



31L01NE0003 63.5686 MARIA

010

ASSESSMENT WORK REPORT - 1991

on

STRIPPING, TRENCHING AND OVERBURDEN DRILLING

1991

BISSETT CREEK CRYSTALLINE GRAPHITE PROPERTY

**Maria Township - County of Renfrew
Southern Ontario Mining Division
Province of Ontario**

For

NORTH COAST INDUSTRIES LTD.

Vancouver, B.C.

Map Reference

UTM Co-ordinates
N 5,110,844
E 727,092

February 1992
Revised June 1992 *RMB*
North Bay, Ontario

By R.M. Blais, P.Eng.



31L01NE0003 63.5686 MARIA

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RMBlas

NORTH COAST ASSESSMENT REPORT 1991

SUMMARY AND COMMENTS

The Bissett Creek Graphite Property was staked in 1980. Since that time the numerous exploration programs, which are summarized in this report's history section, have helped establish that a viable graphite ore body exists at Bissett Creek. Because they were able to establish an ore body, North Coast Industries commissioned KHD Humbolt WEDAG to produce a feasibility report. This feasibility study, which is compiled in a report dated April 1989, establishes the mining practicality and financial viability of the Bissett Creek graphite project.

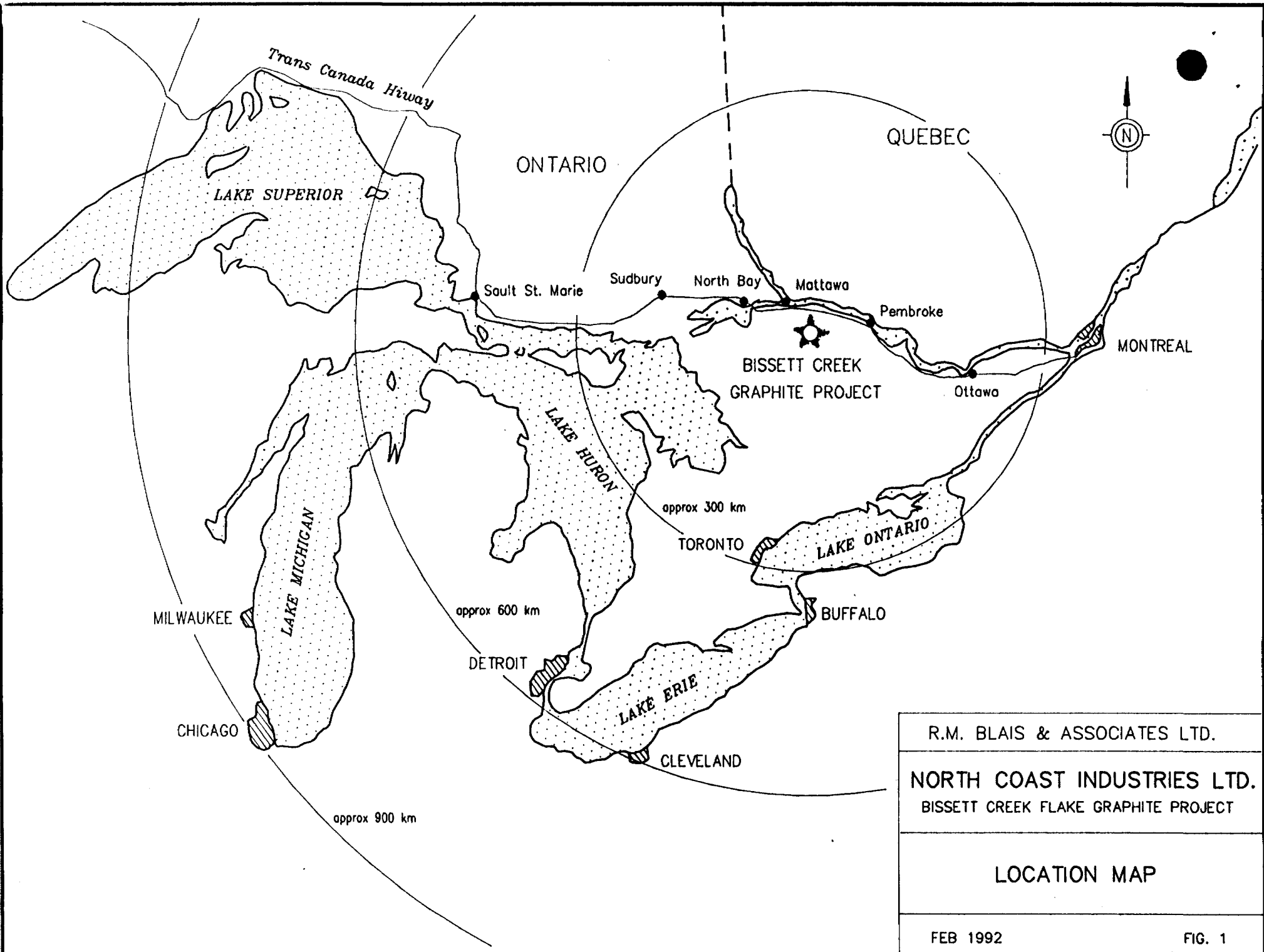
The 1991 Assessment Work consisted of stripping, trenching and airtrack drilling that was conducted in the vicinity of the proposed mill site and the ore zone.

This work was extremely beneficial in helping define the limits of the graphite ore zone and also in establishing the geological contact between the graphitic gneiss and the barren gneiss.

LOCATION, ACCESS AND TOPOGRAPHY - Figure #1

The property is located south of the Trans-Canada Highway (Highway 17E), approximately 53 km east of the town of Mattawa. The Trans-Canada Highway, in this area, connects the cities of North Bay and Ottawa. The Bissett Creek road intersects Highway 17, 2 km east of the village of Bissett. Access from Highway 17, to the property, is by way of the Bissett Creek forestry road, a well maintained gravel road south, for a distance of 13 km, and then east on a winding road for a distance of 4 km. The first 2 km of this road has been upgraded to handle semi-trailer traffic.

The location of the property is in rolling hilly terrain. Elevations range from 275 m to 320 m. The property is covered by a mixed forest of conifers and hardwoods. Stands of merchantable red and white pine occur near the western margin of the property. Soil cover is variable. Rock exposures are good, being found in road cuts and ridge crests. Soil cover is normally sandy, glaciofluvial deposits over ridge areas and glacial lake and stream sediments at lower elevations. Lower lying areas tend to be swampy and covered by a moderately thick growth of stunted cedar and swamp grasses.



R.M. BLAIS & ASSOCIATES LTD.	
NORTH COAST INDUSTRIES LTD. BISSETT CREEK FLAKE GRAPHITE PROJECT	
LOCATION MAP	
FEB 1992	FIG. 1

R.M. Blais

PROPERTY STATUS - Figure #2

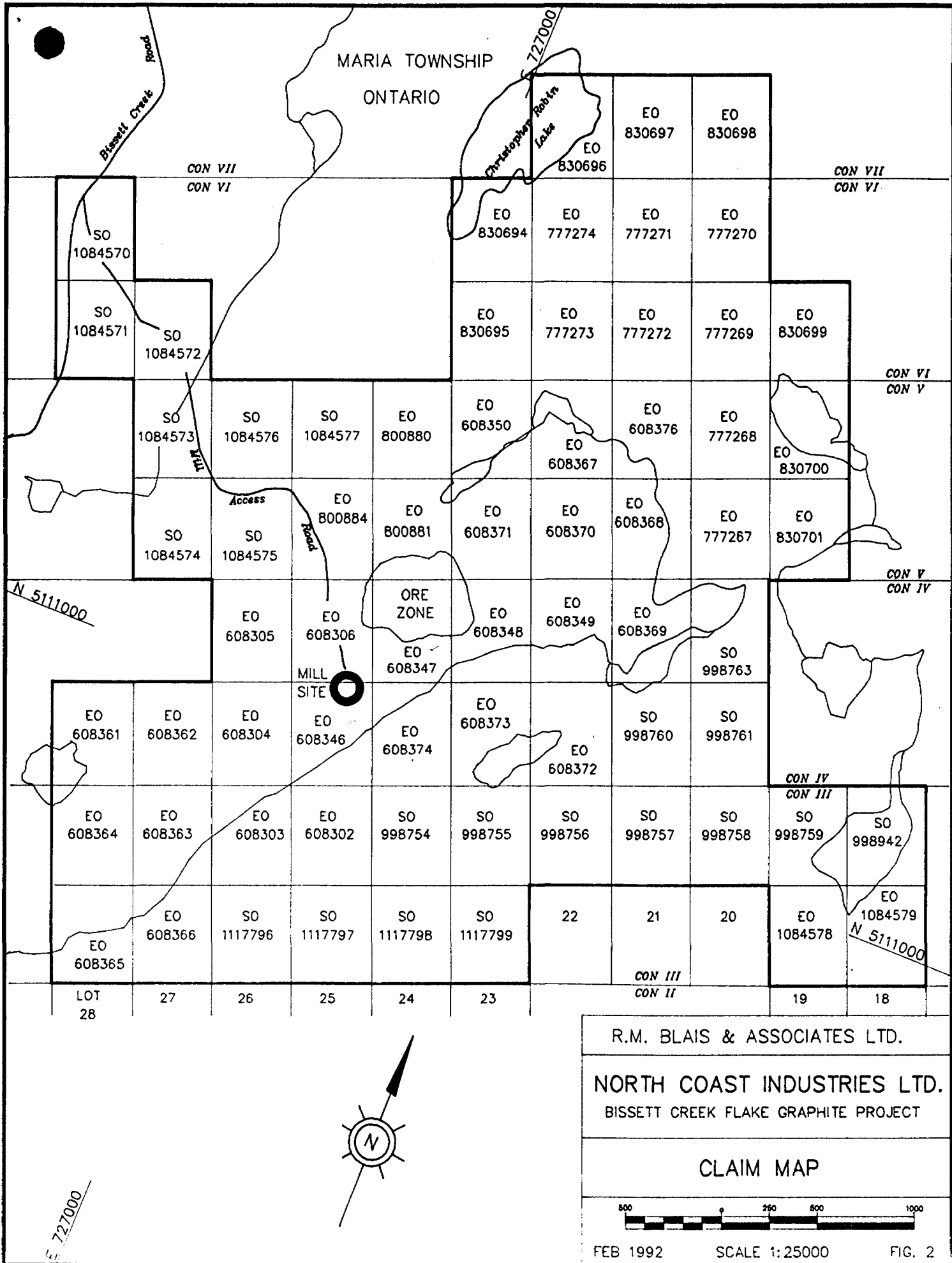
The Bissett Creek Property consists of 68 unpatented mining claims which are 100% owned by North Coast in the Township of Maria, county of Renfrew, Province of Ontario. All claims are registered in North Coast's name and are in good standing as of February 4, 1992. These claims are listed below.

CLAIM NUMBER	DATE RECORDED	REMARKS
EO 608302	NOV 2/81	N1/2 LOT 25 CON III
608303	NOV 2/81	N1/2 LOT 26 CON III
608304	NOV 2/81	S1/2 LOT 26 CON IV
608305	NOV 2/81	N1/2 LOT 26 CON IV
608306	NOV 2/81	N1/2 LOT 25 CON IV
608346	NOV 2/81	S1/2 LOT 25 CON IV
608347	DEC 9/81	N1/2 LOT 24 CON IV
608348	DEC 9/81	N1/2 LOT 23 CON IV
608349	DEC 9/81	N1/2 LOT 22 CON IV
608350	DEC 9/81	N1/2 LOT 23 CON V
608361	DEC 9/81	S1/2 LOT 28 CON IV
608362	DEC 9/81	S1/2 LOT 27 CON IV
608363	DEC 9/81	N1/2 LOT 27 CON III
608364	DEC 9/81	N1/2 LOT 28 CON III
608365	DEC 9/81	S1/2 LOT 28 CON III
608366	DEC 9/81	S1/2 LOT 27 CON III
608367	DEC 9/81	N1/2 LOT 22 CON V
608368	DEC 9/81	S1/2 LOT 21 CON V
608369	DEC 9/81	N1/2 LOT 21 CON IV
608370	DEC 9/81	S1/2 LOT 22 CON V
608371	DEC 9/81	S1/2 LOT 23 CON V
608372	DEC 9/81	S1/2 LOT 22 CON IV
608373	DEC 9/81	S1/2 LOT 23 CON IV
608374	DEC 9/81	S1/2 LOT 24 CON IV
608376	DEC 9/81	N1/2 LOT 21 CON V
EO 777267	NOV 15/84	S1/2 LOT 20 CON V
777268	NOV 15/84	N1/2 LOT 20 CON V
777269	NOV 15/84	S1/2 LOT 20 CON VI
777270	NOV 15/84	N1/2 LOT 20 CON VI
777271	NOV 15/84	N1/2 LOT 21 CON VI
777272	NOV 15/84	S1/2 LOT 21 CON VI
777273	NOV 15/84	S1/2 LOT 22 CON VI
777274	NOV 15/84	N1/2 LOT 22 CON VI
EO 800880	APR 12/85	N1/2 LOT 24 CON V
800881	APR 12/85	S1/2 LOT 24 CON V
800884	APR 12/85	S1/2 LOT 25 CON V

PROPERTY STATUS Cont'd

CLAIM NUMBER	DATE RECORDED	REMARKS
EO 830694	NOV 15/84	N1/2 LOT 23 CON VI
830695	NOV 15/84	S1/2 LOT 23 CON VI
830696	NOV 15/84	S1/2 LOT 22 CON VII
830697	NOV 15/84	S1/2 LOT 21 CON VII
830698	NOV 15/84	S1/2 LOT 20 CON VII
830699	NOV 15/84	S1/2 LOT 19 CON VI
830700	NOV 15/84	N1/2 LOT 19 CON V
830701	NOV 15/84	S1/2 LOT 19 CON V
SO 998754	APR 20/88	N1/2 LOT 24 CON III
998755	APR 20/88	N1/2 LOT 23 CON III
998756	APR 20/88	N1/2 LOT 22 CON III
998757	APR 20/88	N1/2 LOT 21 CON III
998758	APR 20/88	N1/2 LOT 20 CON III
998759	APR 20/88	N1/2 LOT 19 CON III
998760	APR 20/88	S1/2 LOT 21 CON IV
998761	APR 20/88	S1/2 LOT 20 CON IV
998763	APR 20/88	N1/2 LOT 20 CON IV
998942	OCT 11/88	N1/2 LOT 18 CON III
SO 1084570	SEP 5/90	N1/2 LOT 28 CON VI
1084571	SEP 5/90	S1/2 LOT 28 CON VI
1084572	SEP 5/90	S1/2 LOT 27 CON VI
1084573	SEP 5/90	N1/2 LOT 27 CON V
1084574	SEP 5/90	S1/2 LOT 27 CON V
1084575	SEP 5/90	S1/2 LOT 26 CON V
1084576	SEP 5/90	N1/2 LOT 26 CON V
1084577	SEP 5/90	N1/2 LOT 25 CON V
1084578	DEC 12/90	S1/2 LOT 19 CON III
1084579	DEC 12/90	S1/2 LOT 18 CON III
SO 1117796	NOV 22/90	S1/2 LOT 26 CON III
1117797	NOV 22/90	S1/2 LOT 25 CON III
1117798	NOV 22/90	S1/2 LOT 24 CON III
1117799	NOV 22/90	S1/2 LOT 23 CON III

Total unpatented mining claims - 68



MARIA TOWNSHIP
ONTARIO

Bissett Creek Road

727000

Christopher Robins Lake

CON VII
CON VI

CON VII
CON VI

SO
1084570

SO
1084571

SO
1084572

SO
1084573

SO
1084576

SO
1084577

EO
800880

EO
608350

EO
608376

EO
777268

CON VI
CON V

SO
1084574

SO
1084575

EO
800884

EO
800881

EO
608371

EO
608370

EO
608368

EO
777267

EO
830700

CON V
CON IV

N 511000

EO
608305

EO
608306

ORE ZONE

EO
608348

EO
608349

EO
608369

SO
998763

MILL SITE

EO
608346

EO
608374

EO
608373

EO
608372

SO
998760

SO
998761

CON IV
CON III

EO
608361

EO
608362

EO
608304

EO
608346

EO
608374

EO
608373

EO
608372

SO
998760

SO
998761

EO
608364

EO
608363

EO
608303

EO
608302

SO
998754

SO
998755

SO
998756

SO
998757

SO
998758

SO
998759

SO
998942

EO
608365

EO
608366

SO
1117796

SO
1117797

SO
1117798

SO
1117799

22

21

20

EO
1084578

EO
1084579

N 511000

LOT
28

27

26

25

24

23

CON III
CON II

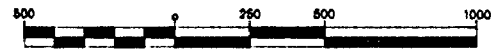
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NORTH COAST INDUSTRIES LTD.
BISSETT CREEK FLAKE GRAPHITE PROJECT

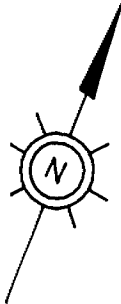
CLAIM MAP



FEB 1992

SCALE 1:25000

FIG. 2



727000

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HISTORY

General

The property was first staked by Mr. F. Tagliamonte and associates in 1980. Donegal Resources Ltd. optioned the property in the same year, carried out a magnetometer survey, limited trenching and then relinquished the property. Hartford Resources Inc. optioned the Tagliamonte claims and staked an additional 24 claims in 1981 and carried out a program of line cutting, VLF-EM surveying and trenching. Mr. D.G. Innes, consulting geologist, examined and reported on the property in the same year. In 1983, Hartford extended the claim block.

In 1984, Princeton Resources Corporation (Princeton) acquired the Tagliamonte option and the Hartford claims by acquiring Hartford Resources Inc. Princeton carried out a program of geological mapping, trenching, sampling and diamond drilling during November and December 1984. Five trenches, having a total length of 285 m, were excavated, blasted and sampled, and seven diamond drillholes, with a total length of 317 m, were completed during this period.

In 1985, Princeton continued exploration with a program of geological mapping, magnetic surveys, diamond drilling, bench testing and initial bulk sampling. A trailer base camp was established and the construction of a batch testing plant was started.

In November of 1986, North Coast Industries Ltd. entered into a option agreement with Princeton whereby North Coast would earn a 58% interest in the property by completing the batch testing plant, completing bulk sampling and producing flake product for end user tests. North Coast earned its 58% interest in June 1987 and subsequently purchased Princeton's remaining 42% interest on February 6, 1989.

North Coast Industries Ltd. now has a 100% interest in the property.

HISTORY Cont'd

Exploration And Evaluation Work Undertaken By North Coast Industries Ltd.

Since its option in 1986, North Coast Industries has undertaken extensive exploration and evaluation work on the Flake Graphite Project. Exploration work has included detailed geologic mapping on a scale of 1:100, 700 m of trenching, 2100 m of diamond drilling for a total of 7232 m in 160 holes, and percussion drilling has totalled 1207 m in 82 holes. This drilling has been carried out on a grid spacing of 64 m x 46 m with infill drilling at 23 m x 23 m.

In addition to the Princeton 3630 tonne bulk sample, North Coast has collected a number of smaller bulk samples for bench testwork by KHD and large 60 tonne bulk sample for pilot testing by EKOF and KHD.

This work is described in detail in the metallurgical section as is the batch testing of the Princeton bulk sample.

Further detailed exploration and evaluation has consisted of ore reserve calculations, mine planning and estimates of associated capital and operating costs, (the subjects of this section). In addition, extensive metallurgical evaluation, process design, environmental assessment, graphite flake quality evaluation, flake concentrate end user testing and market analysis has been undertaken.

GEOLOGY AND GEOLOGIC RESERVES - Figure #3

Geology

The Bissett Creek Project lies within the Ontario Gneiss Segment of the Greenville Structural Province of the Canadian Shield. This area is characterized by quartzofeldspathic gneisses which have undergone upper amphibolite facies gradation resulting from regional metamorphism. Mapping by the Ontario Department of Mines, indicates that the property and surrounding area are underlain by Middle Precambrian metasedimentary rocks.

The metasedimentary rocks sequence is divided into graphitic gneiss, transitional graphitic gneiss, and barren gneiss. The graphitic gneiss is a calcareous biotite-amphibole-quartzofeldspathic gneiss (Figure 3). Graphite, pyrite and pyrrhotite occur throughout. Graphite occurs in concentrations visually estimated to be from 1 to 4 percent. Sulphides occur in concentrations of 1 to 2 percent.

The graphitic gneiss sequence has a moderate dip to the east of 5 to 20 degrees (Figure 4). This unit is sandwiched between the upper barren one-calcareous gneiss, which forms the hangingwall of the deposit and a similar lower barren gneiss which forms a footwall. The total thickness of the graphitic gneiss is 75 metres which has been determined by drilling.

Flake graphite occurs disseminated in the gneiss and variable concentration in the transitional gneiss. The graphite flakes occur as oval surrounded particles from 1 to 6 mm in diameter.

Geologic Reserves

The drill hole data base for developing the geological reserves was prepared by C.E.C. Engineering Ltd. (CEC) and entered into PAH "MicroMODEL" computer program. The data base consisted of 237 drill holes with 2,713 samples.

A geostatistical analysis was performed on the drill hole data base. The original uncut assay intervals were composited to 6 metre benches using standard bench compositing. Basic statistics and lognormal cumulative frequencies distributions were performed. Grade estimation was calculated based on the inverse distance method.

GEOLOGY AND GEOLOGIC RESERVES Cont'd

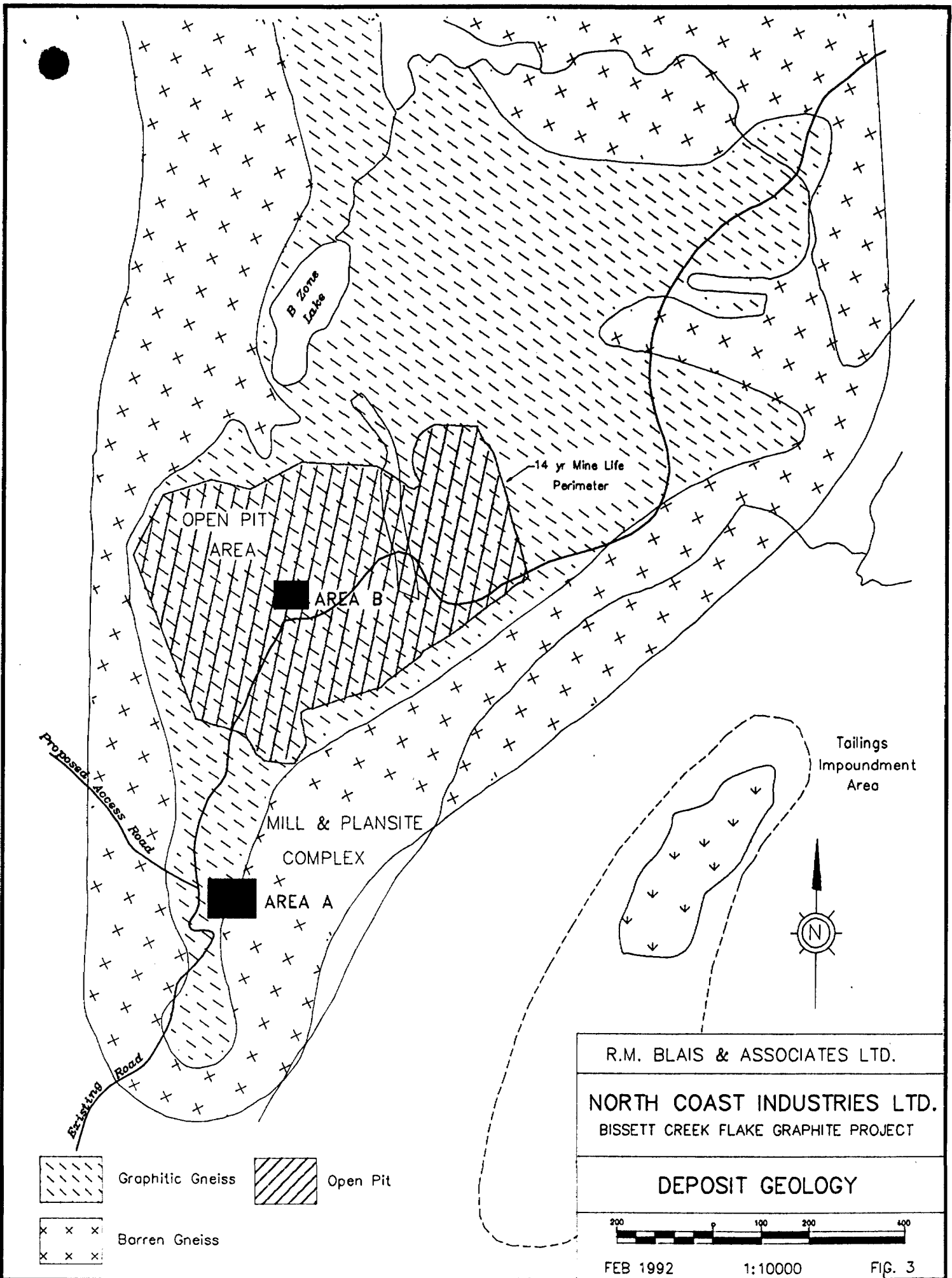
Geologic Reserves

The composited data was sorted using an isotropic search ellipsoid with a 60 metre primary and secondary search in the horizontal plane and an eight metre vertical search component. Once the composited data was sorted, and anisotropic weighted ellipsoid was used to assign distance weighted-averaged grade values to the block model.

The geological resource model was classified into proven, probable and possible categories for reporting of ore reserves. The resource classification is calculated based on a series of search envelopes as determined by the density of the local drilling grid. The interpolation distance for proven, probable and possible are 50 metres, 100 metres and 150 metres respectively. The extrapolation distance for proven ore is 10 metres, probable ore is 20 metres and possible ore is 35 metres.

The resulting geological ore reserve analysis is presented in Table 1.

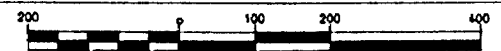
TABLE 1 BISSETT CREEK GRAPHITE PROJECT GEOLOGICAL ORE RESERVE		
Mineral Inventory		
Leco Cutoff Grade (%)	Tonnes	Average Grade (%)
0.95	26,038,000	1.86
1.50	16,448,000	2.22
2.00	8,883,000	2.65
2.25	6,891,000	2.80
2.50	4,744,000	2.99



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NORTH COAST INDUSTRIES LTD.
 BISSETT CREEK FLAKE GRAPHITE PROJECT

DEPOSIT GEOLOGY



FEB 1992

1:10000

FIG. 3

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ASSESSMENT WORK 1991

The 1991 assessment work conducted on the Bissett Creek graphite property between July 19, 1991 and September 20, 1991 was confined to claim EO 608346 (Area A) and claim EO 608347 (Area B) see figure #4. The assessment work included stripping, trenching and overburden drilling which is consistent with the regulations found in section 10 of the 1991 mining act.

Area A is located at the proposed mill site which is positioned along the contact between the graphitic gneiss and barren gneiss. A backhoe excavator was used for stripping and trenching in this area. The excavation exposed the bedrock in trench No. 1 and trench No. 2 and a number of small pits. In trench No. 1 the contact between graphitic gneiss and barren gneiss was exposed. Visual inspection of the exposed bedrock indicated a very low grade graphitic gneiss, therefore, no samples were taken for analysis.

Other assessment work completed in Area A included 67 airtrack holes that were drilled, logged and surveyed so that bedrock depths could be accurately determined. See figure #5 which is a folded map inside pocket of this report which shows areas stripped and trenched and the overburden drill hole locations with collar elevations and bedrock depths. Overburden drilling results are also compiled in Table 1.

Area B is located on claim EO 608347 and is noted on Figure #4 as ore zone.

During previous exploration programs, a small portion of the ore zone had been exposed. New stripping was done in this same area so that a larger portion of the ore zone could be visually examined. The material excavated above the bedrock was black organic matter that was water saturated and very difficult to handle. Once the bedrock (ore zone) was exposed it was drilled with a Atlas Copco plugger; blasted and visually examined to verify the high grade graphite content.

Because of the difficult soil conditions, if further work is desired in this area, it should be done during the winter months.

1991 ASSESSMENT PROGRAM
OVERBURDEN DRILL HOLES
BISSETT CREEK PROJECT

HOLE #	COLLAR ELEVATION	HOLE DEPTH	REFUSAL ELEVATION	HOLE #	COLLAR ELEVATION	HOLE DEPTH	REFUSAL ELEVATION
OBH-1	290.6	4.9	285.7	OBH-42	282.2	.9	281.3
OBH-2	289.1	4.0	285.1	OBH-43	282.4	1.5	280.9
OBH-3	288.1	4.0	284.1	OBH-44	280.9	.6	280.3
OBH-4	287.0	3.7	283.3	OBH-45	281.9	4.0	277.9
OBH-5	285.8	3.7	282.1	OBH-46	284.7	1.5	283.2
OBH-6	286.8	1.5	285.3	OBH-47	284.3	4.6	279.7
OBH-7	286.2	2.4	283.8	OBH-48	285.0	4.6	280.4
OBH-8	286.0	2.1	283.9	OBH-49	284.7	4.9	279.8
OBH-9	285.6	1.2	284.4	OBH-50	283.5	4.0	279.5
OBH-10	284.9	1.2	283.7	OBH-51	282.6	5.8	276.8
OBH-11	284.1	1.5	282.6	OBH-52	282.0	2.4	279.6
OBH-12	284.0	1.5	282.5	OBH-53	281.3	4.3	277.0
OBH-13	284.5	2.4	282.1	OBH-54	285.3	1.8	283.5
OBH-14	284.1	1.5	282.6	OBH-55	283.0	2.4	280.6
OBH-15	283.3	2.4	280.9	OBH-56	283.0	2.4	280.6
OBH-16	283.8	2.4	281.4	OBH-57	285.4	1.8	283.6
OBH-17	282.8	4.6	278.2	OBH-58	284.4	1.8	282.6
OBH-18	281.3	2.4	278.9	OBH-59	285.6	3.4	282.2
OBH-19	281.5	2.1	279.4	OBH-60	286.2	1.2	285.0
OBH-20	282.2	2.7	279.5	OBH-61	287.6	BR	BR
OBH-21	282.8	4.3	278.5	OBH-62	287.1	.6	286.5
OBH-22	282.2	4.3	277.9	OBH-63	285.8	1.5	284.3
OBH-23	281.3	3.4	277.9	OBH-64	286.0	1.8	284.2
OBH-24	282.3	4.6	277.7	OBH-65	286.5	4.6	281.9
OBH-25	281.6	5.8	275.8	OBH-66	285.3	2.1	283.2
OBH-26	281.5	4.3	277.2	OBH-67	287.1	.6	286.5
OBH-27	281.2	2.1	279.1				
OBH-28	281.2	1.5	279.1				
OBH-29	281.2	3.4	279.7				
OBH-30	281.2	3.7	277.5				
OBH-31	281.4	4.3	277.1				
OBH-32	280.6	4.3	276.3				
OBH-33	280.4	5.5	274.9				
OBH-34	280.2	3.4	276.8				
OBH-35	280.0	4.3	275.7				
OBH-36	280.0	4.0	276.0				
OBH-37	281.6	2.4	279.2				
OBH-38	281.1	4.0	277.1				
OBH-39	280.2	7.0	273.2				
OBH-40	282.0	1.8	280.2				
OBH-41	281.8	4.0	277.8				

TABLE 1

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Assessment Report 1991

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Revised June 16, 1992 *RMBlaiss*

EXPENDITURES

R.M. BLAIS & ASSOCIATES LTD.

Project Supervision, Engineering & Report
Invoice - November 30, 1991

7,894.00

GEORGE'S RENTAL & EXCAVATING

1986 - FMC Linkbelt Backhoe Excavator
1¼ c.y Bucket - Model 2800 A

Contract Rate \$85.00/hour (Operated, Fuel)
Operator Rate \$15.00/hour (Included in contract
rate)

Dates and hours worked

July 23, 1991	2.0 Hours
24, 1991	9.0
25, 1991	9.5
26, 1991	8.5
28, 1991	3.0
29, 1991	9.5
30, 1991	9.5
31, 1991	9.5
Aug. 01, 1991	10.5
02, 1991	<u>6.0</u>

TOTAL HOURS 77.0

77.0 x \$85.00 6545.00

G.S.T. 7% 458.15

7003.15

Float Charge 600.00

7603.15

7,603.00

BAY BLASTING LTD.

1990 - Gardiner-Denver Hydra Trac
Model 3500 BV

Contract Rate \$100.00/hour (Operator, Steel,
Bits, Fuel)

Operator Rate \$ 18.00/hour (Included in contract
rate)

Assessment Report 1991

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Revised June 16, 1992 *Rm Blas'*

EXPENDITURES Cont'd

Date and hours worked

Aug. 06, 1991	11.0
07, 1991	11.0
08, 1991	<u>11.0</u>

TOTAL HOURS 33.0

33.0 x \$100.00 3300.00

G.S.T. 7% 231.00

3531.00

3,531.00

TOTAL ASSESSMENT WORK \$19,028.00

EXPENDITURES

<u>R.M. BLAIS & ASSOCIATES LTD.</u> Project Supervision, Engineering & Report Invoice - November 30, 1991	7,894.18
<u>GEORGE'S RENTAL & EXCAVATING</u> 1½ cubic yard Backhoe Invoice - August 9, 1991	7,603.18
<u>BAY BLASTING LTD.</u> Hydra-Trac Drill Invoice #144 - August 13, 1991	<u>3,531.00</u>
TOTAL EXPENDITURES	<u><u>\$19,990.00</u></u>

Actual money spent on program - Re: assessment work.

Total Expenditures	\$19,990.00
Total G.S.T.	<u>1,245.62</u>
	<u><u>\$18,744.38</u></u>

CERTIFICATE

I, Ronald Murray Blais, Professional Engineer, of 238
Labreche Drive, North Bay, Ontario P1A 4J6, do declare that:

1. I am a graduate of the Haileybury School of Mines -
1959, Haileybury, Ontario
2. I have actively practiced my profession for 21
years.
3. I am a Registered Professional Engineer in the
Province of Ontario.
4. I directly planned and supervised the exploration
program described in this report.

Dated at North Bay, Ontario
February 4, 1992



R.M. Blais, P. Eng.

APPENDIX "A"

APPENDICES

APPENDIX "A"

References

- Thiessen, R.W.
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- C.E.C Engineering Ltd. (August 1990): Bissett Creek Graphite Project - Assay Database, for North Coast Industries Ltd.
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- Laird, J.M. (1987): Geology Report of Bissett Creek Project for North Coast Industries Ltd.
- Schmidt, U. (March 1986): Geology and 1985 Diamond Drilling, Bissett Creek Graphite Property for Princeton Resources Corp.

APPENDIX "A"

References cont'd

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APPENDIX "B"

APPENDIX "B"

Personnel

R.M. BLAIS & ASSOCIATES LTD.

160 Pinewood Park Drive

P.O. Box 237

North Bay, Ontario P1B 8H2

(705) 474-4110

Ronald Blais, P.Eng. - **Engineer**

P.O. Box 237

North Bay, Ontario P1B 8H2

(705) 474-4110

Todd Kampman - **Geological Technologist**

#26-624 Lakeshore Drive

North Bay, Ontario

(705) 472-1790

Rick Lavoy - **Draftsman**

312 Reginald Road

North Bay, Ontario P1A 3G6

(705) 495-6576

BELATECH INDUSTRIES LTD.

1354 Franklin Street

North Bay, Ontario P1B 2M3

(705) 474-6077

Brian Belanger - **Blaster**

1354 Franklin Street

North Bay, Ontario P1B 2M3

(705) 474-6077

Doug Lynett - **Helper**

R.R. #3

North Bay, Ontario P1B 8G4

BAY BLASTING LTD.

67 Gibson Street

R.R. #5, Site 1, Comp. 25

North Bay, Ontario P1B 8Z4

(705) 474-6401

Tim Laframboise - **Driller**

67 Gibson Street

R.R. #5, Site 1, Comp. 25

North Bay, Ontario P1B 8Z4

(705) 474-6401

APPENDIX "B"

Personnel cont'd

GEORGES EQUIPMENT RENTAL & EXCAVATING

671 Lakeshore Drive

North Bay, Ontario P1A 2G1

(705) 474-1959

Joe Quigley - Backhoe Operator

671 Lakeshore Drive

North Bay, Ontario P1A 2G1

(705) 474-1959



Personal information collected on this form is obtained under the authority of the Mining Act. This information will be used for correspondence. Questions about this collection should be directed to the Provincial Manager, Mining Lands, Ministry of Northern Development and Mines, Fourth Floor, 159 Cedar Street, Sudbury, Ontario, P3E 6A5, telephone (705) 670-7264.

- Instructions:**
- Please type or print and submit in duplicate.
 - Refer to the Mining Act and Regulations for requirements of filing assessment work or consult the Mining Recorder.
 - A separate copy of this form must be completed for each Work Group.
 - Technical reports and maps must accompany this form in duplicate.
 - A sketch, showing the claims the work is assigned to, must accompany this form.

Recorded Holder(s) Consolidated North Coast Industries Ltd.		Client No. 176419
Address 920 1188 West Georgia Street, Vancouver, B.C. V6E 4A2		Telephone No. 604 681-0799
Mining Division Southern Ontario	Township/Area Maria	M or G Plan No. G1387
Dates Work Performed From: July 19, 1991		To: September 20, 1991

Work Performed (Check One Work Group Only)

Work Group	Type
<input type="checkbox"/> Geotechnical Survey	
<input checked="" type="checkbox"/> Physical Work, Including Drilling	Stripping, trenching, overburden drilling
<input type="checkbox"/> Rehabilitation	
<input type="checkbox"/> Other Authorized Work	
<input type="checkbox"/> Assays	
<input type="checkbox"/> Assignment from Reserve	

Total Assessment Work Claimed on the Attached Statement of Costs \$ 19,028.

Note: The Minister may reject for assessment work credit all or part of the assessment work submitted if the recorded holder cannot verify expenditures claimed in the statement of costs within 30 days of a request for verification.

Persons and Survey Company Who Performed the Work (Give Name and Address of Author of Report)

Name	Address
R.M. Blais R.M. Blais and Associates Ltd.	160 Pinewood Park Drive P.O. Box 237, North Bay, Ontario P1B 8H2

(attach a schedule if necessary)

Certification of Beneficial Interest * See Note No. 1 on reverse side

I certify that at the time the work was performed, the claims covered in this work report were recorded in the current holder's name or held under a beneficial interest by the current recorded holder.	Date July 2 1992	Recorded Holder or Agent (Signature) <i>W. H. Wenzley</i>
--	---------------------	--

Certification of Work Report

I certify that I have a personal knowledge of the facts set forth in this Work report, having performed the work or witnessed same during and/or after its completion and annexed report is true.		
Name and Address of Person Certifying RM BLAIS 160 PINEWOOD PARK DR BOX 237 NORTH BAY, ONTARIO P1B 8H2		
Telephone No. 705-474-4110	Date JULY 8, 1992	Certified By (Signature) <i>R.M. Blais</i>

For Office Use Only

Total Value Cr. Recorded \$19,028	Date Recorded July 9/92	Mining Recorder <i>D. Sollymore</i>	<table border="1"> <tr> <td colspan="2">SOUTHERN ONTARIO MINING DIVISION</td> </tr> <tr> <td colspan="2">RECEIVED</td> </tr> <tr> <td colspan="2">JUL - 9 1992</td> </tr> <tr> <td>AM</td> <td>PM</td> </tr> <tr> <td>7</td> <td>8</td> </tr> <tr> <td>9</td> <td>10</td> </tr> <tr> <td>11</td> <td>12</td> </tr> <tr> <td>1</td> <td>2</td> </tr> <tr> <td>3</td> <td>4</td> </tr> <tr> <td>5</td> <td>6</td> </tr> </table>	SOUTHERN ONTARIO MINING DIVISION		RECEIVED		JUL - 9 1992		AM	PM	7	8	9	10	11	12	1	2	3	4	5	6
	SOUTHERN ONTARIO MINING DIVISION																						
	RECEIVED																						
JUL - 9 1992																							
AM	PM																						
7	8																						
9	10																						
11	12																						
1	2																						
3	4																						
5	6																						
Dated Approval Date	Date Approved July 9/92																						
Date Notice for Amendments Sent																							



**Statement of Costs
for Assessment Credit**

**État des coûts aux fins
du crédit d'évaluation**

Transaction No./N° de transaction
W9290.00031

Mining Act/Loi sur les mines

Personal information collected on this form is obtained under the authority of the Mining Act. This information will be used to maintain a record and ongoing status of the mining claim(s). Questions about this collection should be directed to the Provincial Manager, Minings Lands, Ministry of Northern Development and Mines, 4th Floor, 159 Cedar Street, Sudbury, Ontario P3E 6A5, telephone (705) 670-7264.

Les renseignements personnels contenus dans la présente formule sont recueillis en vertu de la Loi sur les mines et serviront à tenir à jour un registre des concessions minières. Adresser toute question sur la collecte de ces renseignements au chef provincial des terrains miniers, ministère du Développement du Nord et des Mines, 159, rue Cedar, 4^e étage, Sudbury (Ontario) P3E 6A5, téléphone (705) 670-7264.

1. Direct Costs/Coûts directs

Type	Description	Amount Montant	Totals Total global
Wages Salaires	Labour Main-d'oeuvre		
	Field Supervision Supervision sur le terrain		7,894.00
Contractor's and Consultant's Fees Droits de l'entrepreneur et de l'expert- conseil	Type		
Supplies Used Fournitures utilisées	Type		
Equipment Rental Location de matériel	Type Backhoe		7,603.00
	Hydra-trac Drill		3,531.00
Total Direct Costs Total des coûts directs			19,028.00

2. Indirect Costs/Coûts indirects

** Note: When claiming Rehabilitation work Indirect costs are not allowable as assessment work.
Pour le remboursement des travaux de réhabilitation, les coûts indirects ne sont pas admissibles en tant que travaux d'évaluation.

Type	Description	Amount Montant	Totals Total global
Transportation Transport	Type		
Food and Lodging Nourriture et hébergement			
Mobilization and Demobilization Mobilisation et démobilisation			
Sub Total of Indirect Costs Total partiel des coûts indirects			
Amount Allowable (not greater than 20% of Direct Costs) Montant admissible (n'excédant pas 20 % des coûts directs)			
Total Value of Assessment Credit (Total of Direct and Allowable Indirect costs)		Valeur totale du crédit d'évaluation (Total des coûts directs et indirects admissibles)	

Note: The recorded holder will be required to verify expenditures claimed in this statement of costs within 30 days of a request for verification. If verification is not made, the Minister may reject for assessment work all or part of the assessment work submitted.

Note: Le titulaire enregistré sera tenu de vérifier les dépenses demandées dans le présent état des coûts dans les 30 jours suivant une demande à cet effet. Si la vérification n'est pas effectuée, le ministre peut rejeter tout ou une partie des travaux d'évaluation présentés.

Filing Discounts

1. Work filed within two years of completion is claimed at 100% of the above Total Value of Assessment Credit.
2. Work filed three, four or five years after completion is claimed at 50% of the above Total Value of Assessment Credit. See calculations below:

Total Value of Assessment Credit	Total Assessment Claimed
	× 0.50 =

Remises pour dépôt

1. Les travaux déposés dans les deux ans suivant leur achèvement sont remboursés à 100 % de la valeur totale susmentionnée du crédit d'évaluation.
2. Les travaux déposés trois, quatre ou cinq ans après leur achèvement sont remboursés à 50 % de la valeur totale du crédit d'évaluation susmentionné. Voir les calculs ci-dessous.

Valeur totale du crédit d'évaluation	Evaluation totale demandée
	× 0,50 =

Certification Verifying Statement of Costs

I hereby certify:
that the amounts shown are as accurate as possible and these costs were incurred while conducting assessment work on the lands shown on the accompanying Report of Work form.

that as Director I am authorized
(Recorded Holder, Agent, Position in Company)

to make this certification

Attestation de l'état des coûts

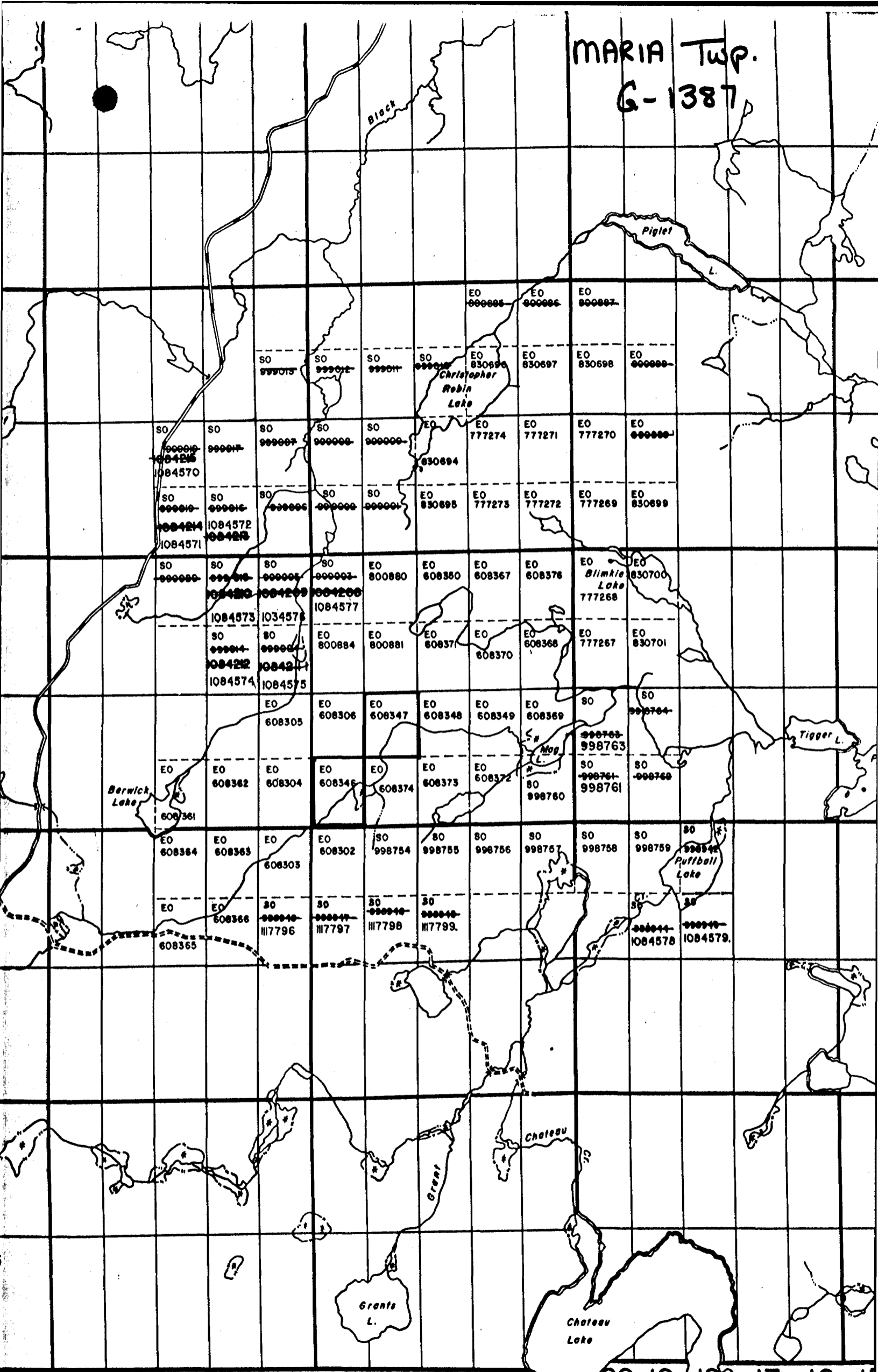
J'atteste par la présente :
que les montants indiqués sont le plus exact possible et que ces dépenses ont été engagées pour effectuer les travaux d'évaluation sur les terrains indiqués dans la formule de rapport de travail ci-joint.

Et qu'à titre de _____ je suis autorisé
(titulaire enregistré, représentant, poste occupé dans la compagnie)

à faire cette attestation.

Signature <u>[Signature]</u>	Date <u>June 11 1992</u>
---------------------------------	-----------------------------

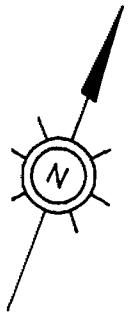
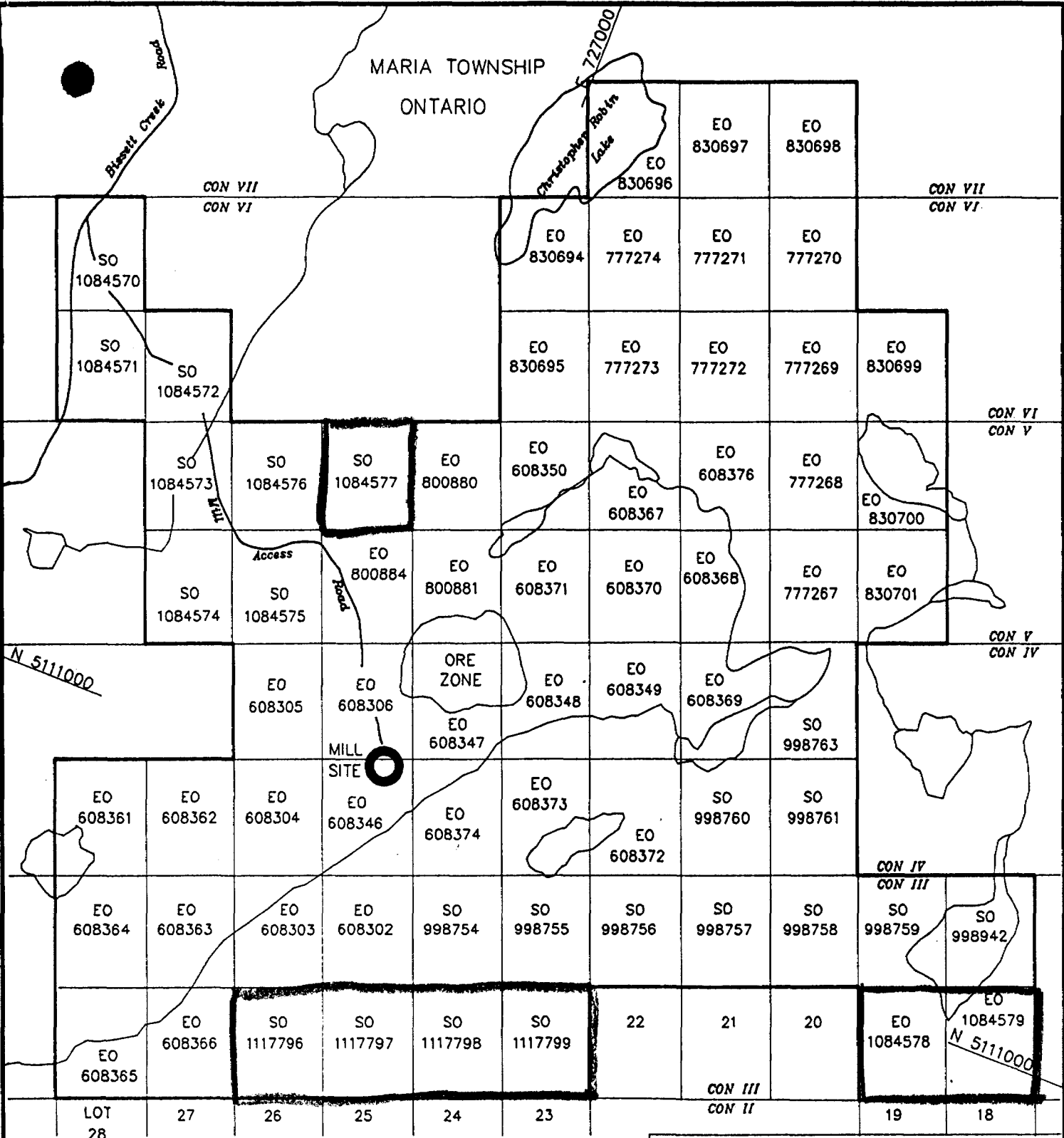
MARIA TWP.
G-1387



31 30 29 28 27 26 25 24 23 22 21 20 19 18 17 16 15

Edgar Twp.

MARIA TOWNSHIP
ONTARIO



R.M. BLAIS & ASSOCIATES LTD.

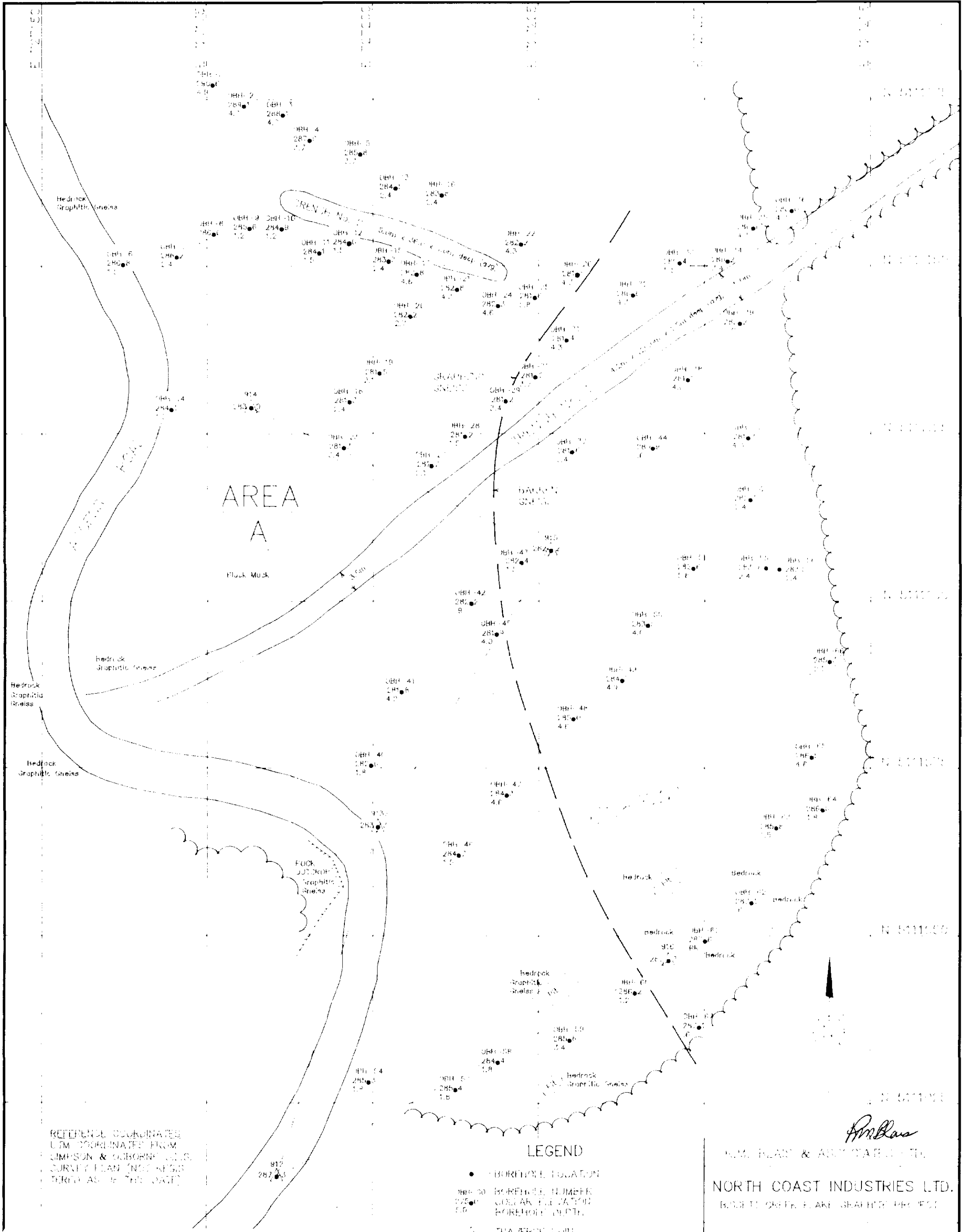
NORTH COAST INDUSTRIES LTD.
BISSETT CREEK FLAKE GRAPHITE PROJECT

CLAIM MAP

300 250 500 1000

FEB 1992 SCALE 1:25000 FIG. 2

R.M. Blais



REFERENCE COORDINATES
 UTM COORDINATES FROM
 SIMPSON & GIBBONS 1963
 SURVEY PLAN (NOT REVISIT
 DATED AS OF THIS DATE)

LEGEND

- BOREHOLE LOCATION
- OBH-50 BOREHOLE NUMBER
- 285.0 COLLAR ELEVATION
- 5.0 BOREHOLE DEPTH
- TRAVERSE POINT
- 912 TRAVERSE POINT NUMBER
- 287.5 TRAVERSE POINT ELEVATION

AmBas
 N.M. PLAN & AMBABLE TEL
NORTH COAST INDUSTRIES LTD.
 BUREAU OF RESEARCH & DEVELOPMENT

OVERBURDEN DRILLING
 10 5 10 20
 FEB 1992 1:500 FIG. 5

