting, Inc., which will act as the Atlas Escrow Agent for the escrow accounts referred to herein.

1.11 “Escrow Agreement” means the escrow agreement governing the interest bearing escrow account (“Atlas Escrow Account” or “Atlas Escrow Fund”) into which the Settling Defendants’ funds are deposited, attached hereto as Exhibit __.

1.12 “Fee and Expense Application” shall have the meaning set forth in section 6.1 hereof.
1.13 “Fee and Expense Award” shall have the meaning set forth in section 5.2(a) hereof.

1.14 “Final” means when the last of the following with respect to the Judgment approving the Stipulation, substantially in the form of Exhibit __ hereto, shall occur: (i) the expiration of three (3) business days after the time to file a motion to alter or amend the Judgment under Federal Rule of Civil Procedure 59(e) has passed without any such motion having been filed; (ii) the expiration of three (3) business days after the time in which to appeal the Judgment has passed without any appeal having been taken (which date shall be deemed to be thirty-three (33) calendar days following the entry of the Judgment, unless the date to take such an appeal shall have been extended by Court order or otherwise, or unless the 33rd day falls on a weekend or a Court holiday, in which case the date for purposes of this Stipulation shall be deemed to be the next business day after such 33rd day); and (iii) if such motion to alter or amend is filed or if an appeal is taken, three (3) business days after the complete resolution and determination of that motion or appeal in such a manner as to permit the consummation of the Settlement substantially in accordance with the terms and conditions of this Stipulation. For purposes of this paragraph, an “appeal” shall not include any appeal that concerns only the issue of attorneys’ fees and reimbursement of costs or the Plan of Allocation of the Settlement Fund.

1.15 “Individual Defendants” means William T. Jacobson, Robert Dumont, Ronald Price and Barbara Suveg.

1.16 “Judgment” means the judgment to be rendered by the Court, substantially in the form attached hereto as Exhibit __.

1.17 “Lead Counsel” or “Lead Plaintiffs’ Counsel” means Lite DePalma Greenberg & Rivas, LLC, Joseph DePalma, Katrina Carroll and Jennifer Sarnelli, Two Gateway Center, 12th Floor, Newark, NJ 07102;
1.18 "Liaison Counsel" means Holland & Hart, B. Newal Squyres and Ted C. Murdock, PO Box 2527, Boise, ID 83701.

1.19 "Lead Plaintiffs" mean James O’Hern and John O’Hern.

1.20 "Net Settlement Fund" shall have the meaning set forth in section 5.2(d) hereof.

1.21 "Notice" shall have the meaning set forth in section 3.1 hereof.

1.22 "Notice and Administrative Expenses" means all expenses associated with giving notice to Class Members and the administration of the Settlement contemplated by this Stipulation, including, but not limited to, the expenses associated with: printing and mailing the Notice to Class Members; publishing the Summary Notice; reimbursements to brokers and other nominees for identifying and forwarding notice to beneficial owners, and assisting Class Members with filing Proofs of Claim; processing Proofs of Claim; setting up and maintaining the toll-free telephone number; provided however, that Notice and Administrative Expenses shall not include the amount of the Attorneys’ Fees and Expenses Award or any award of reasonable time and expense granted to the Lead Plaintiffs by the Court.

1.23 "Notice Order" shall have the meaning set forth in section 3.1 hereof.

1.24 “Person” means an individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives, or assignees.

1.25 "Plan of Allocation" means a plan or formula of allocation of the Settlement Fund to be prepared by Lead Plaintiffs’ expert whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of Notice and Administrative Expenses, Taxes and Tax Expenses, and such attorneys’ fees, costs, expenses and interest as may be awarded by the Court. The Plan of Allocation is not part of the Stipulation and may be altered
by the Court in response to an objection or in equity. The Settling Defendants and their
Related Parties shall have no responsibility therefore or liability with respect thereto.

1.26 “Related Parties” means each of a Settling Defendants’ past or present
directors, officers, employees, partners, insurers, co-insurers, reinsurers, agents, controlling
shareholders, attorneys, accountants or auditors, advisors, investment advisors, personal or
legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures,
assigns, spouses, heirs, related or affiliated entities, any entity in which a Defendant has a
controlling interest, any members of an Individual Defendant’s immediate family, or any trust
of which the Individual Defendant is the settlor or which is for the benefit of the Individual
Defendant’s family.

1.27 “Released Claims” shall collectively mean any and all claims (including
“Unknown Claims” as defined in ¶1.37 hereof), demands, rights, liabilities and causes of
action of every nature and description whatsoever, known or unknown, whether or not
concealed or hidden, asserted or that might have been asserted, including, without limitation,
claims for negligence, gross negligence, breach of duty of care and/or breach of duty of
loyalty, fraud, breach of fiduciary duty, or violations of any state or federal statutes, rules or
regulations, by the Lead Plaintiffs or any Settlement Class Member against the Settling
Defendants or their Related Parties arising out of, relating to, or in connection with the
purchase or acquisition of Atlas securities by the Lead Plaintiffs or any Settlement Class
Member during the Settlement Class Period, and any and all claims arising out of, relating to,
or in connection with the Settlement or resolution of this matter.

1.28 “Released Parties” means each and all of the Settling Defendants and each and
all of their Related Parties.

1.29 “Settlement Class” means all Persons who purchased or acquired Atlas
securities during the Settlement Class Period, inclusive. Excluded from the Settlement Class
are Defendants, members of the immediate families of the Individual Defendants and the legal
representatives, heirs, successors, or assigns of any such excluded person or entity. Also
excluded from the Settlement Class are those Persons who timely and validly request
exclusion from the Settlement Class pursuant to the Notice of Pendency and Proposed
Settlement of Class Action. While Atlas shareholders David Taft (Atlas Board Member) and
IBS, Andre Zeitoun (Atlas Chief Executive Officer), Chris Carney (Atlas Chief Financial
Officer), and Eric Basroon would, under ordinary circumstances, be eligible to be part of the
Settlement Class, as indicated in the Forbearance Agreements attached as Exhibit __, they
have agreed that to facilitate this Settlement they will not submit claims. This forbearance is
being done to accommodate settlement and the Company may determine in its business
judgment to compensate these class members separately in a reasonable manner for their
consideration in forbearing the assertion of such claims. In no event shall such compensation
referred to in the preceding sentence exceed the amount said individual would have received
under the Plan of Allocation if he submitted a claim.

1.30 “Settlement Class Member” or “Member of the Settlement Class” means a
Person who falls within the definition of the Settlement Class as set forth in ¶1.29 of the
Stipulation.

1.31 “Settlement Class Period” means the Class Period alleged in the Complaint,
between January 19, 2005 and October 8, 2007, inclusive.

1.32 “Settlement Fund” means the principal amount of One Million Two Hundred
Fifty Thousand Dollars ($1,250,000) in cash, subsequent to the transfer of this amount to the
Escrow Agent pursuant to ¶2.1(b) of this Stipulation, plus all interest earned thereon pursuant
to ¶¶2.2 and 2.6.

1.33 “Settlement Hearing” shall have the meaning set forth in section 3.2 hereof.

1.34 “Settling Parties” means, collectively, each of the Settling Defendants, and the
Lead Plaintiffs on behalf of themselves and Settlement Class Members.

1.35 “Taxes” shall have the meaning set forth in section 2.7(c) hereof.
1.36 "Tax Expenses" shall have the meaning set forth in section 2.7(c) hereof.

1.37 "Unknown Claims" shall collectively mean any and all claims, demands, rights, liabilities, and causes of action of every nature and description which the Lead Plaintiffs or any Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Parties, or might have affected his, her or its decision not to object to this Settlement. The Lead Plaintiffs and Settlement Class Members may discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but the Lead Plaintiffs shall expressly fully, finally and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Lead Plaintiffs acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

2. The Settlement

2.1

a. The Settlement Consideration

(a) Atlas shall take all necessary and appropriate steps to cause the sum of one million two hundred and fifty thousand dollars ($1,250,000.00) to be paid to the Escrow Agent in
exchange for this Settlement, as per the process described in this paragraph. Subsequent to
the execution of the Settlement Agreement, Settling Defendants shall file a consent motion in
the pending Interpleader Action, Navigators Insurance Company ("Navigators") v. Atlas
Mining Company, et al., Case No. 2:08-cv-00216-EJL (D. Idaho) ("Interpleader Action"),
seeking an order approving the distribution of the alleged available limits of coverage
("Consent Motion to Distribute"), including a deposit by Navigators of $1,250,000 into the
Court registry. Atlas represents and warrants that Navigators has agreed to deposit
$1,250,000 into the Court Registry upon Court approval of the Consent Motion to Distribute.
Within five (5) business days after the Judgment approving this Stipulation becomes Final,
Atlas shall take appropriate steps to facilitate the transfer of the $1,250,000, as well as any
interest that has accrued on any funds while held in the Court registry, to the Escrow Agent.

(b) Notwithstanding the preceding ¶2.1(a), Atlas shall also pay up to, but not
exceeding, seventy five thousand dollars ($75,000) for the express purpose of providing
notice of the Settlement in this Action and to administer the Atlas Escrow Account and the
Settlement Fund (the "Notice and Administration Fund"), consistent with ¶¶3.1-3.2 hereto.
This amount will be transferred to the Escrow Agent to establish the Notice and
Administration Fund within seven (7) days after the Court’s entry of the Preliminary
Approval Order. The Escrow Agent shall submit invoices and billing records to Lead
Plaintiffs’ Counsel and Atlas on a monthly basis sufficient to demonstrate the basis for the
expenses incurred and deducted from the Notice and Administration Fund. If Atlas objects to
the reasonableness of any expense, it must notify the Escrow Agent and Lead Plaintiffs’
Counsel of the objection within fourteen (14) days of receiving the record of the expense.
Should a dispute arise as to the reasonableness of any expense, Atlas and Lead Plaintiffs agree
to submit such dispute to mediator Jed Melnick, with determinations by Mr. Melnick to be
binding upon the parties. Any portion of the Notice and Administration Fund which is not
required for the payment of Notice costs and to administer the Atlas Escrow Account and the

STIPULATION OF SETTLEMENT - 11
Case No. 07-428-N-EJL-MHW
Settlement Fund will be returned to Atlas by the Escrow Agent. Any notice and administrative costs in excess of seventy five thousand dollars ($75,000) shall be paid following the Effective Date from the Settlement Fund upon Lead Plaintiffs’ Counsel’s approval. In no event, shall Atlas be responsible for any amounts of Notice and Administrative expenses in excess of seventy five thousand dollars ($75,000).

(c) Upon execution of the Settlement Agreement, Atlas shall provide reasonable assistance to Lead Plaintiffs and Lead Counsel with respect to their pending claims against defendant Chisolm, Bierwolf & Nilsson, LLC. Such assistance shall include, but not be limited to, providing a copy of the contract between Atlas and NaturalNano, Inc. related to the sale of halloysite announced in Atlas’ January 19, 2005 press release. In the event that there is a concern regarding this paragraph, Atlas, Lead Plaintiffs, and Lead Counsel, agree to submit the matter to Jed Melnick and Mr. Melnick’s decision shall be binding.

b. The Escrow Agent

2.2 Any sums required to be held in escrow subsequent to the transfer pursuant to ¶2.1(b) shall be held by the Escrow Agent. The Escrow Agent shall invest the Escrow Funds and the Settlement Fund in instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof and shall reinvest the proceeds of these instruments as they mature in similar instruments at the current market rates. All interest accruing on the Escrow Funds and the Settlement Fund and any funds generated by investment of the Escrow Funds and the Settlement Fund shall be for the benefit of the Settlement Class.

2.3 The Escrow Agent shall not disburse the Escrow Funds or the Settlement Fund except as provided in the Stipulation, the Escrow Agreement, by an order of the Court consistent with the terms of the Stipulation, or with the written agreement of Lead Plaintiffs’
Counsel after the Effective Date if in conformity with the Stipulation and any order of the Court.

2.4 Subject to further order and/or direction as may be made by the Court, the Escrow Agent is authorized to execute such transactions on behalf of the Settlement Class Members as are consistent with the terms of the Stipulation and the Escrow Agreement.

2.5 All funds held by the Escrow Agent pursuant to the Escrow Agreement shall be deemed and considered to be in Court custody, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to the Stipulation, the Escrow Agreement and/or further order(s) of the Court consistent with the terms of the Stipulation. The Escrow Agent's acceptance and administration of the Escrow Funds and the Settlement Fund shall constitute its submission to the jurisdiction of the Court for the purposes of carrying out the Escrow Agreement.

2.6 The Escrow Agent shall bear all risks related to the use of any monies reimbursed by Atlas pursuant to ¶2.1(b). In no event shall Settling Defendants or their Related Parties have any responsibility for, or liability with respect to, the Escrow Agent or its use of any such funds.

c. Taxes

2.7

2.7(a) The Parties hereto and the Escrow Agent agree to treat the Escrow Funds and the Settlement Funds as being at all times a “qualified settlement fund” within the meaning of Treas. Reg. Section 1.468B-1. In addition, the Escrow Agent and, as required, the Settling Defendants and their insurance carriers shall jointly and timely make the “relation-back election” (as defined in Treas. Reg. Section 1.468B-1) back to the earliest permitted date. Such election shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to timely and properly
prepare, and deliver the necessary documentation for signature by all necessary parties, and
thereafter to cause the appropriate filing to occur.

(b) For the purposes of Section 468B of the Internal Revenue Code of 1986, and
Treas. Reg. Section 1.468B, the “administrator” shall be the Escrow Agent. The Escrow
Agent shall timely and properly file all informational and other tax returns necessary or
advisable with respect to the Escrow Funds or the Settlement Fund (including, without
limitation, the returns described in Treas. Reg. Section 1.468B-2(1)). Such returns (as well as
the election described in ¶2.7(a)) shall be consistent with this ¶2.7 and in all events shall
reflect that all taxes (including any estimated taxes, interest or penalties) on the income earned
by the Escrow Funds or the Settlement Fund shall be paid out of the Escrow Funds or the
Settlement Fund as provided in ¶2.7(c) hereof.

(c) All (i) taxes (including any estimates taxes, interest or penalties) arising with
respect to the income earned (“Taxes”), and (ii) expenses and costs incurred in connection
with the operation and implementation of this ¶2.7 (including, without limitation, expenses of
tax attorneys and/or accountants and mailing and distribution costs and expenses relating to
the filing (or failing to file) the returns described herein (“Tax Expenses”)), shall be paid out
of the escrow account for which the accrual of interest necessitates the payment of taxes,
namely the Atlas Escrow Account, if the payment of taxes is necessary before the Effective
Date, or from the Settlement Fund if payment of taxes is due after the Effective Date; in all
events the Settling Defendants and their Related Parties shall not have any liability or
responsibility for the Taxes, the Tax Expenses, or the filing of any tax returns or other
documents with the Internal Revenue Service or any other state or local taxing authority. The
Escrow Agent shall indemnify and hold the Settling Defendants and their Related Parties
harmless for Taxes and Tax Expenses (including, without limitation, Taxes payable by reason
of any such indemnification). Further, Taxes and Tax Expenses shall be treated as, and
considered to be, a cost of administration of the Settlement and shall be timely paid by the
Escrow Agent out of the escrow account for which the accrual of interest necessitates the payment of taxes without prior order from the Court, and the Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay such amounts (as well as any amounts that may be required to be withheld under Treas. Reg. Section 1.468B-2(1)(2)); the Settling Defendants and their Related Parties are not responsible and shall have no liability therefor, or for any reporting requirements that may relate thereto. The Parties hereto agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this ¶2.7.

3. **Notice Order and Settlement Hearing**

3.1 Promptly after execution of the Stipulation, the Settling Parties shall submit the Stipulation together with its Exhibits to the Court and shall jointly apply for entry of an order (the "Preliminary Approval Order"), substantially in the form of Exhibit __, requesting, *inter alia*, the preliminary approval of the Settlement set forth in the Stipulation, the certification of the Settlement Class for settlement purposes, and approval for mailing the Notice of Pendency and Proposed Settlement of Class Action (the "Notice"), substantially in the form of Exhibit __ and publication of a summary notice, substantially in the form of Exhibit __. The Notice shall include the general terms of the settlement set forth in the Stipulation, the proposed Plan of Allocation, the general terms of the Fee and Expense Application and the date of the Settlement Hearing. Atlas, within three (3) days following the entry of the Preliminary Approval Order, authorize the appropriate Atlas transfer agent to release any and all available records that contain the names and addresses of potential Settlement Class Members for the purpose of giving the best notice practicable to the Settlement Class Members.

3.2 Lead Counsel shall request that after notice is given, the Court hold a hearing (the "Settlement Hearing") and approve the settlement of the Litigation as set forth herein. At
or after the Settlement Hearing, Lead Counsel also will request that the Court approve the
proposed Plan of Allocation and the Fee and Expense Application.

4. Releases

4.1 Upon the Effective Date, as defined in ¶1.9 hereof, the Lead Plaintiffs, and
each of the Settlement Class Members (except those Settlement Class Members who have
excluded themselves from the Settlement in accordance with the requirements set forth in the
notice) shall be deemed to have, and by operation of the Judgment shall have, fully, finally,
and forever released, relinquished and discharged all Released Claims against the Released
Parties, whether or not such Settlement Class Member executes and delivers a Proof of Claim
and Release form.

4.2 The Proof of Claim and Release to be executed by Settlement Class Members
shall release all Released Claims against the Released Parties and shall be substantially in the
form contained in Exhibit __.

4.3 Upon the Effective Date, as defined in ¶1.9 hereof, each of the Released
Parties shall be deemed to have, and by operation of the Judgment shall have, fully, finally,
and forever released, relinquished and discharged the Lead Plaintiffs, each and all of the
Settlement Class Members and Lead Counsel from all claims (including Unknown Claims)
arising out of, relating to, or in connection with the institution, prosecution, assertion,
settlement or resolution of the Litigation or the Released Claims.

5. Administration and Calculation of Claims, Final Awards and Supervision
and Distribution of Settlement Fund

5.1 The Claims Administrator shall administer and calculate the claims submitted
by Settlement Class Members.

5.2 The Settlement Fund shall be applied as follows:

(a) to pay any costs and expenses reasonably and actually incurred in connection
with providing notice in excess of amounts reimbursed by Atlas pursuant to ¶2.1(a), locating
Settlement Class Members, assisting with the filing of claims, administering and distributing the Settlement Fund to Authorized Claimants, processing Proof of Claim and Release forms and paying escrow fees and costs, if any;

(b) to pay the Taxes and Tax Expenses described in ¶2.7 hereof; and

(c) to pay Lead Counsel’s attorneys’ fees and expenses with interest thereon (the “Fee and Expense Award”), if and to the extent allowed by the Court;

(d) to pay any award to the Lead Plaintiffs as reimbursement for reasonable time and expenses and to the extent not already paid from the Atlas Escrow Account; and

(e) to distribute the balance of the Settlement Fund (the “Net Settlement Fund”) to Authorized Claimants as allowed by the Stipulation, the Plan of Allocation, or the Court.

5.3 Upon the Effective Date and thereafter, and in accordance with the terms of the Stipulation, the Plan of Allocation, or such further approval and further order(s) of the Court as may be necessary or as circumstances may require, the Net Settlement Fund shall be distributed to Authorized Claimants, subject to and in accordance with the following.

(a) Within one hundred eighty (180) days after the mailing of the Notice or such other time as may be set by the Court, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim and Release, substantially in the form of Exhibit __, signed under penalty of perjury and supported by such documents as are specified in the Proof of Claim and Release and as are reasonably available to the Authorized Claimant.

(b) Except as otherwise ordered by the Court, all Settlement Class Members who fail to timely submit a valid Proof of Claim and Release within such period, or such other period as may be ordered by the Court, or who have not already done so, shall be forever barred from receiving any payments of money pursuant to the Stipulation and the Settlement set forth herein, but will in all other respects be subject to and bound by the provisions of the Stipulation, the Settlement and releases contained herein, and the Final Judgment and Order.

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5.5 Except as otherwise ordered by the Court, all Settlement Class Members who fail to timely submit a Proof of Claim and Release within such period, or such other period as may be ordered by the Court, or otherwise allowed, shall be forever barred from receiving any payments pursuant to the Stipulation and the Settlement set forth herein, but will in all other respects be subject to and bound by the provisions of the Stipulation, the releases contained herein, and the Judgment.

5.6 The Net Settlement Fund shall be distributed to the Authorized Claimants substantially in accordance with a Plan of Allocation to be described in the Notice and approved by the Court. If there is any balance remaining in the Net Settlement Fund after six (6) months from the date of distribution of the Net Settlement Fund (whether by reason of tax refunds, un-cashed checks or otherwise), Lead Counsel shall, if feasible, reallocate such balance among Authorized Claimants in an equitable and economic fashion. Thereafter, any balance which still remains in the Net Settlement Fund shall be donated to an appropriate non-profit organization.

5.7 This is not a claims-made settlement and, if all conditions of the Stipulation are satisfied and the Settlement becomes Final, no portion of the Settlement Fund will be returned to the Defendants. The Settling Defendants and their Related Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the distribution of the Net Settlement Fund, the Plan of Allocation, the determination, administration, or calculation of claims, the payment or withholding of Taxes or Tax Expenses, or any losses incurred in connection therewith. No Person shall have any claim against Lead Counsel, the Claims Administrator or other entity designated by Lead Counsel based on distributions made substantially in accordance with the Stipulation and the Settlement contained herein, the Plan of Allocation, or further order(s) of the Court.

5.8 It is understood and agreed by the Settling Parties that any proposed Plan of Allocation of the Net Settlement Fund including, but not limited to, any adjustments to an
Authorized Claimant's claim set forth therein, is not a part of the Stipulation and is to be considered by the Court separately from the Court’s consideration of the fairness, reasonableness and adequacy of the Settlement set forth in the Stipulation, and any order or proceeding relating to the Plan of Allocation shall not operate to terminate or cancel the Stipulation or affect the finality of the Court’s Judgment approving the Stipulation and the Settlement set forth therein, or any other orders entered pursuant to the Stipulation.

6. Lead Counsel’s Attorneys’ Fees and Reimbursement of Expenses

6.1 Lead Counsel may submit an application or applications (the “Fee and Expense Application”) for distributions to them from the Settlement Fund for: (a) an award of attorneys’ fees; plus (b) reimbursement of actual expenses, including the fees of any experts or consultants, incurred in connection with prosecuting the Litigation, plus any interest on such attorneys’ fees and expenses at the same rate and for the same periods as earned by the Settlement Fund (until paid), as may be awarded by the Court. Lead Counsel reserves the right to make additional applications for fees and expenses incurred. The Settling Defendants shall take no position as to any Fee and Expense application made by Lead Counsel. For avoidance of doubt, Lead Counsel shall not receive any distribution for fees and expenses prior to the transfer of monies to the Escrow Agent pursuant to ¶2.1(b).

6.2 The attorneys’ fees and expenses, as awarded by the Court, shall be paid to Lead Counsel from the Settlement Fund, as ordered, immediately after the Court executes an order awarding such fees and expenses. In the event that the order making the Fee and Expense Award is reversed or modified, and in the event that the Fee and Expense Award has been paid to any extent, then Lead Counsel shall within five (5) business days from receiving notice that the Fee and Expense Award is reversed or modified, refund to the Settlement Fund the fees and expenses previously paid to them from the Settlement Fund plus interest thereon at the same rate as earned on the cash portion of the Settlement Fund in an amount consistent with such reversal or modification.
6.3 The procedure for and the allowance or disallowance by the Court of any applications by Lead Counsel for attorneys' fees and expenses, including the fees of experts and consultants, to be paid out of the Settlement Fund, are not part of the Settlement set forth in the Stipulation, and are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness and adequacy of the Settlement set forth in the Stipulation, and any order or proceedings relating to the Fee and Expense Application, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel the Stipulation, or affect or delay the finality of the Judgment approving the Stipulation and the Settlement of the Litigation set forth therein.

6.4 For the avoidance of doubt, the releases herein establish that Settling Defendants and their Related Parties shall have no responsibility for or liability with respect to any payment of attorneys' fees and expenses to Lead Counsel, except as provided in ¶2.1(a).

7. Conditions of Settlement, Effect of Disapproval, Cancellation or Termination

7.1 The Effective Date of the Stipulation shall be conditioned on the occurrence of all of the following events:

(a) The transfer to the Escrow Agent of $1,250,000 in a timely manner as required by ¶2.1(b) hereof;

(b) The entry of the Preliminary Approval Order, in all material respects, as required by ¶3.1 hereof;

(c) Approval by the Court of the Settlement, following notice to the Class and a hearing (the "Settlement Fairness Hearing"), as prescribed by Rule 23 of the Federal Rules of Civil Procedure;

(d) the Court has entered the Final Judgment and Order, or a judgment substantially in the form of Exhibit __ hereto; and
the Judgment has become Final, as defined in ¶1.13 hereof.

7.2 With respect to the provisions of Paragraph 7.2 above:

(a) Upon the occurrence of all of the events referenced in ¶7.1 hereof, any and all remaining interest or right of Settling Defendants in or to the Settlement Fund, if any, shall be absolutely and forever extinguished. If all of the conditions specified in ¶7.1 hereof are not met, then the Stipulation shall be canceled and terminated subject to ¶7.3 hereof unless Lead Counsel and counsel for Settling Defendants mutually agree in writing to proceed with the Stipulation.

(b) Simultaneously herewith, the Parties are executing a "Supplemental Agreement" setting forth certain conditions under which this Stipulation may be terminated by the Settling Defendants, if potential Settlement Class Members with claims and/or losses above certain parameters seek to exclude themselves from the Settlement Class. The Supplemental Agreement shall not be filed prior to the Settlement Fairness Hearing unless a dispute arises as to its terms. In the event Atlas terminates this Stipulation pursuant to the Supplemental Agreement, this Stipulation shall become null and void and of no further force and effect. Notwithstanding the foregoing, the Stipulation shall not become null and void as a result of the election by Atlas to exercise its option to terminate the Stipulation pursuant to the Supplemental Agreement until the conditions set forth in the Supplemental Agreement have been satisfied.

7.3 In the event that the Stipulation is not approved by the Court, the Settling Parties shall be restored to their respective positions in the Litigation as of April 30, 2009. In such event, the terms and provisions of the Stipulation, with the exception of ¶2.7, 7.3, and 7.4 hereof, shall have no further force and effect with respect to the Settling Parties and shall not be used in this Litigation or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, nunc pro tunc. No order of the Court or modification or reversal on appeal of any
order of the Court concerning the Plan of Allocation or the amount of any attorneys’ fees, 
costs, expenses and interest awarded by the Court to Lead Counsel shall constitute grounds 
for cancellation or termination of the Stipulation.

7.4 Each of the Settling Defendants warrants and represents that she, he or it is not 
“insolvent” within the meaning of 11 U.S.C. §101(32) as of the time this Stipulation is 
executed and as of the time any payments are transferred or made as required by this 
Stipulation, nor will such payments render any Settling Defendant insolvent within the 
meaning of and/or for the purposes of the United States Bankruptcy Code.

7.5 In the event any case is commenced under the United States Bankruptcy Code 
in which Atlas is the debtor-in-possession, whether any such proceeding is commenced 
voluntarily or involuntarily (the “Bankruptcy Case”), Atlas will not contend that there was no 
consideration provided for any payment made pursuant to this Stipulation, including any 
payment made by any insurance carrier, nor will it seek to set aside the terms of this 
Stipulation pursuant to 11 USC §§ 543, 547, or 548. If a case is commenced with respect to 
Atlas under the Bankruptcy Code, or a trustee, receiver or conservator is appointed under any 
similar law, and in the event of the entry of a final order of a court of competent jurisdiction 
determining the payment of the Escrow Funds or the Settlement Fund to be a preference, 
voidable transfer, fraudulent transfer or similar transaction, and that any of these findings 
preclude payment all or a material amount of the initial total of the Escrow Funds or the 
Settlement Fund, and such funds are in fact not then distributed then, at the election of Lead 
Plaintiffs’ Counsel, the Parties hereto shall jointly move the Court to vacate and set aside both 
the releases and the Final Judgment and Order entered in favor of the Settling Defendants 
pursuant to this Settlement. In addition, this Stipulation and Settlement shall be null and void, 
and the Parties hereto shall be restored to their respective positions in the litigation 
immediately prior to the execution of this Stipulation including, without limitation, the return 
of all funds to Atlas.
8. **Miscellaneous Provisions**

8.1 The Settling Parties (a) acknowledge that it is their intent to consummate this agreement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Stipulation and to exercise their reasonable best efforts to accomplish the foregoing terms and conditions of the Stipulation.

8.2 The Settling Parties intend this Settlement to be a final and complete resolution of all disputes between them with respect to the Litigation. The Settlement compromises claims which are contested and shall not be deemed an admission by any Settling Party as to the merits of any claim or defense. The Final Judgment will contain a statement that during the course of the Litigation, the parties and their respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure 11. While retaining their right to deny liability, the Settling Defendants agree that the amount paid to the Settlement Fund and the other terms of the Settlement were negotiated in good faith by the Settling Parties, and reflect a settlement that was reached voluntarily after consultation with competent legal counsel. The Settling Parties reserve their right to rebut, in a manner that such party determines to be appropriate, any contention made in any public forum that the Litigation was brought or defended in bad faith or without a reasonable basis.

8.3 Neither the Stipulation nor the Settlement contained therein, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim, or of any wrongdoing or liability of the Settling Defendants; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of any of the Settling Defendants in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. The Settling Defendants may file the Stipulation and/or the Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*,

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collateral estoppel, release, good faith settlement, judgment bar or reduction or any other
time of claim preclusion or issue preclusion or similar defense or counterclaim.

8.4 All agreements made and orders entered during the course of the Litigation
relating to the confidentiality of information shall survive this Stipulation.

8.5 All of the Exhibits to the Stipulation are material and integral parts hereof and
are fully incorporated herein by this reference.

8.6 The Stipulation may be amended or modified only by a written instrument
signed by or on behalf of all Settling Parties or their respective successors-in-interest.

8.7 The Settling Parties agree that this Stipulation has been generated pursuant to
the equal negotiations and advice of counsel. Accordingly, this Agreement should not be
construed more favorably or unfavorably as to any party.

8.8 The Stipulation and the Exhibits attached hereto and the Supplemental
Agreement constitute the entire agreement among the parties hereto and no representations,
warranties or inducements have been made to any party concerning the Stipulation, its
Exhibits, or the Supplemental Agreement other than the representations, warranties and
covenants contained and memorialized in such documents. Except as otherwise provided,
Atlas and the Class Plaintiffs shall each bear their own costs.

8.9 Lead Counsel, on behalf of the Settlement Class, are expressly authorized by
the Lead Plaintiffs to take all appropriate action required or permitted to be taken by the
Settlement Class pursuant to the Stipulation to effectuate its terms and also are expressly
authorized to enter into any modifications or amendments to the Stipulation on behalf of the
Settlement Class which they deem appropriate.

8.10 Each counsel or other Person executing the Stipulation or any of its Exhibits on
behalf of any party hereto hereby warrants that such Person has the full authority to do so.
8.11 The Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. A complete set of original executed counterparts shall be filed with the Court.

8.12 The Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the parties hereto.

8.13 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Stipulation, and all parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

8.14 The Stipulation and the Exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of Idaho, and the rights and obligations of the parties to the Stipulation shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of Idaho without giving effect to that State's choice-of-law principles.

DATED: __________________, 2009.

K&L GATES LLP

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STIPULATION OF SETTLEMENT - 26

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