

2.26315

REPORT

ASSESSMENT WORK - SO 1249723, SO 1249711, and SO 1234705

Bissett Creek Graphite Property

Maria Township, Ontario

Recorded Holder:

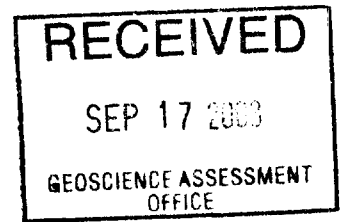
Industrial Minerals Canada Inc.

Suite 750 - 2 Robert Speck Parkway

Mississauga, Ontario

L4Z 1H8

Client # 400757



Location:

Industrial Minerals Inc. currently holds Mining Lease No. 106693, which is comprised of surface and mining rights of land and land under water in the geographic Township of Maria, now in the United Townships of Clara, Head and Maria, in the County of Renfrew, Province of Ontario. The graphite rock which was the subject of beneficiation/assays was taken from Pit #1, Mining Claim EO 608348, located in the north half of Lot IV, Concession 23. (**See Appendix A - Key Map**). Unpatented mining claims SO 1249723, SO 1249711, and SO 1234705, are contiguous to the block of twenty-eight leased claims. (**See Appendix B - Contiguity Map**).

History:

The mining claims comprising the lease were originally staked in 1980. Donegal Resources Ltd. optioned the property the same year, and carried out a geophysical survey using ground magnetometer equipment. After carrying out a modest exploratory trenching program, the company terminated the option.. Hartford Resources Inc. optioned the property in 1981. Line cutting, VLF-EM surveys and further trenching were carried out.

Princeton Resources Corporation (Princeton) acquired Hartford Resources Inc.(and the option on the claims) in 1984. Geological mapping, trenching, sampling and diamond drilling were carried out during 1984: five trenches totalling 285 metres and seven drill holes for a total



depth of 317 metres. The following year, Princeton did more mapping, geophysical surveys, diamond drilling, some bench testing and bulk sampling.

North Coast Industries Ltd. (North Coast) acquired a 58% interest in the property in 1986. It carried out an extensive program of exploration and test work. Almost 700 metres of trenching and 2100 metres of diamond drilling, for a total of 7232 metres in 160 holes, were completed. Percussion drilling was carried out with 82 holes completed, for a total of 1207 metres. Both Princeton and North Coast took bulk samples for pilot scale testing.

North Coast acquired the remaining interest in the property in 1989. North Coast then commissioned KHD to complete a feasibility study for the project, assisted by Kilborn Engineering (B.C.) Ltd. After the feasibility study was completed, the project was put on hold due to a severe decline in graphite prices. The property was returned to the original vendor group.

Industrial Minerals Inc. (Industrial Minerals Canada Inc. [IMCI] is a wholly-owned subsidiary of Industrial Minerals Inc.) acquired the leased mining claims in 2001. Work carried out on behalf of IMCI included a testing method of pre-concentrating the flake by a novel dry process.

Geology, Mineralogy:

(The following information taken, with permission, from: "Summary Review and Geological Report for the Bissett Creek Graphite Project", B. Ainsworth, P.Eng. B.C., November 25th, 2001.)

The graphite deposit occurs in a belt of the Ontario Gneiss, a segment of the Grenville Province of Pre-Cambrian rocks of the Southern Canadian Shield. The main rock type is a quartzo-feldspathic gneiss, which is reportedly an upper amphibolite grade of metamorphism.

The Ontario Gneiss is distinguished from other formations in the Grenville by having a dominant northwestern foliation.

Ontario Geological mapping in 1976 by S.B. Lumberg reports that the property area is underlain by Middle Pre-Cambrian metasediments. These are gneisses with medium to coarse-grained, quartz, biotite-k-feldspar and quartz plagioclase feldspar units. The beds are highly deformed and lie in northwest trending, northeast dipping recumbent folds. A significant amount of remobilization of quartz and feldspar occurred during the metamorphism and as much as ten percent of the rock is migmatite.

For mapping purposes, the rocks are divided into graphite gneisses, transitional graphite gneisses and barren gneisses.

The graphite gneiss horizon has a thickness of approximately seventy-five metres as demonstrated by drilling. In the area of the drilling, it dips eastward at five to twenty-five degrees. The graphite horizon is sandwiched between an upper, barren non-calcareous gneiss and a similar lower unit. These are pale to dark green units with biotite, dark green amphiboles and red garnets. Drill results indicate that the bulk of the graphite occurs with a graphitic carbon grade of between one percent and ten percent.

The transitional gneiss is an intermediate unit that has muscovite and biotite with mauve garnets in the quartz-feldspar gneiss. This may occur near the foot wall and hanging walls or as small lenses within the graphitic gneiss horizon.

Two minor intrusive units were identified on the surface within the claims. These have been emplaced as minor dykes and sills of lamprophyre and migmatic quartz-feldspar pegmatites with biotite and muscovite.

The Bissett graphite is a metasedimentary deposit of unspecified sub-type. The original sediments were probably carbon rich - low iron sandstones that either developed crystalline graphite from the confined metamorphism and destruction of the carbonates or from the re-working of carbonaceous material in the sediments.

A petrographic study carried out as part of the feasibility study for North Coast determined that the graphite gneisses were biotite schists with variable contents of amphibole, clinopyroxene, chlorite, carbonate and graphite. Ubiquitous minerals included sphene, apatite, garnet and zircon. Sulphides were reported as trace amounts only, usually as pyrite and pyrrhotite. It was concluded that the mineral assemblage was derived from calcareous bands of sediments with interbedded clastic sediments possibly derived from rocks of granitic composition. The grade of regional metamorphism was considered to be upper medium grade as determined by the development of garnet, amphibole and diopside.

Beneficiation:

The following beneficiation work segments are being submitted as assessment work:

1. Bissett Creek graphite recovery by high tension separation; and
2. Graphite beneficiation by air classification and optimization of bench scale process.

The objective of the first segment was to upgrade graphite air classifier concentrates from 60%-65% carbon, to 90-94% carbon. The equipment used was a high-tension separator model HT (2536) 111-15 (Queen's Department of Mining and Metallurgy). A graphite concentrate assaying 60-65% was obtained from processing part of a bulk ore sample (approx. 500 lbs.) obtained from Pit #1, EO 608348, Maria Township. (See Appendix C, Detail Map Pit #1). The head feed grade was calculated to be about 3.5% carbon. Preparation was conducted at the

premises of Erana Mines Limited, then 106 Fielding Road, Lively, Ontario.

Names of personnel involved in work, and dates worked:

Lionel Magumbe	Feb 18-21, 2002
	July 02 -05, 2002
Albert Jerome	Feb 18-22, 2002
Peter Hauser	Feb 18-22, 2002

Equipment used at 106 Fielding Rd.:

6 x 12' Pacific jaw crusher;
 Hazemag impact crusher;
 Sweco Vibro energy screen; and
 Hammer Mill Model A 13669

Equipment used at Queen's University:

High-tension separator model HT (2536) 111-15

Please see **Appendix D, Report entitled: "Bisset Creek Graphite Recovery by High Tension Separation", July 29, 2002, by Lionel Magumbe, B.Eng. M.A. Sc.** A writer's certificate accompanies the report, and the assays referred to therein are also appended to the report.

The objective of the second segment of work submitted herein was to recover graphite via a novel graphite air classification system, from an ore analyzing about 3.5% carbon from Bisset Creek Pit #1, EO 608348, Maria Township, Ontario.

Names of personnel involved in work, and dates worked:

Lionel Magumbe	Jan 6-8, 2003
	Jan 28-30, 2003
Albert Jerome	Dec 17, 2002
	Jan 2-3, 2003
	Jan 21-22, 2003
	Jan 23, 2003
Jeffrey Dupuis	Dec 11, 2002
	Dec 16-20, 2002
	Dec 23, 2002

Jan 2-3, 2003
 Jan 6-10, 2003
 Jan 13-15, 2003
 Jan 21-22, 2003
 Jan 28-30, 2003

Equipment used at 59 Nelson Rd.:

Pacific jaw crusher;
 Hazemag impact crusher;
 Sweco vibro energy screen;
 Graphite air classifier; and
 Eriez Magnetic Separator

Please see Appendix ^E~~D~~, a report entitled “Graphite Beneficiation by Air

Classification and Optimization of Bench Scale Process”, dated February 24, 2003, by

Lionel Magumbe B.Eng. M.A.Sc. A writer’s certificate is appended to the report, and the assay results referred to in the report are also appended.

The costs of the first work segment are as follow:

Bulk sample labour	\$4,310.	
Assays, lab	1,696.	
Mileage	438.	
Meals, Accom	299.	
Freight & Transport	<u>109.</u>	<u>\$6,852</u>

The costs of the second work segment are as follow:

Bulk sample labour	\$6,102.	
Assays, lab	795.	
Mileage	--	
Meals, Accom	--	
Freight & Transport	<u>325.</u>	<u>\$7,222.</u>

Proof of costs (invoices, copies of cheques) are appended to the Statement of Costs.

Discussion - Graphite as an Industrial Mineral:

These are the traditional uses for graphite:

Refractories

- castable ramming
- carbon bonded brick
- ladles
- magnesite and alumina carbon brick

Brake linings

Foundries

These are emerging uses:

Fuel cells for hybrid and electric vehicles

Energy storage systems

- VRB
- lithium-ion battery

Heated runways


Conductive plastics.

Properties of graphite which make it important to both traditional and emerging markets:

- high electrical conductivity
- high thermal conductivity
- light weight
- high strength
- high stiffness
- high lubricity
- low permeability due to flake form
- dimensional stability
- chemical inertness.

Industrial Minerals Canada Inc. has recognized the potential of this property, and is in the process of taking the property to production..

Prepared this 2nd day of September, 2003



Edward J. Blanchard
Erana Mines Limited

EXISTING & PROPOSED OPENINGS TO SURFACE MAP - N° 4

Bissett Creek Graphite Project

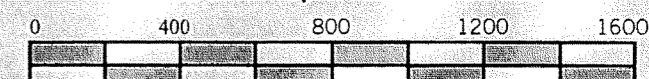
geographic Township of Maria

United Townships of
Head, Clara and Maria

County of Renfrew

Scale: 1 to 20,000

1 centimetre represents 200 metres



LEGEND

MINING LEASE



SAMPLE PITS



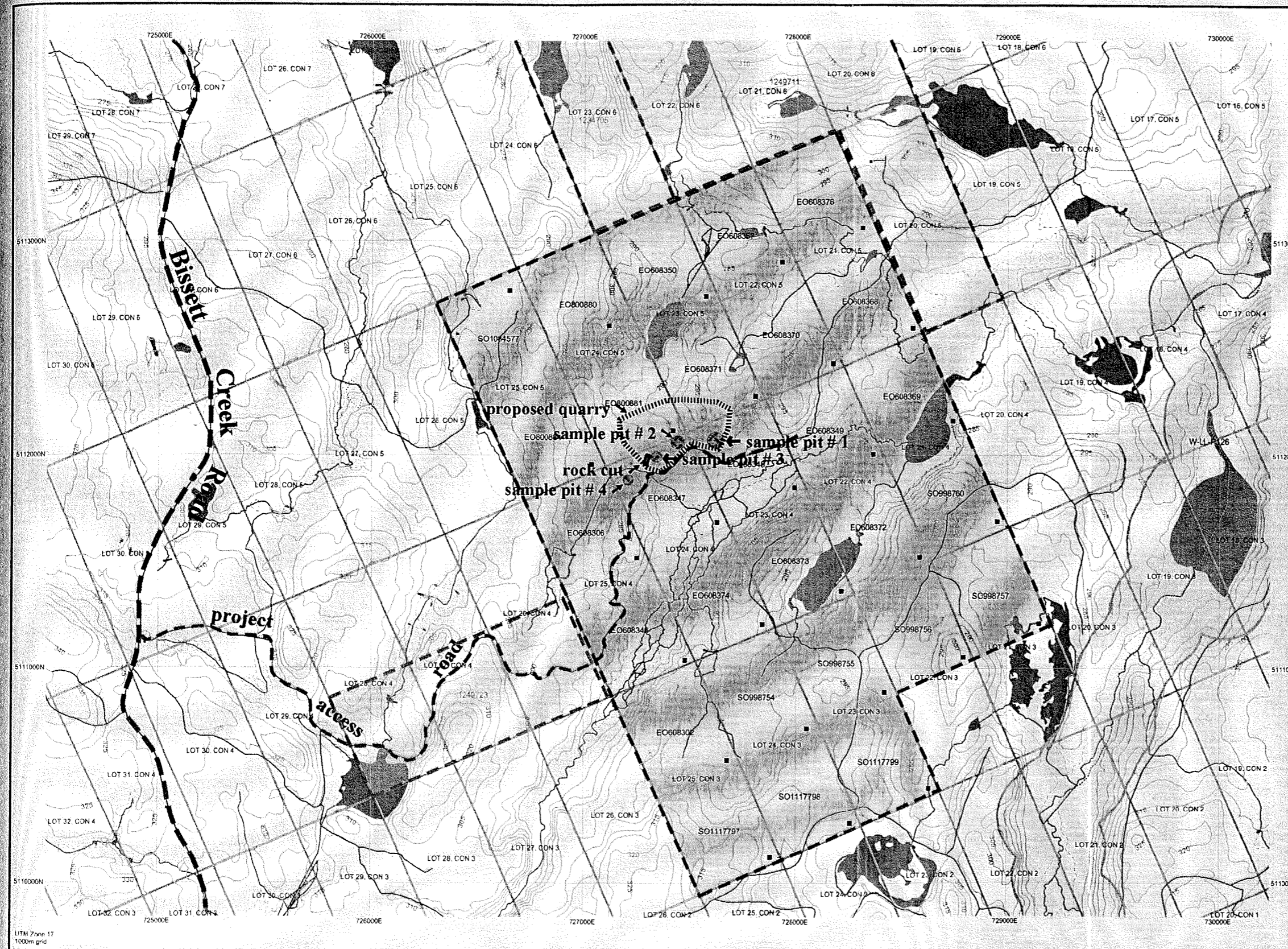
ROCK CUT



PROPOSE QUARRY PERIMETER



ACCESS ROADS



Projection: Universe Transverse Mercator (6 degrees)
Map Datum: NAD 83

Topographic Data Source: Land Information Ontario
Mining Land Tenure Source: Provincial Mining Recorders' Office

ADMINISTRATIVE DISTRICTS / DIVISIONS

Mining Division: SOUTHERN ONTARIO
Land Titles / Registry Division: RENFREW
Ministry of Natural Resources District: PEMBROKE

Search by: ☐ G-Plan Numbers ☐ Township/Area Names ☐ Claims ☐ Dispositions

 Search!

 Help

Begin your search by clicking on one of the radio buttons (G-Plan, Township/Area, Claim, or Disposition). Then enter your search criteria in the text box and click on the search button.

Select from a list below and press its "Go" button to jump to the specified view.

Mining Division

G-Plan #

Township / Area

View Reports:

Select Disposition

The centre of your map is in: Division: Southern Ontario Township: MARIA G-Plan: G-

Map Tools



Go to Ontario View.

10x

Zoom Factor.



Zoom In



Zoom Out



Pan



Identify Alienation



Identify Disposition



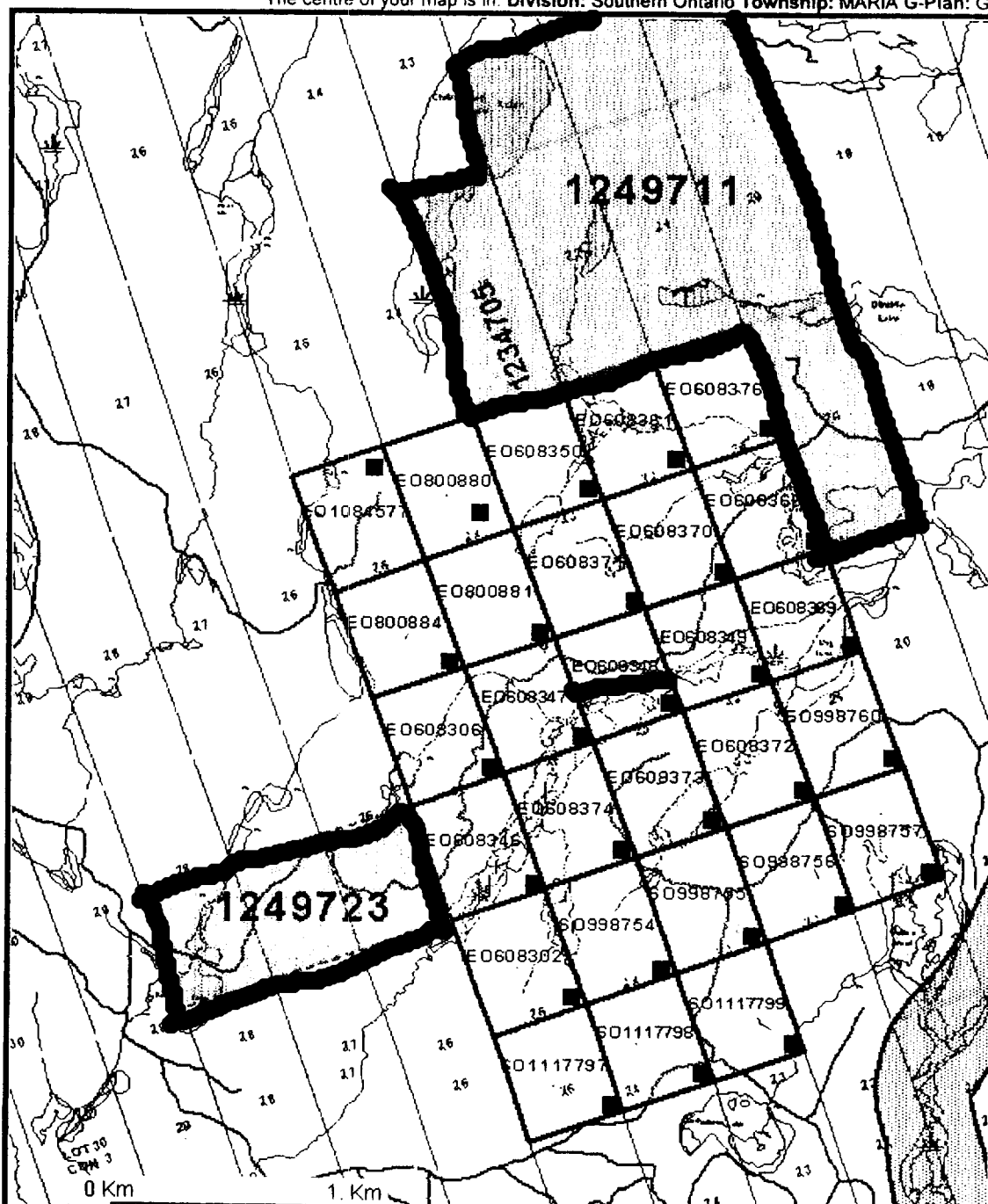
Identify Claim



Legend

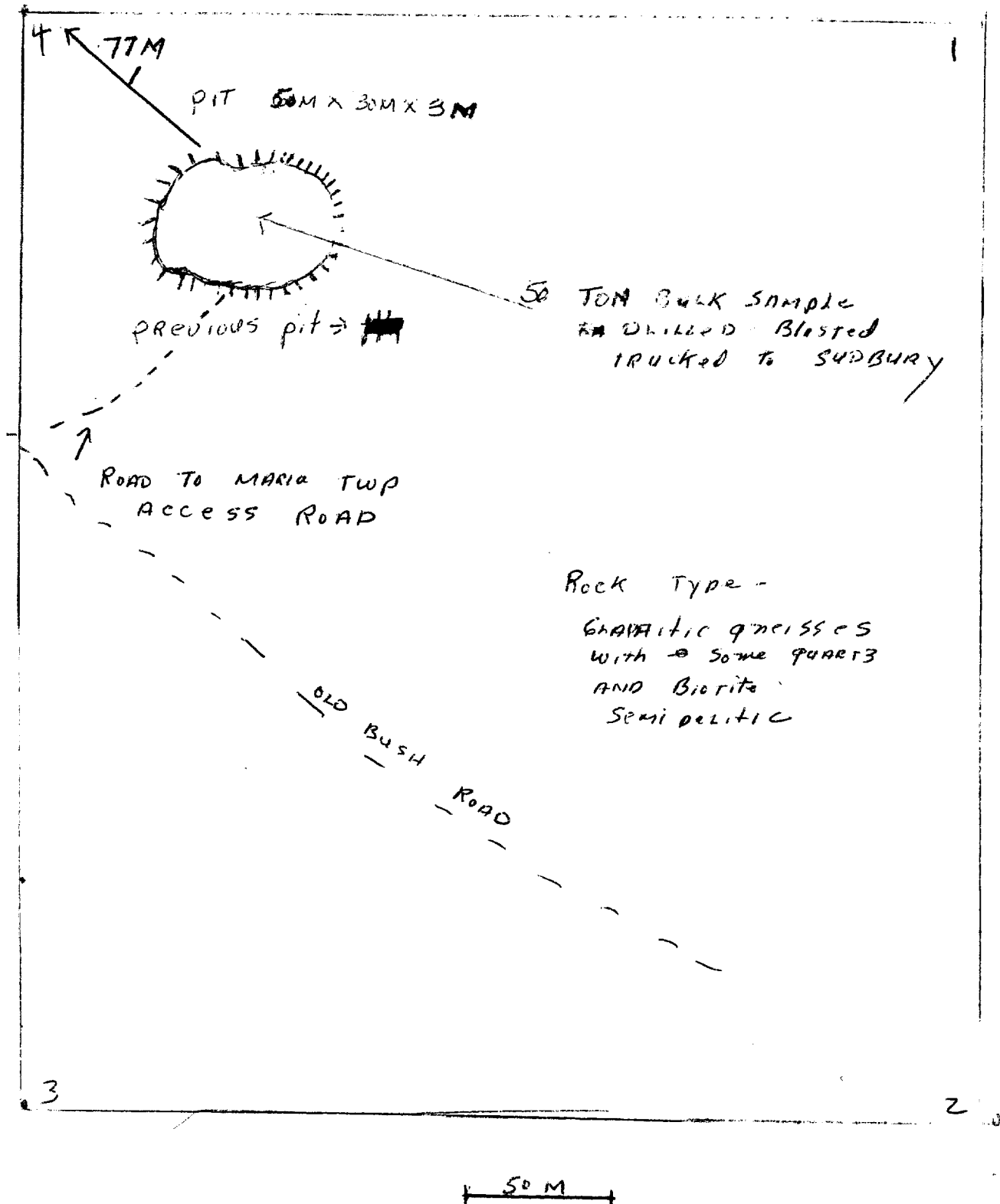


Help



MARIA TOWNSHIP G-1387
CLAIM # EO 608349

APPENDIX C



2.26814

**Bisset Creek Graphite Recovery by
High Tension Separation**

July 29, 2002

Prepared for:

Industrial Minerals Canada Inc.

Prepared by:

Lionel Magumbe. B.Eng. M.A.Sc.

LABORATORY TEST REPORT

1. **OBJECTIVE:** To upgrade graphite air classifier concentrates from 60-65% carbon to 90-94% carbon.
2. **EQUIPMENT:** High-tension separator model HT (2536) 111-15 (Queen's Department of Mining & Metallurgy).
3. **PROCEDURE:**

A graphite concentrate assaying 60-65% carbon was obtained from processing a bulk ore sample 500 lbs obtained from Bissett Creek Pit #1 on claim number EO608348 in Maria Township. The head feed grade was calculated to be about 3.5% carbon. Ore preparation was conducted at 106 Fielding road Lively Ontario.

3.1 Crushing

Lump ore samples averaging 4inches in size were crushed in a 6x12" Pacific Jaw crusher. The Jaw crusher product was conveyed to a Hazemag impact crusher model No. FAPO/5718/57. The Hazemag discharge was screened through a 12 mesh Sweco vibro energy screen. The oversize was then conveyed to a hammer mill Model A 13669.

3.2 Screening

All the minus 12 mesh crushed ore was then re-screened to four distinct sizes: 24mesh, 35mesh, 50mesh and 80mesh respectively. To maintain screening efficiency the feed rate was set at 50 lbs per hour.

3.3 Air Classification

Each size fraction was then fed separately to a novel graphite air classification system. A concentrate of each size fraction was collected.

3.4 Flotation and Gravity Separation

A portion of the air classifier concentrate was cleaned up in a column flotation cell. And another portion upgraded by shaking table. The objective of these two tests was to conduct a cursory study on the behavior of the concentrate to different beneficiation processes.

3.5 High Tension Separation

The concentrate was carefully blended and a number of 400gram representative samples obtained for the high-tension test work at Queens' University.

3.5.1 Test Conditions:

Roll Speed 25 rpm

DC Voltage 35KV

Syntron Vibrator 30

Feed Rate 50g/min

The sample was separated using a number of stages with the non-conductors from the first pass as feed to the second pass. The second pass non-conductor was used a feed to the third pass and so on. In this process, the conductor (graphite) was removed and retained at each stage.

All products from the test were weighed, saved and shipped to Lake Field Research for carbon analysis by Leco Induction Furnace.

4. RESULTS:

4.1.1 Flotation

The concentrate from floatation test work was analyzed for total carbon and ash content as shown in Table 1. (Lakefield Report CA9061-Feb02)

Table 1: Graphite Concentrate analysis:

C(t)	SiO ₂	Al ₂ O ₃	Fe ₂ O ₃	MgO	CaO	Na ₂ O	K ₂ O	TiO ₂	P ₂ O ₅	MnO	Cr ₂ O ₃	V ₂ O ₅	Ash
94.7	1.58	.35	1.61	0.15	0.06	<0.05	0.05	0.02	0.04	<0.01	<0.01	<0.01	3.91

4.1.2 High Tension Separation

The results of the high-tension test are shown in table 2 and 3.

Table 2: Product Weight in grams.

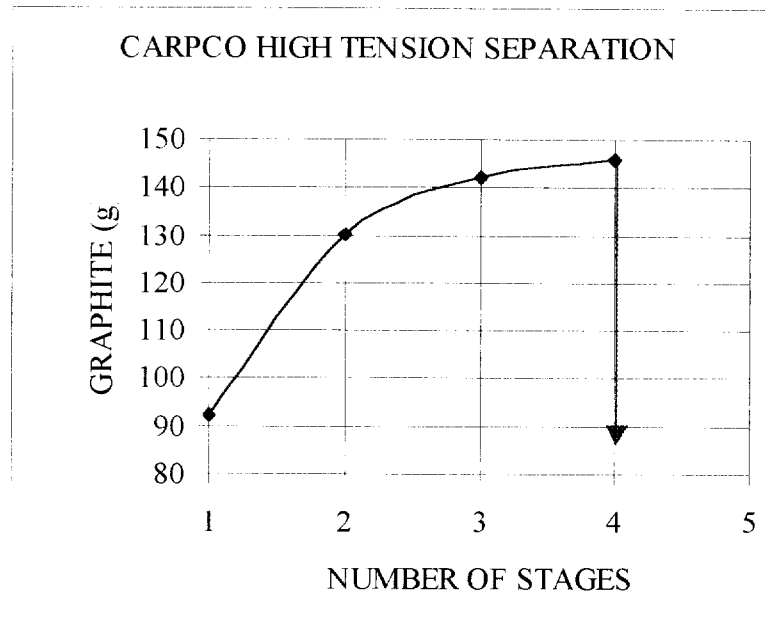
	1st pass	2nd pass	3rd pass	4th pass	Total
Concentrates	92.19	37.87	12.08	3.79	145.93
Middling	88.54	38.29	26	16.76	169.59
Tailing	216.87	138.93	96.67	78.65	84.48
Total	397.6	215.09	134.75	99.2	400

The middling was rerun and a final material balance calculated in table 2.

Table 3: Carbon Assay & Material Balance (Assays from Lakefield Report CA9430-Jul 02 appended)

	WEIGHT Grams	ASSAY % C	CONTAINED GRAPHITE (g)	DISTRIBUTION (RECOVERY) %
CONCENTRATE	239.34	89.8	214.9	88.1
MIDDLING	70.1	28.1	19.7	8.1
TAILS	84.48	10.9	9.2	3.8
TOTAL	393.92	61.90	243.8	100.0

Figure 2. Shows the theoretical number of stages required to recover the graphite



CONCLUSION:

A minimum of four passes would be required to achieve an acceptable recovery. Final concentrate assaying 89.8 % graphite was obtained from a single pass. It is quite conceivable to upgrade this concentrate to >94% by passing it through another roll. A typical flow sheet normally consists of three stages for upgrading a concentrate.

Any tailing and/or middling from the high-tension separator will be recycled back to the primary circuit.

Dated at Sudbury, Ontario this 29th Day of July, 2002


Lionel Magumbe, B.Eng, M.A.Sc.

WRITER'S CERTIFICATE

I Lionel Magumbe of Sudbury, Ontario hereby certify that:

1. I am a metallurgist employed by Erana Mines Limited of 59 Nelson Road, Lively, Ontario, Canada.
2. I am a 1992 Bachelor of Engineering (B.Eng.) graduate of Laurentian University, Sudbury Ontario, and in 2000-2002 completed postgraduate studies (M.A.Sc.) in Mineral Resources Engineering at Laurentian University.
3. I am a member of Canadian Institute of Mining, Metallurgy and Petroleum (CIM) and Society for Mining, Metallurgy and Exploration (SME) in good standing.
4. I am the author of this report Bissett Creek Graphite Recovery by High Tension Separation.
5. This report is based on experimental work and research conducted by the author.

Dated at Sudbury, Ontario this 29th Day of July, 2002



Lionel Magumbe, B.Eng, M.A.Sc.



P.O. Box 4300 - 185 Concession St.
Lakefield - Ontario - K0L 2H0
Phone: 705-652-2038 FAX: 705-652-6441

Erana Mines Limited

Attn : Lionel Magumbe
106 Fielding Rd, Lively, Ontario
Canada, P3Y 1L5
Phone: (705) 682-0649, Fax:(705) 682-2447

Wednesday, February 27, 2002

Date Rec. : 14 February 2002
LR Report : CA9061-FEB02
Project : 2200484
Client Ref : Feb 13, 2002 Graphite
Conc

CERTIFICATE OF ANALYSIS

Final Report

Analysis	1: Sample No. 20174
C(t) [%]	94.7
SiO ₂ [%]	1.58
Al ₂ O ₃ [%]	0.35
Fe ₂ O ₃ [%]	1.61
MgO [%]	0.15
CaO [%]	0.06
Na ₂ O [%]	< 0.05
K ₂ O [%]	0.05
TiO ₂ [%]	0.02
P ₂ O ₅ [%]	0.04
MnO [%]	< 0.01
Cr ₂ O ₃ [%]	< 0.01
V ₂ O ₅ [%]	< 0.01
LOI [%]	96.1
Sum [%]	100.0
%Ash [%]	3.91

Roch Marion, B.Sc., C. Chem
Assistant Manager, Analytical
Services

**Erana Mines Limited**

Attn : Lionel Magumbe
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Canada

Phone: (705) 682-0649
Fax: (705) 682-2447

Tuesday, July 23, 2002

Date Rec. : 09 July 2002
LR Report : CA9430-JUL02
Project : 2202015
Client Ref : July 8, 2002

CERTIFICATE OF ANALYSIS

Final Report

Sample ID	C(t) %	SiO2 %	Fe2O3 %
1: 594132 Feed	62.0	28.2	3.48
2: 594133 Cons	89.8	2.55	0.91
3: 594134 Midling	28.1	54.1	2.80
4: 594135 Tails	10.9	70.0	3.51

Scott Delorme, B.Sc.
Client Services Representative



4300 - 185 Concession St.
d - Ontario - KOL 2H0
e: 705-652-2038 FAX: 705-652-6441

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Canada

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Thursday, February 07, 2002

Date Rec. : 29 January 2002
LR Report : CA9110-JAN02
Project : 2200292
Client Ref : Jan 28,2002 Graphite

CERTIFICATE OF ANALYSIS

Final Report

Analysis	1: Sample # 20108
C(t) [%]	88.1
SiO2 [%]	7.12
Al2O3 [%]	1.16
Fe2O3 [%]	3.11
MgO [%]	0.35
CaO [%]	0.29
Na2O [%]	0.22
K2O [%]	0.24
TiO2 [%]	0.06
P2O5 [%]	0.07
MnO [%]	0.01
Cr2O3 [%]	< 0.01
V2O5 [%]	< 0.01
LOI [%]	87.5
Sum [%]	100.1
%Ash [%]	12.5

Roch Marion, B.Sc., C. Chem
Assistant Manager, Analytical
Services



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Fax: (705) 682-2447

Wednesday, March 13, 2002

Date Rec. : 06 March 2002
LR Report : CA9032-MAR02
Project : 2200687
Client Ref : TH4566

CERTIFICATE OF ANALYSIS

Final Report

Sample ID	C(t) %
1: TH4566-27728-1	21.4
2: TH4566-27728-2	43.8
3: TH4566-27728-3	51.8
4: TH4566-27728-4	7.51
5: TH4566-27728-5	38.7
6:DUP: TH4566-27728-4	7.37

Roch Marion, B.Sc., C. Chem
Assistant Manager, Analytical
Services

**Graphite Beneficiation by Air Classification
And Optimization of Bench Scale Process**

February 24, 2003

Prepared for:

Industrial Minerals Canada Inc.

Prepared by:

Lionel Magumbe. B.Eng. M.A.Sc.

1. **OBJECTIVE:** To recover graphite by air classification from an ore analyzing about 3.5% carbon from Bissett Creek Pit No. 1 on claim number EO608348 in Maria Township.
2. **EQUIPMENT:** Pacific Jaw crusher, Hazemag impact crusher, Sweco vibro energy screen, Graphite Air classifier, Eriez Magnetic Separator. The work was conducted at 59 Nelson Road Lively, Ontario.
3. **PROCEDURE:**

3.1 Crushing

A dump truck load of lump ore averaging 4inches in size was received in December 2002. Due to the moisture content of the ore it was air dried on location at 59 Nelson Rd and crushed in a 6x12" Pacific Jaw crusher. The Jaw crusher product was conveyed to a Hazemag impact crusher model No. FAPO/5718/57. The Hazemag discharge was screened through a 12mesh Sweco vibro energy screen. The oversize was then conveyed to a hammer mill Model A 13669.

3.2 Screening

All the minus 12 mesh crushed ore was then re-screened to four distinct sizes: 24mesh, 35mesh, 50mesh and 80mesh respectively. To maintain screening efficiency the feed rate was set at 50 lbs per hour.

3.3 Air Classification

Each size fraction was then fed separately to a novel graphite air classification system. A concentrate of each size fraction was collected. The variables tested were airflow rate, feed rate, and aperture size. For each size range the airflow was varied while maintaining the other variables constant. After obtaining an optimal airflow rate the other parameters were then varied as well. After a number of tests a process performance matrix was developed. Samples for analysis were taken only at the optimal setting.

3.4 Magnetic Separation

Some significant amount of biotite was detected in the ore. An Eriez magnetic separator removed the biotite.

4. RESULTS:

The concentrate was analyzed for total carbon and ash content as shown in Table 1. (Lakefield Report CA9435-Jan03)

Table 1: Graphite Final Concentrate analysis:

	C(t)	SiO ₂	Al ₂ O ₃	Fe ₂ O ₃
Final Concentrate	81.4	19.6	6.66	5.49
Bulk Concentrate	68.0	12.8	3.46	2.14
Biotite	5.88	37.6	15.3	
Tailing	0.43	76.9	8.93	

Table 2: Material Balance

	Weight kg.	%C	Carbon Wt.	Recovery
Final Concentrate	11.3	81.4	9.2	92.5
Biotite	1.2	5.9	0.1	0.7
Tails	167.5	0.4	0.7	6.7
Feed	180	5.5	9.9	

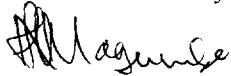
Calc

Conclusion:

Table 2 shows a recovery of 92.5%. Subsequent work will be carried out to improve the recovery to a minimum of 95%. The final concentrate obtained was 81.4%, this was 10% well above the initial set target. The improvement appears to come from the removal of biotite from the bulk concentrate.

Any future flow-sheet design will have to incorporate magnetic separation. The magnetic mineralization has yet to be quantified.

Dated at Sudbury, Ontario this 24th Day of February, 2003



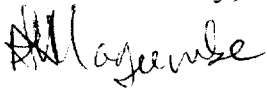
Lionel Magumbe, B.Eng, M.A.Sc.

WRITER'S CERTIFICATE

I Lionel Magumbe of Sudbury, Ontario hereby certify that:

1. I am a metallurgist employed by Erana Mines Limited of 59 Nelson Road, Lively, Ontario, Canada.
2. I am a 1992 Bachelor of Engineering (B.Eng.) graduate of Laurentian University, Sudbury Ontario, and in 2000-2002 completed postgraduate studies (M.A.Sc.) in Mineral Resources Engineering at Laurentian University.
3. I am a member of Canadian Institute of Mining, Metallurgy and Petroleum (CIM) and Society for Mining, Metallurgy and Exploration (SME) in good standing.
4. I am the author of this report Graphite Beneficiation by air Classification and optimization of the bench scale process
5. This report is based on experimental work and research conducted by the author.

Dated at Sudbury, Ontario this 24th February, 2003



Lionel Magumbe, B.Eng, M.A.Sc.

Erana Mines Limited

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 59 Nelson Road
 Lively, Ontario, P3Y 1P4
 Canada

Phone: (705) 682-0649
 Fax: (705) 682-2447

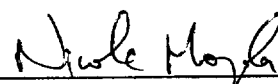
February 07, 2003

Date Rec. : 10 January 2003
 LR Report : CA9435-JAN03
 Project : 2300081
 Client Ref : January 09, 2003

CERTIFICATE OF ANALYSIS

Lakefield Research Limited - Final Report

Sample ID	SiO2 %	Al2O3 %	Fe2O3 %	MgO %	CaO %	C(t) %	SiO2 %	Al2O3 %	MgO %	CaO %	Fe2O3 %
1: 20325 Mag-Jer Bulk Conc	---	---	---	---	---	46.3	19.6	6.66	6.44	0.43	5.49
2: 20326 Mag-Jer Non-Mag Conc	---	---	---	---	---	68.0	12.8	3.46	1.99	0.56	2.14
3: 20327 Final Conc	---	---	---	---	---	81.4	3.42	0.96	0.69	0.32	1.22
4: 20328 Magnetite (Biotite)	37.6	15.3	11.2	14.4	0.28	5.88	---	---	---	---	---
5: 20329 Final Tails	76.9	8.93	3.29	2.30	2.77	0.43	---	---	---	---	---
6-DUP: 20329 Final Tails	77.0	8.98	3.31	2.34	2.81	0.43	---	---	---	---	---


 Nicole Mozola, B.Sc. (Eng)
 Client Services Representative

1/11

Work Report Summary

Transaction No: W0390.01479 **Status:** APPROVED
Recording Date: 2003-SEP-17 **Work Done from:** 2002-FEB-18
Approval Date: 2003-NOV-05 **to:** 2003-JAN-30

Client(s):
 400757 INDUSTRIAL MINERALS CANADA INC.

Survey Type(s):
 BENEF

Work Report Details:

Claim#	Perform	Perform Approve	Applied	Applied Approve	Assign	Assign Approve	Reserve	Reserve Approve	Due Date
G 9090007	\$14,074	\$14,074	\$0	\$0	\$12,800	12,800	\$1,274	\$1,274	
SO 1234705	\$0	\$0	\$1,600	\$1,600	\$0	0	\$0	\$0	2005-SEP-24
SO 1249711	\$0	\$0	\$8,800	\$8,800	\$0	0	\$0	\$0	2005-SEP-17
SO 1249723	\$0	\$0	\$2,400	\$2,400	\$0	0	\$0	\$0	2005-SEP-17
	\$14,074	\$14,074	\$12,800	\$12,800	\$12,800	\$12,800	\$1,274	\$1,274	

External Credits: \$0

Reserve:
 \$1,274 Reserve of Work Report#: W0390.01479

\$1,274 Total Remaining

Status of claim is based on information currently on record.



Date: 2003-NOV-05

GEOSCIENCE ASSESSMENT OFFICE
933 RAMSEY LAKE ROAD, 6th FLOOR
SUDBURY, ONTARIO
P3E 6B5

INDUSTRIAL MINERALS CANADA INC.
750-2 ROBERT SPECK PKWY
MISSISSAUGA, ONTARIO
L4Z 1H8 CANADA

Tel: (888) 415-9845
Fax: (877) 670-1555

Submission Number: 2.26315
Transaction Number(s): W0390.01479

Dear Sir or Madam

Subject: Approval of Assessment Work

We have approved your Assessment Work Submission with the above noted Transaction Number(s). The attached Work Report Summary indicates the results of the approval.

At the discretion of the Ministry, the assessment work performed on the mining lands noted in this work report may be subject to inspection and/or investigation at any time.

If you have any question regarding this correspondence, please contact BRUCE GATES by email at bruce.gates@ndm.gov.on.ca or by phone at (705) 670-5856.

Yours Sincerely,



Ron C. Gashinski
Senior Manager, Mining Lands Section

Cc: Resident Geologist

Edward J Blanchard
(Agent)

Industrial Minerals Canada Inc.
(Assessment Office)

Assessment File Library

Industrial Minerals Canada Inc.
(Claim Holder)

Date / Time of Issue: Wed Nov 05 10:58:08 EST 2003

TOWNSHIP / AREA
MARIA

PLAN
G-1387

ADMINISTRATIVE DISTRICTS / DIVISIONS

Mining Division
Land Titles/Registry Division
Ministry of Natural Resources District

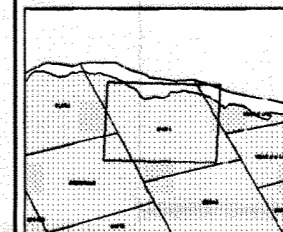
Southern Ontario
RENFREW
PEMBROKE

TOPOGRAPHIC

- Administrative Boundary
- Township
- Concessionary L.R.
- Provincial Park
- Indian Reserve
- C.R., P.R. & R.R.
- Contour
- Mine Shaft
- Mine Headframe
- Railway
- Road
- Trail
- Natural Gas Pipeline
- Utilities
- Water

Land Tenure

- Freehold Patent
 - Surface and Mining Rights
 - Surface Rights Only
 - Mining Rights Only
- Leasehold Patent
 - Surface and Mining Rights
 - Surface Rights Only
 - Mining Rights Only
- License of Occupation
 - Under Not Specified
 - Surface and Mining Rights
 - Surface Rights Only
 - Mining Rights Only
 - Leasehold Patent
 - License of Occupation
 - Order in Council (Notation for Mining)
 - Water Power License Agreement
 - Mining Deed
 - Filled Only Mining Claims



LAND TENURE WITHDRAWALS

- Areas Withdrawn from Disposition
- Mining Act Withdrawal Types
 - Surface and Mining Rights Withdrawal
 - Surface Rights Only Withdrawal
 - Mining Rights Only Withdrawal
 - Order in Council Withdrawal Types
 - Surface and Mining Rights Withdrawal
 - Surface Rights Only Withdrawal
 - Mining Rights Only Withdrawal

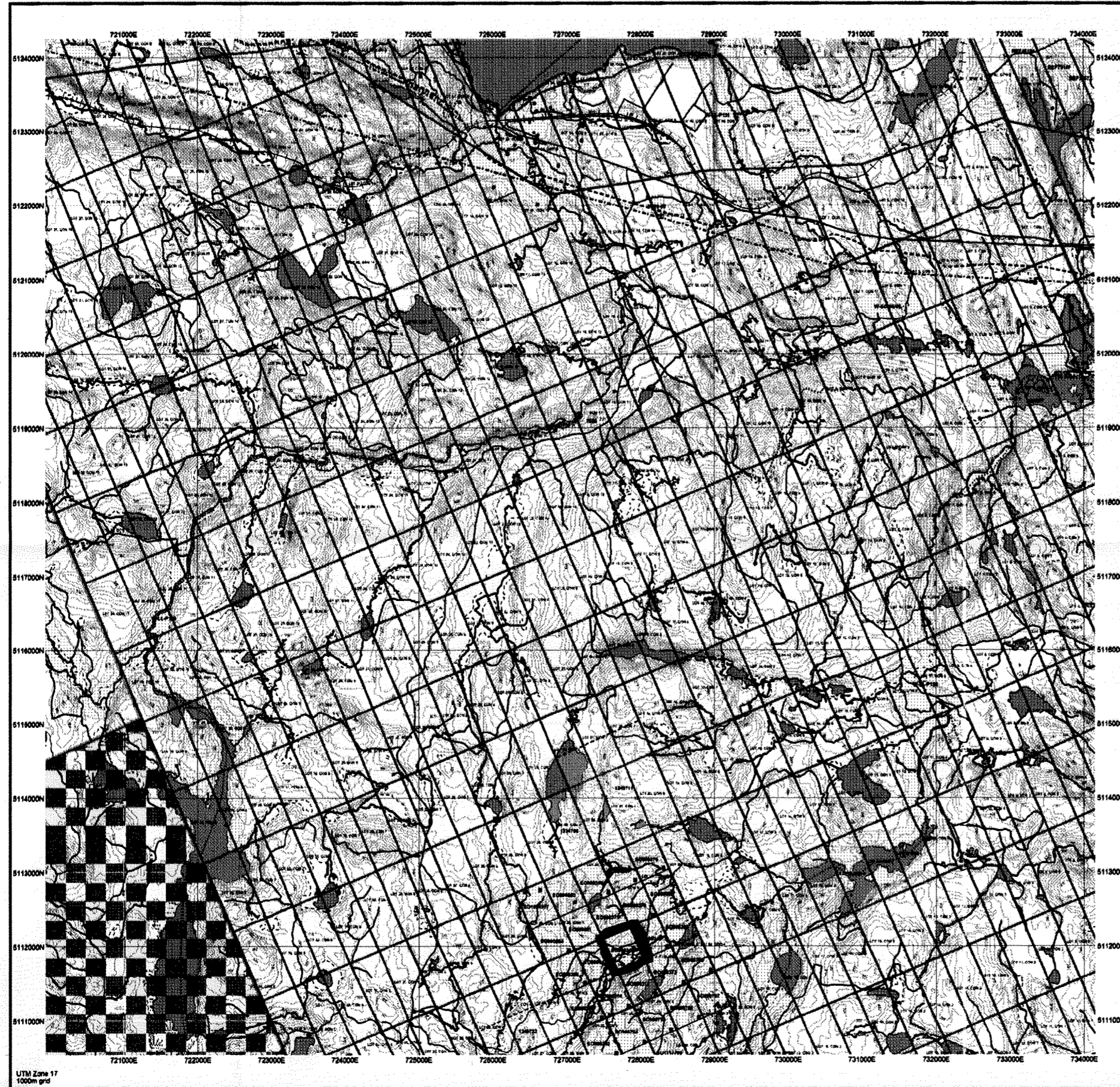
IMPORTANT NOTICES

750m 0m Scale 1:200,000 0.15m

LAND TENURE WITHDRAWAL DESCRIPTIONS

MINING	Type	Date	Description
W-100	W	Jan 1, 2001	ANY UNALLEGATED PARTS (W-100, 100000) OF OTTAWA R. SUBJECT TO FLOODING
W-101	W	Jan 1, 2001	MARCH 27/92 S.R.O. 100101
W-102	W	Mar 12, 1992	AL-1002 S.R.O. 100202 S.R.O.
W-103	W	Nov 21, 2001	Mining and Surface Rights Withdrawal Section 36 of the Mining Act 1990 Under 8-10
W-104	W	Jan 21, 2001	Mining and Surface Rights Withdrawal Section 36 of the Mining Act 1990 Under 8-10
W-105	W	Jul 26, 2003	W-105 S.R.O. 100505 S.R.O.
W-106	W	Jul 11, 2000	W-106 S.R.O. 100606 S.R.O.
W-107	W	Jul 25, 1992	W-107 S.R.O. 100707 S.R.O.

2.26315
BENEF



UTM Zone 17
1000m grid

General Information and Limitations

Current Information
Provincial Mining Records Office

File Path
M:\Data\Map\BPS
File: 1 0001 415-0002 and 010002 (section 1, 1992) (Agnes)

This map may show unallegated land tenure and should be used in conjunction with the Mining Act 1990. It is not a legal document and should not be used as evidence in court. It is not a substitute for a survey or a map of the land. It is not a guarantee of the accuracy of the information shown. It is not a guarantee of the accuracy of the information shown. It is not a guarantee of the accuracy of the information shown.

Those wishing to enter mining claims should consult with the Provincial Mining Records Office of the Ministry of Northern Development and Mines for additional information on the status of the lands shown herein. This map is not intended for navigation, survey, or land title determination purposes as the information shown on this map is compiled from various sources. Completeness and accuracy are not guaranteed. Additional information may also be obtained through the Land Titles Registry Office, or the Ministry of Natural Resources.



310101NE2001 2.26315

MARIA

200