

Zeitoun Andre
Form 4
May 05, 2009

FORM 4

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

OMB APPROVAL

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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 *
Zeitoun Andre

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)
President and CEO

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 Indirect Beneficial 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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(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 <u>(1)</u> <u>(2)</u> <u>(3)</u> | | | | | <u>(2)</u> | 12/15/2018 | Common Stock | 30,000 <u>(2)</u> <u>(3)</u> |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Zeitoun Andre 110 GREENE ST., SUITE 1101 NEW YORK, NY 10012 | X | | President and CEO | |

Signatures

/s/ Andre
Zeitoun
05/05/2009

**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 manager and an owner of membership interests 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.
- Note Maturity date is December 15, 2018. At Noteholder's option, amounts outstanding under Note may be converted into Common Stock at conversion price of \$.50 per share ("Conversion Price") at any time after Company has authorized sufficient shares to convert amounts outstanding under all notes of the series into Common Stock. Amounts outstanding under Note are mandatorily convertible into
- (2) Company Common Stock when: (i) Company has authorized a sufficient number of shares to convert amounts outstanding under all notes of the series into Common Stock; (ii) average closing bid or market price of Common Stock for preceding five trading days exceeds Conversion Price; and (iii) either (a) Company has filed a registration statement for resale of the number of shares of Common Stock into which outstanding amount under Note is convertible, or (b) the shares are resalable under Rule 144.
- (3) Principal amount of \$15,000 now outstanding under Note would convert into 30,000 shares of Common Stock. Reporting person owns a note in same series in principal amount of \$50,000, convertible into 142,857 shares of Common Stock as reported on Form 3 filed by reporting person on January 9, 2009. Material Advisors owns a note in the same series in principal amount of \$25,000, convertible into 71,428 shares of Common Stock as reported on Form 4 filed by reporting person on April 27, 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.