

Applied Minerals, Inc.
Form SC 13D/A
November 10, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934

(Amendment No. 15)*

Applied Minerals, Inc.

(Name of Issuer)

Common Stock, \$0.001 par value

(Title of Class of Securities)

03823M100

(CUSIP Number)

Mr. David Matteson

Drinker Biddle & Reath LLP

191 North Wacker Drive, Suite 3700

Chicago, Illinois 60606

Edgar Filing: Applied Minerals, Inc. - Form SC 13D/A

(312) 569-1145

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

October 21, 2011

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box " .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(1) Names of reporting persons

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

The IBS Turnaround Fund (QP) (A Limited Partnership)

(2) Check the appropriate box if a member of a group (see instructions)

(a) " (b) "

(3) SEC use only

(4) Source of funds (see instructions)

WC

(5) Check box if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

..

(6) Citizenship or place of organization

Massachusetts

(7) Sole voting power

Number of

shares 12,484,747
(8) Shared voting power

beneficially

owned by -0-
each (9) Sole dispositive power

reporting

person 12,484,747
(10) Shared dispositive power

with:

-0-

Edgar Filing: Applied Minerals, Inc. - Form SC 13D/A

(11) Aggregate amount beneficially owned by each reporting person

12,484,747

(12) Check box if the aggregate amount in Row (11) excludes certain shares

(see instructions) ..

(13) Percent of class represented by amount in Row (11)

15.8%

(14) Type of reporting person (see instructions)

PN

(1) Names of reporting persons

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

The IBS Turnaround Fund (A Limited Partnership)

(2) Check the appropriate box if a member of a group (see instructions)

(a) " (b) "

(3) SEC use only

(4) Source of funds (see instructions)

WC

(5) Check box if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

..

(6) Citizenship or place of organization

Massachusetts

(7) Sole voting power

Number of

shares 5,692,712
(8) Shared voting power

beneficially

owned by -0-
each (9) Sole dispositive power

reporting

person 5,692,712
(10) Shared dispositive power

with:

-0-

Edgar Filing: Applied Minerals, Inc. - Form SC 13D/A

(11) Aggregate amount beneficially owned by each reporting person

5,692,712

(12) Check box if the aggregate amount in Row (11) excludes certain shares

(see instructions) ..

(13) Percent of class represented by amount in Row (11)

7.2%

(14) Type of reporting person (see instructions)

PN

(1) Names of reporting persons

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

The IBS Opportunity Fund, Ltd.

(2) Check the appropriate box if a member of a group (see instructions)

(a) " (b) "

(3) SEC use only

(4) Source of funds (see instructions)

WC

(5) Check box if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

..

(6) Citizenship or place of organization

Commonwealth of the Bahamas

(7) Sole voting power

Number of

shares 4,161,594
(8) Shared voting power

beneficially

owned by -0-
each (9) Sole dispositive power

reporting

person 4,161,594
(10) Shared dispositive power

with:

-0-

Edgar Filing: Applied Minerals, Inc. - Form SC 13D/A

(11) Aggregate amount beneficially owned by each reporting person

4,161,594

(12) Check box if the aggregate amount in Row (11) excludes certain shares

(see instructions) ..

(13) Percent of class represented by amount in Row (11)

5.3%

(14) Type of reporting person (see instructions)

CO

(1) Names of reporting persons

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

IBS Capital LLC

(2) Check the appropriate box if a member of a group (see instructions)

(a) " (b) "

(3) SEC use only

(4) Source of funds (see instructions)

OO

(5) Check box if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

..

(6) Citizenship or place of organization

Massachusetts

(7) Sole voting power

Number of

shares 22,339,053
(8) Shared voting power

beneficially

owned by -0-
each (9) Sole dispositive power

reporting

person 22,339,053
(10) Shared dispositive power

with:

-0-

Edgar Filing: Applied Minerals, Inc. - Form SC 13D/A

(11) Aggregate amount beneficially owned by each reporting person

22,339,053

(12) Check box if the aggregate amount in Row (11) excludes certain shares

(see instructions) ..

(13) Percent of class represented by amount in Row (11)

28.3%

(14) Type of reporting person (see instructions)

CO

(1) Names of reporting persons

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

David A. Taft

(2) Check the appropriate box if a member of a group (see instructions)

(a) " (b) "

(3) SEC use only

(4) Source of funds (see instructions)

OO

(5) Check box if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

..

(6) Citizenship or place of organization

United States of America

(7) Sole voting power

Number of

shares 22,339,053
(8) Shared voting power

beneficially

owned by -0-
each (9) Sole dispositive power

reporting

person 22,339,053
(10) Shared dispositive power

with:

-0-

Edgar Filing: Applied Minerals, Inc. - Form SC 13D/A

(11) Aggregate amount beneficially owned by each reporting person

22,339,053

(12) Check box if the aggregate amount in Row (11) excludes certain shares

(see instructions) ..

(13) Percent of class represented by amount in Row (11)

28.3%

(14) Type of reporting person (see instructions)

IN

This Amendment No. 15 to Schedule 13D (Schedule 13D or this Statement) amends and restates the initial statement on Schedule 13D relating to the Common Stock of Applied Minerals, Inc. (f/k/a Atlas Mining Company) filed with the Securities and Exchange Commission (Commission) on July 11, 2005 by The IBS Turnaround Fund (QP) (A Limited Partnership) (QP Turnaround Fund) and IBS Capital Corporation, as amended by Amendment No. 1 filed on July 12, 2005, as amended by Amendment No. 2 filed on October 16, 2006, as amended by Amendment No. 3 filed on January 23, 2007, as amended by Amendment No. 4 filed on October 12, 2007, as amended by Amendment No. 5 filed on December 13, 2007, as amended by Amendment No. 6 filed on June 4, 2008, as amended by Amendment No. 7 filed on July 2, 2008, as amended by Amendment No. 8 filed on October 7, 2008, as amended by Amendment No. 9 filed on October 27, 2008, as amended by Amendment No. 10 filed on January 12, 2009, as amended by Amendment No. 11 filed on May 20, 2009, as amended by Amendment No. 12 filed on January 29, 2010, as amended by Amendment No. 13 filed on April 14, 2011, and as amended by Amendment No. 14 filed on July 5, 2011.

On September 28, 2007, IBS Capital Corporation, a Massachusetts corporation, ceased to be the general partner of the QP Turnaround Fund and The IBS Turnaround Fund (A Limited Partnership), a Massachusetts limited partnership (LP Turnaround Fund), and ceased to be the investment adviser of The IBS Opportunity Fund (BVI), Ltd., a British Virgin Islands international business company. On September 28, 2007, IBS Capital LLC (IBS Capital) became the general partner of the QP Turnaround Fund and the LP Turnaround Fund, and became the investment adviser of The IBS Opportunity Fund (BVI), Ltd. On December 29, 2010, the IBS Opportunity Fund (BVI), Ltd. was continued into the Commonwealth of the Bahamas as The IBS Opportunity Fund, Ltd., an international business company organized under the laws of the Commonwealth of the Bahamas (the Opportunity Fund). On December 29, 2010, IBS Capital became the investment manager of the Opportunity Fund.

Item 1. Security and Issuer.

IBS is the general partner of the QP Turnaround Fund and LP Turnaround Fund, and the investment manager of the Opportunity Fund. David A. Taft (Mr. Taft) is a member and the president of IBS Capital. This Schedule 13D is filed jointly by QP Turnaround Fund, the LP Turnaround Fund, the Opportunity Fund, IBS Capital, and Mr. Taft (collectively referred to herein as the Filers, each a Filer).

The class of equity securities to which this Schedule 13D relates is the Common Stock, \$0.001 par value (Common Stock or Shares) of Applied Minerals, Inc., a Delaware corporation (Company). The address of the Company s principal executive office is 110 Greene Street, Suite 1101, New York, New York 10012.

Item 2. Identity and Background.

The QP Turnaround Fund is a Massachusetts limited partnership. Its principal business is investing in securities. The address of its principal office is One International Place, Suite 2401, Boston, Massachusetts 02110. During the past five years, it has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors). During the past five years, it has not been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

The LP Turnaround Fund is a Massachusetts limited partnership. Its principal business is investing in securities. The address of its principal office is One International Place, Suite 2401, Boston, Massachusetts 02110. During the past five years, it has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors). During the past five years, it has not been a

party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

The Opportunity Fund is an international business company organized under the laws of the Commonwealth of the Bahamas. Its principal business is investing in securities. The address of its principal office is c/o Lennox Paton Corporate Services Limited, Fort Nassau Centre, Marlborough Street, P.O. Box N-4875, Nassau, Bahamas. The names, principal occupations, addresses and citizenship of its directors are set forth in Schedule A hereto. During the past five years, it has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors). During the past five years, it has not been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

IBS Capital is a Massachusetts limited liability company. Its principal business is investing in securities. The address of its principal office is One International Place, Suite 2401, Boston, Massachusetts 02110. During the past five years, it has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors). During the past five years, it has not been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Mr. Taft is a member and the president of IBS Capital. His business address is One International Place, Suite 2401, Boston, Massachusetts 02110. His principal occupation is investing in securities. During the past five years, he has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors). During the past five years, he has not been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws. He is a citizen of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

10% PIK-Election Convertible Notes. As previously reported in Amendment No. 13 to this Schedule 13D filed with the Commission on April 14, 2011 (Amendment No. 13), on October 21, 2010, pursuant to a series of note issuances, the Company issued to each of the QP Turnaround Fund and the LP Turnaround Fund a 10% PIK-Election Convertible Note (the October 2010 \$1.00 Primary Notes) on substantially the same terms and conditions. The principal amount of the October 2010 \$1.00 Primary Note issued to the QP Turnaround Fund was \$650,000 and the principal amount of the October 2010 \$1.00 Primary Note issued to LP Turnaround Fund was \$350,000.

As previously reported in Amendment No. 13, on December 15, 2010, the Company issued to each of the QP Turnaround Fund and the LP Turnaround Fund a 10% PIK-Election Convertible Note (the December-October 2010 \$1.00 Interest Notes) in respect of interest due on the October 2010 \$1.00 Primary Notes on substantially the same terms and conditions. The principal amount of the December-October 2010 \$1.00 Interest Note issued to the QP Turnaround Fund was \$9,931 and the principal amount of the December-October 2010 \$1.00 Interest Note issued to the LP Turnaround Fund was \$5,347.

As previously reported in Amendment No. 14 to this Schedule 13D filed with the Commission on July 5, 2011, on June 15, 2011, the issuer issued to each of the QP Turnaround Fund and the LP Turnaround Fund a 10% PIK-Election Convertible Note (the June 2011-October 2010 \$1.00 Interest Notes) in respect of interest due on the October 2010 \$1.00 Primary Notes on substantially the same terms and conditions. The principal amount of the June 2011-October 2010 \$1.00 Interest Note issued to the QP Turnaround Fund was \$32,997 and the principal amount of the June 2011-October 2010 \$1.00 Interest Note issued to the LP Turnaround Fund was \$17,767.

The October 2010 \$1.00 Primary Notes, December-October 2010 \$1.00 Interest Notes, and June 2011-October 2010 Interest Notes shall be referred to herein as the Notes, each a Note. The terms and conditions of the Notes are further described in Item 6 of this Statement.

The source of funds for the Notes was the working capital of the QP Turnaround Fund and the LP Turnaround Fund.

Item 4. Purpose of Transaction.

Mandatory Conversions of 10% PIK-Election Convertible Notes. On October 21, 2011, the Notes were mandatorily converted in accordance with their terms. Upon such conversions, the issuer issued an aggregate 1,103,354 Shares to the QP Turnaround Fund and the LP Turnaround Fund upon the mandatory conversions at the Conversion Price of the entire outstanding amounts payable under the Notes as follows: (i) 717,180 Shares were issued to the QP Turnaround Fund upon the conversion of the outstanding amounts payable under the Notes that were issued to the QP Turnaround Fund; and (ii) 386,174 Shares were issued to the LP Turnaround Fund upon the conversion of the outstanding amounts payable under the Notes that were issued to the LP Turnaround Fund. The conversions of the Notes are further described in Item 5 (below).

Investment Purposes. The Filers have acquired or sold the Shares in the ordinary course of business for investment purposes. Shares have been acquired based on their belief that the Shares, when purchased, were undervalued and represented an attractive investment opportunity. The Filers intend to review their investment in the Company on a continuing basis. Depending on various factors, including, without limitation, the Company's financial position and strategic direction, the Company's response to the actions suggested by the Filers, price levels of the Common Stock, conditions in the securities market and general economic and industry conditions, the Filers may in the future take such actions with respect to their investment in the Company as they deem appropriate, including, but not limited to, purchasing additional Common Stock or other securities of the Company or selling some or all of their Common Stock on the open market, in private transactions or otherwise, communicating with the Company or other investors or stockholders or conducting a proxy solicitation with respect to the election of directors of the Company. Except as set forth herein, the Filers do not have any present plan or proposal that would relate to or result in any of the matters set forth in subparagraphs (a)-(j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a) As of October 21, 2011: (i) the QP Turnaround Fund directly beneficially owned, in the aggregate, 12,484,747 Shares, which represents 15.8% of the Company's Common Stock; (ii) the LP Turnaround Fund directly beneficially owned, in the aggregate, 5,692,712 Shares, which represents 7.2% of the Company's Common Stock; and (iii) the Opportunity Fund beneficially owned, in the aggregate, 4,161,594 Shares, which represents 5.3% of the Company's Common Stock.

As of October 21, 2011, IBS Capital owned, in the aggregate, 22,339,053 Shares, which represented 28.3% of the Company's Common Stock, which consisted of 12,484,747 Shares directly beneficially owned by the QP Turnaround Fund, 5,692,712 Shares directly beneficially owned by the LP Turnaround Fund, and 4,161,594 Shares directly beneficially owned by the Opportunity Fund.

As of October 21, 2011, Mr. Taft indirectly beneficially owned the 22,339,053 Shares that were indirectly beneficially owned by IBS Capital, which represented 28.3% of the Company's Common Stock.

The percentages used in this Statement are calculated on the basis of 79,072,854 Shares outstanding, as reported in the Company's Registration Statement on Form S-3 filed with the Commission on October 27, 2011.

(b) The information contained in table form in Rows 7 through 11 on each of pages 2, 3, 4, 5 and 6 hereof, which relates to beneficial ownership, voting and disposition of Shares, is hereby incorporated by reference.

(c)

October 21, 2011 Conversions of 10% PIK-Election Convertible Notes. As of October 21, 2011, the outstanding amount payable under the October 2010 \$1.00 Primary Note that was issued to the QP Turnaround Fund was \$674,252 and the outstanding amount payable under the October 2010 \$1.00 Primary Note that was issued to LP Turnaround Fund was \$363,060.

As of October 21, 2011, the outstanding amount payable under the December-October 2010 \$1.00 Interest Notes that was issued to the QP Turnaround Fund was \$9,931 and the outstanding amount payable under the December-October \$1.00 Interest Note that was issued to the LP Turnaround Fund was \$5,347.

As of October 21, 2011, the outstanding amount payable under the June 2011-October 2010 \$1.00 Interest Note that was issued to the QP Turnaround Fund was \$32,997 and the outstanding amount payable under the June 2011-October 2010 \$1.00 Interest Note that was issued to the LP Turnaround Fund was \$17,767.

Each of the Notes has a maturity date of December 15, 2018. At the noteholder's option, amounts outstanding under a Note may be converted into Common Stock at any time after the Company has authorized sufficient shares to convert such amounts outstanding into Common Stock at the conversion price of \$1.00 per Share (the Conversion Price). The amount outstanding under a Note shall be mandatorily converted into Common Stock of the Company at the applicable Conversion Price upon: (i) the Company's authorization of a sufficient number of shares to convert amounts outstanding under all of the notes in the series into Common Stock; (ii) the average closing bid or market price of Common Stock for the preceding five days being in excess of the applicable 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 amount payable under a Note is convertible or (b) the shares are resalable under Rule 144 of the Act.

The foregoing description of the Notes is qualified in its entirety by reference to the form of the form of the October 2010 \$1.00 Primary Note that is filed as Exhibit 99.1 to the Company's Current Report on Form 8-K, as filed with the Commission on October 28, 2010, which is incorporated herein by reference.

On October 21, 2011, the issuer issued an aggregate 1,103,354 Shares to the QP Turnaround Fund and the LP Turnaround Fund upon the mandatory conversions at the Conversion Price of the entire outstanding amounts payable under the Notes as follows: (i) 717,180 shares were issued to the QP Turnaround Fund upon the conversion of the outstanding amounts payable under the Notes that were issued to the QP Turnaround Fund; and (ii) 386,174 Shares were issued to the LP Turnaround Fund upon the conversion of the outstanding amounts payable under the Notes that were issued to the LP Turnaround Fund. The number of Shares issued upon the conversion of the outstanding amount payable under each Note are further described below.

On October 21, 2011, the issuer issued an aggregate 1,037,312 Shares upon the conversion at the Conversion Price of the entire outstanding amounts payable under the October 2010 \$1.00 Primary Notes as follows: (i) 674,252 Shares to the QP Turnaround Fund upon the conversion of the outstanding amount of \$674,252 due under the October 2010 \$1.00 Primary Note that was issued to the QP Turnaround Fund; and (ii) 363,060 Shares to the LP Turnaround Fund upon the conversion of the outstanding amount of \$363,060 due under the October 2010 \$1.00 Primary Note that was issued to the LP Turnaround Fund.

On October 21, 2011, the issuer issued an aggregate 15,278 Shares upon the conversion at the Conversion Price of the entire outstanding amounts payable under the December-October 2010 \$1.00 Interest Notes as follows: (i) 9,931 Shares to the QP Turnaround Fund upon the conversion of the outstanding amount of \$9,931 due under the December-October 2010 \$1.00 Interest Note that was issued to the QP Turnaround Fund; and (ii) 5,347 Shares to the LP Turnaround Fund upon the conversion of the outstanding amount of \$5,347 due under the December-October 2010 \$1.00 Interest Note that was issued to the LP Turnaround Fund.

On October 21, 2011, the issuer issued an aggregate 50,764 Shares upon conversion at the Conversion Price of the entire outstanding amounts payable under the June 2011-October 2010 \$1.00 Interest Notes as follows: (i) 32,997 Shares to the QP Turnaround Fund upon the conversion of the outstanding amount of \$32,997 due under the June 2011-October 2010 \$1.00 Interest Note that was issued to the QP Turnaround Fund; and (ii) 17,767 Shares to the LP Turnaround Fund upon the conversion of the outstanding amount of \$17,767 due under the June 2011-October 2010 \$1.00 Interest Note that was issued to the LP Turnaround Fund.

After the completion of the October 21, 2011 conversions of the outstanding amounts payable under the Notes, Mr. Taft indirectly beneficially owned 22,339,053 Shares, which consisted of 22,339,053 Shares indirectly beneficially owned by IBS Capital, which consisted of: (i) 12,484,747 Shares directly beneficially owned by the QP Turnaround Fund; (ii) 5,692,712 Shares directly beneficially owned by the LP Turnaround Fund; and (iii) 4,161,594 Shares directly beneficially owned by the Opportunity Fund.

(d)-(e) Inapplicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Directorship of Mr. Taft. On October 17, 2008, the board of directors of the Company appointed Mr. Taft as a director of the Company. On October 27, 2009, the shareholders of the Company elected Mr. Taft as a director of the Company. On June 10, 2010, the shareholders of the Company re-elected Mr. Taft as a director of the Company. As previously reported in Amendment No.14 to this Schedule 13D (filed with the Commission on July 5, 2011), on June 15, 2011, the shareholders of the Company re-elected Mr. Taft as a director of the Company.

Mandatory Conversions of 10% PIK-Election Convertible Notes. The Company and the QP Turnaround Fund and the LP Turnaround Fund were parties to the Notes, which are further described in Items 3 and 5 to Schedule 13D, which description is incorporated herein by reference. On October 21, 2011, the Notes were mandatorily converted in accordance with their terms.

Registration Rights Agreement. Each of the QP Turnaround Fund and the LP Turnaround Fund are party to Registration Rights Agreements, pursuant to which Shares converted pursuant to the Notes may be registered with the Commission. This description is qualified in its entirety by reference to the form of Registration Rights Agreement that is filed as Exhibit 99.2 to the Company's Current Report on Form 8-K, as filed with the Commission on October 28, 2010, which is incorporated herein by reference.

Other Matters. Other than as described above, to each Filer's knowledge, there are no contracts, arrangements, understandings or relationships (legal or otherwise) among the persons named in Item 2 and between such persons and any person with respect to any securities of the Company, including but not limited to transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

Item 7. Material to Be Filed as Exhibits.

The following document is filed herewith:

(1) Joint Filing Agreement, dated as of November 10, 2011, by and among The IBS Turnaround Fund (QP) (A Limited Partnership), The IBS Turnaround Fund (A Limited Partnership), The IBS Opportunity Fund, Ltd., IBS Capital LLC, and David A. Taft.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: November 10, 2011

THE IBS TURNAROUND FUND (QP) (A LIMITED PARTNERSHIP)

By: IBS CAPITAL LLC
General Partner

By: /s/ David A. Taft
David A. Taft, President

THE IBS TURNAROUND FUND (A LIMITED PARTNERSHIP)

By: IBS CAPITAL LLC
General Partner

By: /s/ David A. Taft
David A. Taft, President

THE IBS OPPORTUNITY FUND, LTD.

By: IBS CAPITAL LLC
Investment Manager

By: /s/ David A. Taft
David A. Taft, President

IBS CAPITAL LLC

By: /s/ David A. Taft
David A. Taft, President

/s/ David A. Taft
David A. Taft

JOINT FILING AGREEMENT

In accordance with Rule 13d-1(k) under the Securities and Exchange Act of 1934, as amended, the persons named below agree to the joint filing on behalf of them of a statement on Schedule 13D (including amendments thereto) with respect to the common stock, no par value, of Atlas Mining Company; and further agree that this Joint Filing Agreement be included as Exhibit 1. In evidence thereof, the undersigned hereby execute this Agreement this 10th day of November, 2011.

THE IBS TURNAROUND FUND (QP) (A LIMITED PARTNERSHIP)

By: IBS CAPITAL LLC
General Partner

By: /s/ David A. Taft
David A. Taft, President

THE IBS TURNAROUND FUND (A LIMITED PARTNERSHIP)

By: IBS CAPITAL LLC
General Partner

By: /s/ David A. Taft
David A. Taft, President

THE IBS OPPORTUNITY FUND, LTD.

By: IBS CAPITAL LLC
Investment Manager

By: /s/ David A. Taft
David A. Taft, President

IBS CAPITAL LLC

By: /s/ David A. Taft
David A. Taft, President

/s/ David A. Taft
David A. Taft

SCHEDULE A

| | Principal Business | | |
|-------------------|---|--|--------------------------|
| Name | Principal Occupation | Address | Citizenship |
| David A. Taft | Member and President of IBS Capital LLC | One International Place, Suite 2401, Boston, Massachusetts 02110 | United States of America |
| David Blair | Managing Director of the Custom House Group of Companies | 25 Eden Quay Dublin 1 Ireland | United Kingdom |
| Izabella Koeijers | Lawyer | Montagne di Rey 466D Williamstad Curacao | The Netherlands |