Carney Christopher T Form 4 May 05, 2009

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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Check this box if no longer subject to Section 16. Form 4 or

Form 5 obligations may continue. See Instruction

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(b).

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

(Check all applicable)

Issuer

(Last)

(First)

(Middle)

3. Date of Earliest Transaction

(Month/Day/Year)

05/04/2009

Director 10% Owner X_ Officer (give title Other (specify

below) below) Interim CFO

110 GREENE ST., SUITE 1101

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check

Applicable Line)

Filed(Month/Day/Year) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person

NEW YORK, NY 10012

(City) (State) (Zip)

(Street)

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

1. Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if (Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (T) (Instr. 4) (Instr. 4)

Reported (A) Code V Amount (D) Price

Transaction(s) (Instr. 3 and 4)

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

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

1. Title of 3. Transaction Date 3A. Deemed 4. 5. Number of 6. Date Exercisable and 7. Title and Amount Derivative Conversion (Month/Day/Year) Execution Date, if Transaction Derivative **Expiration Date** Underlying Securitie Security or Exercise Code Securities (Month/Day/Year) (Instr. 3 and 4) any

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Price of (Month/Day/Year) (Instr. 8) Acquired (A) (Instr. 3) Derivative or Disposed of Security (D) (Instr. 3, 4, and 5) Code V (A) (D) Date Expiration Title Amou Exercisable Date Numbe of Sha 10% PIK-Election 30,000 Common 30,00

Convertible Note

Reporting Owners

\$ 0.5

Reporting Owner Name / Address Relationships

05/04/2009

Director 10% Owner Officer Other

Carney Christopher T 110 GREENE ST., SUITE 1101 NEW YORK, NY 10012

Interim CFO

P

(1)(2)(3)

12/15/2018

(2) (3)

Stock

(2)

Signatures

/s/ Christopher T.
Carney
05/04/2009

**Signature of Reporting Date

Person

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).

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.

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.

The principal amount of \$15,000 presently outstanding under the Note would convert into 30,000 shares of Common Stock. Material (3) 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.

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