

Carney Christopher T
 Form 4
 May 05, 2009

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Carney Christopher T

2. Issuer Name and Ticker or Trading Symbol
 ATLAS MINING CO [ALMI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 110 GREENE ST., SUITE 1101
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/04/2009

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 Interim CFO

NEW YORK, NY 10012
 (City) (State) (Zip)

4. If Amendment, Date Original Filed (Month/Day/Year)

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
10% PIK-Election Convertible Note	\$ 0.5	05/04/2009	P	30,000 (1) (2) (3)					(2)	12/15/2018	Common Stock	30,000 (2) (3)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Carney Christopher T 110 GREENE ST., SUITE 1101 NEW YORK, NY 10012			Interim CFO	

Signatures

/s/ Christopher T.
Carney
05/04/2009
**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Pursuant to a series of note issuances, on May 4, 2009 Atlas Mining Company (the "Company") issued to Material Advisors LLC ("Material Advisors") a 10% PIK-Election Convertible Note ("Note") in the principal amount of \$15,000. Reporting person is the owner of a minority interest in Material Advisors. This filing will not be deemed an admission that reporting person is a beneficial owner of the Note or the Common Stock into which the Note is convertible and because voting and investment decisions of Material Advisors require and are made by three or more individuals the ownership of the Note and all of the Common Stock into which the Note is convertible is expressly disclaimed.
- (2) The Note has a maturity date of December 15, 2018. At Noteholder's option, amounts outstanding under the Note may be converted at the conversion price of \$.50 per share (the "Conversion Price") into Common Stock at any time after the Company has authorized sufficient shares to convert amounts outstanding under all of the notes of the series into Common Stock. The amount outstanding under the Note will be mandatorily convertible into Common Stock of the Company upon: (i) the Company's authorization of a sufficient number of shares to convert amounts outstanding under all of the notes of the series into Common Stock; (ii) the average closing bid or market price of Common Stock for the preceding five trading days being in excess of the Conversion Price; and (iii) either (a) the Company has filed a registration statement for the resale of the number of shares of Common Stock into which the outstanding amount under a Note is convertible, or (b) the shares are resalable under Rule 144.
- (3) The principal amount of \$15,000 presently outstanding under the Note would convert into 30,000 shares of Common Stock. Material Advisors owns a note in the same series in the principal amount of \$25,000, convertible into 71,428 shares of Common Stock as reported on the Form 4 filed by reporting person on April 29, 2009.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.