REPORT

ON

BASAL TILL SAMPLING PROGRAM
(February 1985)

and

DIAMOND DRILLING PROGRAM
(March and April 1985)

MILNER CONSOLIDATED SILVER MINES LTD

N½ LOT 1 Con V

TISDALE TWP.

ONTARIO

Penetang, Ontario. June 6, 1985.

REPORT

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INTRODUCTION

During February 1985, a basal till sampling program consisting of eight percussion drill holes was completed on the property. During March and April 1985, a diamond drilling program consisting of three holes was completed. The purpose of the basal till sampling program was to determine if gold dispersion anomalies were present in the basal till. The purpose of the diamond drill program was twofold:-

1) To explore favourable tuff horizons, which had been previously outlined by geophysical methods, for gold.

2) To explore for the northeasterly projection of the favourable Davidson-Tisdale fault zone which hosts the gold zones on the Davidson-Tisdale property approximately 1500 feet southwest of the Milner property.

BASAL TILL SAMPLING PROGRAM

During February 1985, eight holes were drilled employing a portable percussion drill equipped with special rods and sampling device. These holes were drilled to bedrock and a soil sample of

approximately 100 grams was collected immediately above bedrock. Unfortunately all samples consisted of lacustrine clays and not of basal till. As a result the program was not successful in outlining any basal till dispersion gold anomalies.

Samples collected were analysed for gold by Bell-White Analytical Laboratories in Haileybury, Ontario.

The depth of overburden in the eight holes, along with their locations and gold content is listed as follows:-

Hole No.	Location feet	Depth of Overburden feet	Gold Content Parts Per Billion
1	200W,375S	25	2
2	600W,200S	16	3
3	800W,125S	4	3
4	1000W,100S	5	2
5	1200W,B.L.	32	4
6	1400W,50N	32	2
7	1800W,150N	78	2
8	2200W,200N	19	2

DIAMOND DRILLING PROGRAM

The diamond drilling program consisted of three holes. Holes No.1 and 2, were located to probe an electromagnetic conductor. Hole No.3, was located to probe the projected Davidson-Tisdale fault zone near its intersection with the graphitic tuff zone.

Holes No.1 and 2, intersected graphitic tuffs with associated semi-massive pyrite. Abundant quartz-carbonate veinlets were intersected in the holes. Holes No.2 and 3, intersected obvious faults and abundant quartz-carbonate veinlets along with disseminated pyrite sections. Significant gold values were not intersected. Hole No.3, was not deep enough to cross section the projected Davidson-Tisdale fault zone.

CONCLUSIONS

1) The basal till sampling program did not

indicate the presence of a basal till sheet and was therefore not successful in outlining a gold dispersion anomaly in basal till.

2) The diamond drill program successfully tested the favourable tuff horizon but did not intersect any significant gold values.

3) The diamond drill program partially tested the projected extension of the Davidson-Tisdale fault zone but did not intersect any gold values within it.

4) Diamond dril hole No.3, was not drilled to sufficient depth to completely cross section the projected extension of the Davidson-Tisdale fault zone.

5) Additional drilling may be warranted to explore a quartz-carbonate alteration zone discovered by surface geological mapping subsequent to the drilling program. This alteration zone is located several hundred feet southeast of the end of hole No.3 and may represent the projected northeasterly extension of the Davidson-Tisdale fault zone.

Respectfully Submitted

E. W. Bazinet
Designated Consulting
Engineer and Geologist.

Penetang, Ontario
June 6, 1985.

APPENDIX

1. Diamond drill hole records and assays.

2. Diamond drill hole sections.

DDH# 1	506'
2	506'
3	474'
	1486'

Milner Consolidated Silver Mines Ltd.
Diamond Drill Hole #1
Bingham Property
Tisdale Township
Porcupine Mining Division Ontario

Started: March 25, 1985
Completed: March 29, 1985
Total Depth: 506 feet
Latitude: 6 + 30 North
Departure: Line 18 + 00 West
Direction: South (Az 180°)
Dip at Collar: 48°, 200' = 47½°, 506' = 42°

0 to 40	Casing
0 to 37.5	Overburden
37.5 to 193	Basaltic Andesite, fairly massive flow, fine to medium grained, dark green, locally fairly abundant feldspar laths. Fairly frequent narrow fractures filled with white quartz and some carbonate along with chlorite and rare specs of pyrite, pyrrhotite at varied core angles down to 128.2. Predom C.A.=65 125.5--125.6: 1 inch of bluish quartz, some diss: py. C.A.=65 becoming progressively finer grained towardes 193.6 ft.
193.6 to 194	Graphitic Tuff, C.A.=45 , irregular, fractured, minor py, 50% graphite bands, 50% quartz, chlorite bands.
194 to 224.5	Pillowed? Andesite: Fine grained, lighter green, chilled pillow? selvages; chlorite and quartz-carb. surrounding pillows. Becoming fragmental towards 224.5 ft. Predom C.A. 50 , but very irregular.
224.5 to 250	Andesite Fragmental: chilled, fine grained, buff fragments from 1/8" to several inches. Surrounded by chloritic - graphitic matrix, Predom.C.A.=50 Increasingly more graphitic towards 250 ft. Occasional white unmineralized quartz veinlets up to 2 inches. 236.5--246.5: less than 1% diss. (Po)pyrrhotite-(Py)pyrite. 246.5--250: 1 to 2% fine Po,Py,
250 to 266	Graphitic Tuff: Banded, high graphite content, black, alternating bands Py,Po with granular quartz matrix. C.A.=65 (well defined) 250--266: 8 to 10% bands Po,Py, occasional specs of chalco in quartz matrix, @226 vuggy.
266 to 273.5	Latite Fragmental: graphitic matrix around fragments. 224.5--250: 2% Py, Po, in matrix and in fragments.
273.5 to 287	Graphitic Tuff: banded, 15% Po,Py bands, some narrow fractures with quartz-carb filling. Locally

	minor galena in fractures. C.A. 64° well defined.
287 to 291.6	Datite Fragmental graphitic chloritic matrix surrounding fragments with up to 5% Po, Py.
291.6 to 339.4	Dacite, fairly massive, light green to light grey, minor fine Py throughout, occasional quartz-carb veinlet with specs of Po, Py.
339.4 to 367.5	Latite Fragmental with graphitic matrix. Locally spherulitic. Minor diss. Py throughout. 345.4--349: 10% Py in matrix. 361--367.5: 5% Py in matrix, some cubic Py.
367.5 to 369.5	Graphitic Tuff. C.A. at 370 = 58°. 367.5--369.5: 10% Po, Py as bands up to 1/8 inches. Some fractures filled with Qtz and pyrite. C.A.=60°.
369.5 to 393.8	Latite Fragmental, graphitic matrix. 369.5--375.9: 8% Py, Po in matrix. 375.9--383.8: 5% Py, Po in matrix. 383.8--392.7: 5% Py, Po in matrix. 392.7--393.8: 10% cubic Py.
393.8 to 410.9	Graphitic Tuff. Banded, average 10% Py. 393.8--400.3: 10% cubic Py. 400.3--406: ground core, vuggy 406--410.9: 10% cubic and banded Py.
410.9 to 506	Andesite flow, fairly massive, minor diss Py throughout, locally fractured with quartz-carb and specs Py in fractures. 410.9--411.8: 10% cubic Py, some graphite in fractures. 436--453: white feldspar laths developed.

End of Hole 506 feet.

Sample Record DDH#1 Tisdale Twp

Sample No.	From Ft.	To Ft.	Length Ft.	Au Ozs./Ton
8048	125.5	125.6	0.1	tr
8049	236.5	246.5	10.0	0.002
8050	246.5	250	3.5	tr
8051	250	260	10.0	tr
8052	260	266	6.0	tr
8053	266	273.5	7.5	tr
8054	273.5	280	6.5	tr
8055	280	287	7.0	tr
8056	291.6	301.6	10.0	0.002
8057	345.4	349	3.6	tr
8058	361	367.5	6.5	tr
8059	367.5	369.5	2.0	0.002
8061	369.5	375.9	6.4	0.004
8062	375.9	383.8	7.9	0.002
8063	383.8	392.7	8.9	tr
8064	392.7	400.3	7.6	tr
8065	406	411.8	5.8	tr
8066	287	291.6	4.6	tr

BELL-WHITE ANALYTICAL LABORATORIES LTD.
P.O. BOX 187. HAILEYBURY, ONTARIO TEL: 672-3107

Certificate of Analysis

NO. 3227 **DATE:** April 9, 1985

SAMPLE(S) OF: Core (49) **RECEIVED:** April, 1985

SAMPLE(S) FROM: Mr. E. W. Bazinet
Milner Consolidated Silver Mines Ltd.

Sample No.	Gold oz.	Sample No.	Gold oz.
8048	Trace	8074	0.002*
9	0.002*	5	Trace
8050	Trace	6	Trace
1	Trace		
2	Trace	8078	Trace
3	Trace	9	Trace
4	Trace	8080	0.002*
5	Trace	1	0.002*
6	0.002*	2	0.002*
7	Trace	3	Trace
8	Trace	4	Trace
9	0.002*	5	Trace
		6	Trace
8061	0.004	7	Trace
2	0.002*	8	Trace
3	Trace		
4	Trace	8090	Trace
5	Trace	1	Trace
6	Trace	2	Trace
7	Trace	3	0.002*
8	Trace	4	0.004
9	Trace	5	0.006
8070	0.002*	6	Trace
1	Trace	7	Trace
2	Trace	8	Trace
3	Trace	9	Trace

* Estimate

IN ACCORDANCE WITH LONG-ESTABLISHED NORTH AMERICAN CUSTOM, UNLESS IT IS SPECIFICALLY STATED OTHERWISE GOLD AND SILVER VALUES REPORTED ON THESE SHEETS HAVE NOT BEEN ADJUSTED TO COMPENSATE FOR LOSSES AND GAINS INHERENT IN THE FIRE ASSAY PROCESS.

BELL-WHITE ANALYTICAL LABORATORIES LTD.

Per

Milner Consolidated Silver Mines Ltd.
Diamond Drill Hole #2
Bingham Property
Tisdale Township
Porcupine Mining Division Ontario

Started: March 29, 1985
Completed: April 1, 1985
Total Depth: 506 feet
Latitude: 4+00 North
Departure: Line 16 West
Direction: South 35° East
Dip at Collar: collar=50°; 250'=49°; 500'=44 1/2°

0 to 100	casing, overburden
100 to 156	Pillowed Andesite, light green to grey to 126 then progressively grey to buff. Fairly abundant fractures with quartz carbonate filling. Minor diss Py throughout, locally fragmental sections with graphitic matrix. 117--135: spherulitic. From 116 onward, fractured, rusty, vuggy slips at varied angles. Fault or Fracture zone. Predom core angle=52°. 136.5--137: fragemental, chloritic, with quartz-carb, 5% Py, Po. 148--151.4: chloritic, fragmental, 2 to 3% diss Po, Py.
156 to 180	Andesite Fragmental, rusty, vuggy, fractures (fault or fracture zone). C.A. 58°, well defined. Graphitic matrix surrounding fragments. Fairly abundant narrow fractures filled with quartz carb and few specs of Py, Po. 156--165.6: typical sample, minor Py, graphitic, some thin quartz-carb filled fractures.
180 to 198	Graphitic Tuff, banded, black, with average 10% Py bands. Rusty, vuggy slips (fault zone). Minor qtz-carb veinlets. 187--189 and 194--196: ground core. C.A.=48° predom.
198 to 506	Latite, grey, locally greenish, abundant fractures filled with white calcite and lesser quartz at varied core angles. Some vuggy, rusty slips at varied core angles but frequently at 10° to 20° C.A. (fault zone). Rare diss Py. 198--223: 25% carb-qtz. 236--241: 15% carb-qtz. 241--283: 50% carb-qtz at varied angles. 255--256: ground core. 283--286.2: 30% qtz-carb at 45°. Some Fushite rare diss Py. 294--301: 20% carb-qtz 301--318.3: 30% fractures filled with carb-qtz at about 50° C.A. predom, 1 to 3% diss Py. Vuggy, rust slips, some graphitic slips, chloritic,

green.
331--334: 10% carb-qtz, acc specs Py.
339.9--343.1: 15% carb-qtz, occasional specs Py.
346.5--361.1: 30% carb-qtz, occ. splashes and specs Py.
364.5--366.1: 20% qtz-carb, some tourmaline, some specs Py.
377.8--385.5: 15% carb-qtz, minor specs Py.
411.2--416.9: 10% carb-qtz at 55° predom, some large 1/4" Xlls of Py.
at 430: end of fracture or fault zone.
416.9--506: only occasional fractures filled with carb-qtz, locally patches of diss Py.

End of Hole 506 feet.

Sample Record DDH No. 2 Tisdale Twp

Sample No.	From Ft.	To Ft.	Length Ft.	Au Ozs/Ton
8067	136.5	137	0.5	tr
8068	148	151.4	3.4	tr
8069	156	165.5	9.5	tr
8070	180.6	187	6.4	0.002
8071	189	194	5.0	tr
8072	196	198	2.0	tr
8073	198	208	10.0	tr
8074	208	216	8.0	0.002
8075	216	223	7.0	tr
8076	236	241	5.0	tr
8078	283	286.2	3.2	tr
8079	294	301	7.0	tr
8080	301	309	8.0	0.002
8081	309	318	9.0	0.002
8082	331	334	3.0	0.002
8083	339.9	343.1	3.2	tr
8084	346.5	356	9.5	tr
8085	356	361.1	5.1	tr
8086	364.5	366.1	1.6	tr
8087	377.8	385.5	7.7	tr
8088	411.2	416.9	5.7	tr

BELL-WHITE ANALYTICAL LABORATORIES LTD.
P.O. BOX 187, HAILEYBURY, ONTARIO TEL: 672-3107

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9	0.002*	5	Trace
8050	Trace	6	Trace
1	Trace		
2	Trace	8078	Trace
3	Trace	9	Trace
4	Trace	8080	0.002*
5	Trace	1	0.002*
6	0.002*	2	0.002*
7	Trace	3	Trace
8	Trace	4	Trace
9	0.002*	5	Trace
		6	Trace
8061	0.004	7	Trace
2	0.002*	8	Trace
3	Trace		
4	Trace	8090	Trace
5	Trace	1	Trace
6	Trace	2	Trace
7	Trace	3	0.002*
8	Trace	4	0.004
9	Trace	5	0.006
8070	0.002*	6	Trace
1	Trace	7	Trace
2	Trace	8	Trace
3	Trace	9	Trace

* Estimate

BELL-WHITE ANALYTICAL LABORATORIES LTD.

Per

Milner Consolidated Silver Mines Ltd.
Diamond Drill Hole #3
Bingham Property
Tisdale Township
Porcupine Mining Division ontario

Started: April 1, 1985
Completed: April 4, 1985
Total Depth: 474 feet
Latitude: 1+60'N
Departure: 13+00 West
Direction: South 35° East
Dip at Collar: collar=-47°; 250'=-44.5°; 474'=-43°.

0 to 84	casing
0 to 82	overburden
82 to 426	Basaltic-Andesite; dark grey to dark green, fairly massive but well fractured at varied angles with abundant calcite and lesser quartz filling fractures. Pyrite disseminations are rare. Average approx. 8% calcite-quartz veinlets throughout. 97--108.3: 15% carbonate-quartz veinlets, rare specs Py. 124.6--131.4: 25% carbonate-qtz veinlets at 10% C.A. 133.3--139.3: 15% carb-qtz veinlets, a few pink cherty veinlets at varied angles. C.A. at 148'=52°. 196--202.9: 10% carb-qtz veinlets. 233.6--236: 20% carb-qtz veinlets. 240.2--249: 10% qtz-carb veinlets, 3% cubic Py mainly in wall rock but minor fine Py in qtz veinlets. 258--259.1: 20% carb-qtz. 274.2--282.8: 15% carb-qtz. 204--298: gouge filled slips at 10° to 25° core axis, Fault. 301.8--310.1: 10% carb-qtz. 358.8--360.9: 40% calcite veinlets. 365.3--376.4: 30% calcite veinlets.
426 to 474	Pillowed Andesite, grey-green, with frequent qtz-carb veinlets.
	End of Hole 474 feet.

Sample Record DDH#3 Tisdale Twp

Sample No.	From Ft.	To Ft.	Core Length Ft.	Au Ozs/Ton
8090	124.6	131.4	6.8	tr
8091	133.3	139.3	6.0	tr
8092	196	202.9	6.9	tr
8093	233.6	236	2.4	0.002
8094	240.2	249	8.8	0.004
8095	258	259.1	1.1	0.006
8096	274.2	282.8	8.6	tr
8097	301.8	310.1	8.3	tr
8098	358.8	360.9	2.1	tr
8099	365.3	376.4	11.1	tr

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4	Trace	8080	0.002*
5	Trace	1	0.002*
6	0.002*	2	0.002*
7	Trace	3	Trace
8	Trace	4	Trace
9	0.002*	5	Trace
		6	Trace
8061	0.004	7	Trace
2	0.002*	8	Trace
3	Trace		
4	Trace	8090	Trace
5	Trace	1	Trace
6	Trace	2	Trace
7	Trace	3	0.002*
8	Trace	4	0.004
9	Trace	5	0.006
8070	0.002*	6	Trace
1	Trace	7	Trace
2	Trace	8	Trace
3	Trace	9	Trace

* Estimate

BELL-WHITE ANALYTICAL LABORATORIES LTD.

PER

REPORT

ON

GEOPHYSICAL SURVEYS

ON PROPERTY OF

MILNER CONSOLIDATED SILVER MINES LTD

TISDALE TOWNSHIP
(NORTH HALF LOT 1 CONCESSION V)

PORCUPINE MINING DIVISION

ONTARIO

Dated

at

Penetang, Ontario
February 28, 1985

REPORT

ON

GEOPHYSICAL SURVEYS

MILNER CONSOLIDATED SILVER MINES LTD

TISDALE TOWNSHIP
(NORTH HALF LOT 1 CONCESSION V)

PORCUPINE MINING DIVISION

ONTARIO

INTRODUCTION

Ground geophysical work, consisting of horizontal loop electromagnetic and magnetometer surveys was carried out on the north half of Lot 1, Concession V, Tisdale Township, Porcupine Mining Division in February 1985, on behalf of Milner Consolidated Silver Mines Ltd.

The purpose of the surveys were as follows:-

A. To define the precise location of an interflow band of graphitic argillaceous sediments projected to traverse the property in general east-west direction. These sediments represent a favourable host for gold mineralization in the area. In recent years several gold deposits have been discovered in the area in similar settings. (e.g. Owl Creek deposit, Hoyle Pond deposit and the Canamax Hoyle Township deposit). These sedimentary bands, because of their graphitic content, are easily detectable by electomagnetic surveys.

B. To locate and define a suspected northeasterly trending fissure zone projected on to the Milner property from the Davidson Tisdale-Getty Mines property, approximately 2000 feet to the southwest. This structure contains a substantial auriferous zone on the Davidson Tisdale property and is projected to cut across the interflow graphitic

sedidentary band on the Milner property. The junction of these two features is considered to represent a favourable locus for gold mineralization. Because basaltic rocks, with good magnetic expression, occur north of the sedimentary band, a magnetometer survey was performed. It was anticipated that if disruptions in the magnetic expression of the basaltic flow occurred, this would be indicative of faulting.

PROPERTY AND LOCATION

The surveys were conducted over the entire North half of Lot 1, Concession V, Tisdale Township, Porcupine Mining Division of Ontario.

Access is by an all weather gravel road which runs immediately north of the property. Because this road is not regularly plowed during the winter months, it is frequently not driveable by automobile during the winter.

SURVEY METHOD AND PRESENTATION OF RESULTS

Horizontal Loop Electromagnetic Survey

The horizontal loop electromagnetic survey employed the Apex Maxmin II electormagnetic instrument operated in the horizontal coil configuration with a transmitter-receiver separation of 328 feet. Readings of the in-phase and out-of-phase components of the resultant field of 888 Hz and 3555 Hz were recorded at station interfals of 100 feet and 50 feet, where greater detail was required. Grid lines were established at 200 feet spacings. The ideal profile of the electromagnetic readings over a conductive body forms a curve with positive shoulders as the conductor is approached and a negative trough over the conductor. Both the in-phase and out-of-phase response show the same general curve over a conductor except in areas of deep conductive overburden. In the latter setting phase rotation phenomena can alter the ideal type response over a bedrock conductive body. The ratio between the in-phase and out-of-phase response over a conductive zone provides a qualitative indication of the conductivity of a conductor as does the response at different frequencies. Conductivity thickness determinations (mhos) provide a quantitative method for comparing the degree of conductivity. In, general, the ratio of the in-phase to out-of-phase response increases as the conductivity of the underlying body increases and a ratio of 1.0 or greater is considered to be typical of the response generated by a massive sulfide or graphite body.

The electromagnetic responses as plotted on the accompanying maps at a scale of 200 feet to the inch, are not corrected for

topographic variations.

Magnetometer Survey

The magnetometer survey employed the Geometrics Model G816 portable magnetometer, measuring the total intensity of the earth's magnetic field within an accuracy of plus or minus one gamma. The magnetic responses as plotted on the accompanying maps, are corrected for diurnal variation and instrument drift, and are contoured at appropriate intervals. Magnetic base stations were established at regular intervals so that base station readings were made approximately every 30 minutes.

The magnetic survey is plotted on a separate map at a scale of 200 feet to the inch. The results are contoured at an interval of 50 gammas.

INTERPRETATION OF THE RESULTS OF THE GEOPHYSICAL PROGRAM

The electromagnetic surveys outline a conductive band traversing the central sector of the property in a east-west direction. The source of the conductor is interpreted as being the graphitic interflow sedimentary band, which is projected to traverse the property. The dip of the band is close to vertical but loccally appears to have a steep north dip. Conductivity is disrupted on lines 800W and 1000 West. This disruption is possibly due to a northeasterly trending fault or fissure zone.

The magnetometer survey outlines a fairly strong east-west trending magnetic anomaly in the northwestern sector of the property. This anomaly is terminated at line 800W. The magnetic anomaly probably eminates from a basaltic flow which is possibly terminated or offset by the postulated northeasterly trending fault.

CONCLUSIONS AND RECOMMENDATIONS

The electromagnetic survey has outlined a graphitic interflow sedimentary band which traverses the property. This band is considered to represent a favourable host environment for gold deposition, particularly where it is disrupted by faulting.

Both the electromagnetic surveys and the magnetometer survey suggest that a northeasterly trending fault zone may cut across this band at around lines 800W and 1000W.

It is recommended that a diamond drilling program be carried out to explore the targeted area for gold mineralization. However, prior to diamond drilling it is recommended that a limited program of basal till sampling be carried out. The results of the basal till program will serve as a guide to the more effective location of

diamond drill holes.

The cost of implementing the program is estimated as follows:-

Basal till sampling employing portable percussion drill, 6 holes to 80 feet depth, 480 feet, including supervision laboratory etc.....	$ 4,000.00
Diamond drilling 5 holes @400 feet, $50 per foot including mobilization, demobilization, supervision, geological, assaying.....	$20,000.00
Drill core storage, meals, logging, incidentals, contingencies.....	$ 2,500.00
Total estimated cost.....	$27,500.00

Respectfully submitted

E. W. Bazinet, P. Eng.
Designated Consulting
Engineer.

REGISTERED PROFESSIONAL ENGINEER
MINING
E. W. BAZINET
PROVINCE OF ONTARIO

Penetang, Ontario
February 28, 1985

REPORT

ON

GEOLOGICAL SURVEY

MILNER CONSOLIDATED SILVER MINES LTD

N½ LOT 1 CON V

TISDALE TWP.

PORCUPINE MINING DIVISION

ONTARIO

Penetang, Ontario

June 6, 1985

REPORT

ON

GEOLOGICAL SURVEY

MILNER CONSOLIDATED SILVER MINES LTD.

N½ LOT 1 CON V

TISDALE TWP.

PORCUPINE MINING DIVISION

ONTARIO

INTRODUCTION

During May and June 1985, geological mapping at a scale of 1 inch to 200 feet was completed on a half lot held under option by Milner Consolidated Silver Mines Ltd in Tisdale Township, Porcupine Mining Division.

Picket line cut during February 1985, at 200 feet line spacings served as control. The purpose of the survey was to locate the projected extension of the fault zone which hosts the Davidson-Tisdale-Getty Mines gold ore zone some 1500 feet to the southwest of the Milner property.

A quartz-carbonate alteration zone possibly representing the northeasterly projection of the Davidson-Tisdale fault was located on the property during the mapping program.

PROPERTY

The property consists of 160 acres including the North Half of Lot 1, Concession V, Tisdale Township, Porcupine Mining Division, Ontario.

LOCATION AND ACCESS

The property is located approximately four miles north of the town of South Porcupine and is within the city limits of Timmins. Access is by the pipeline road, an all weather gravel road.

HISTORY AND PREVIOUS WORK

Three diamond drill holes were completed on the property in the 1930's or 1940's. In March and April 1985, three additional diamond drill holes were completed by Milner Consolidated Silver Mines Ltd. None of these holes encountered any significant gold values. During February 1985, line cutting and geophysical surveys were conducted on the property and seven percussion holes were drilled to sample the basal till for gold dispersion anomalies.

GENERAL GEOLOGY

The property is underlain mainly by rocks of volcanic origin consisting predominantly of meta basaltic-andesites which are frequently pillowed and porphyritic latite. An east-west trending band of graphitic slatty tuffs traverses the central portion of the property as revealed by geophysical surveys and diamond drilling.

A northeasterly trending fault zone possibly representing the northeasterly projection of the Davidson-Tisdale fault zone was intersected in diamond drilling holes and is further evidenced on surface by a zone of carbonate alteration containing quartz veinlets. The zone appears to strike northeasterly.

MINERALIZATION

Massive and semi-massive pyrite is extensively associated with the graphitic tuffs which were intersected by diamond drilling. Disseminated pyrite is common in the quartz-carbonate zone discovered during the mapping program.

Sampling of diamond drill core and of the quartz-carbonate zone did not however, indicate significant gold values associated with these types of mineralization.

ROCK DESCRIPTIONS

The basaltic-andesites are massive or pillowed. They are generally fine grained, pale green on the weathered surface, but dark grey-green on the fresh surface. The latites are porphyritic with feldspar phenocrysts ranging up to 3 millimeters. They are chloritic and range in colour from light to medium green.

Graphitic tuffs consist of alternating graphitic bands and

siliceous bands and frequently have associated massive pyrite bands and nodules.

RECOMMENDATIONS

It is recommended that additional prospecting, including trenching and sampling be carried out surrounding the surface exposed quartz-carbonate alteration zone. If this latter work reveals significant associated gold values, a diamond drilling program would also be warranted.

Respectfully Submitted

E. W. Bazinet
Designated Consulting
Engineer and Geologist.

Penetang, Ontario
June 6, 1985.

MILNER CONSOLIDATED SILVER MINES LTD
N½ LOT 1 CON V
TISDALE TWP
PORCUPINE MINING DIVISION
ONTARIO
GEOLOGICAL
SURVEY
SCALE 1IN = 200FT

LEGEND
PRECAMBRIAN

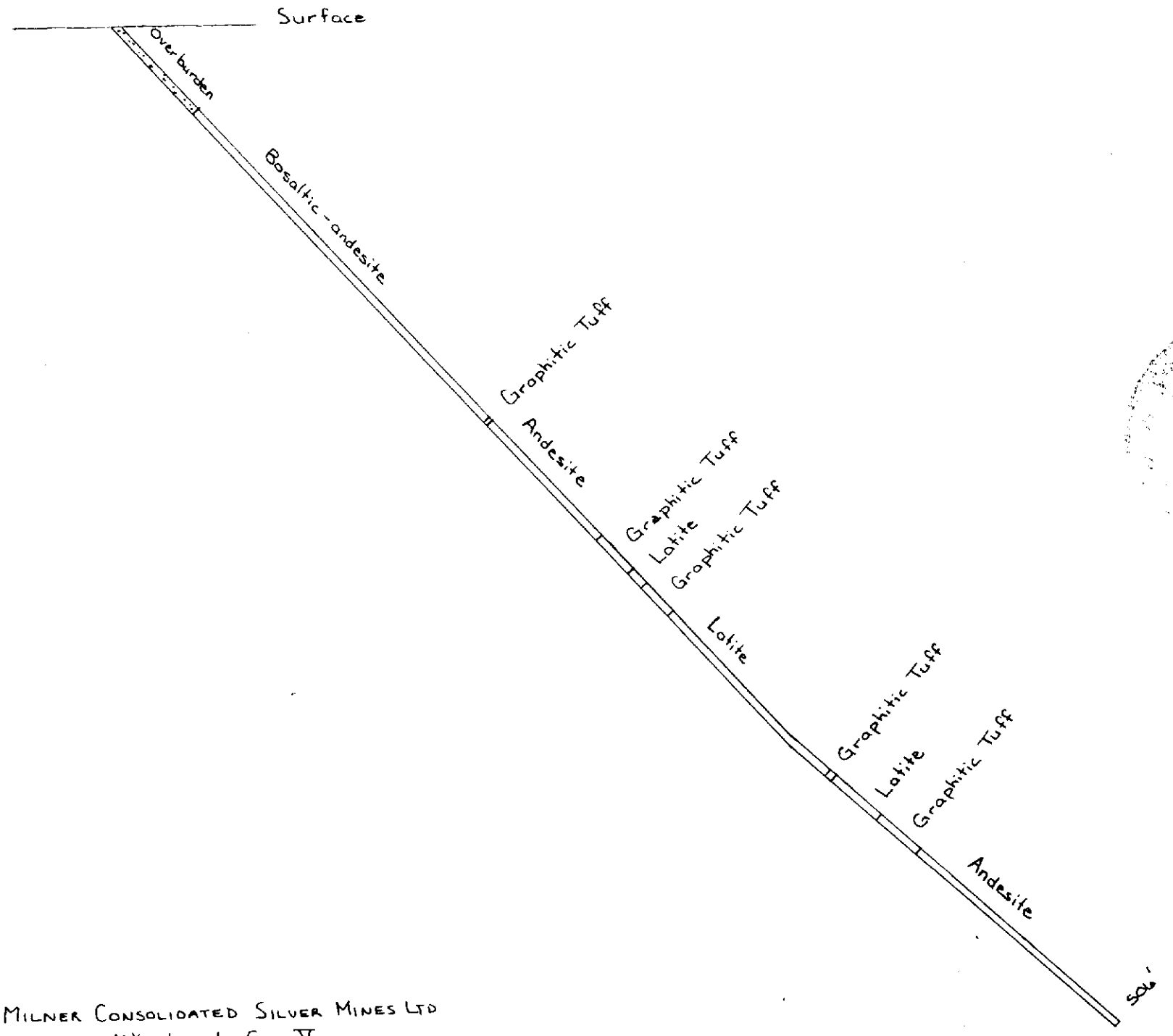
- 3 — 3a Latite Breccia 3b Porphyritic Latite; 3c Porphyritic Latite containing over 10% mafic minerals
- 2 — 2 Argillite, slate, graphitic tuff
- 1 — 1a Basaltic-andesite, uniform, massive; 1b Basaltic-andesite amygdaloidal pillowed; 1c Flow breccia basaltic-andesite
- Quartz-carbonate alteration zone
- DDH 2 — Diamond drill holes 1985
- OB#2 / 5' — Overburden holes 1985 and depth of overburden
- Strike of vertical schistocity
- Strike and vertical dip

63.4628
OM84-328

REGISTERED PROFESSIONAL ENGINEER
E. W. BAZINET
PROVINCE OF ONTARIO

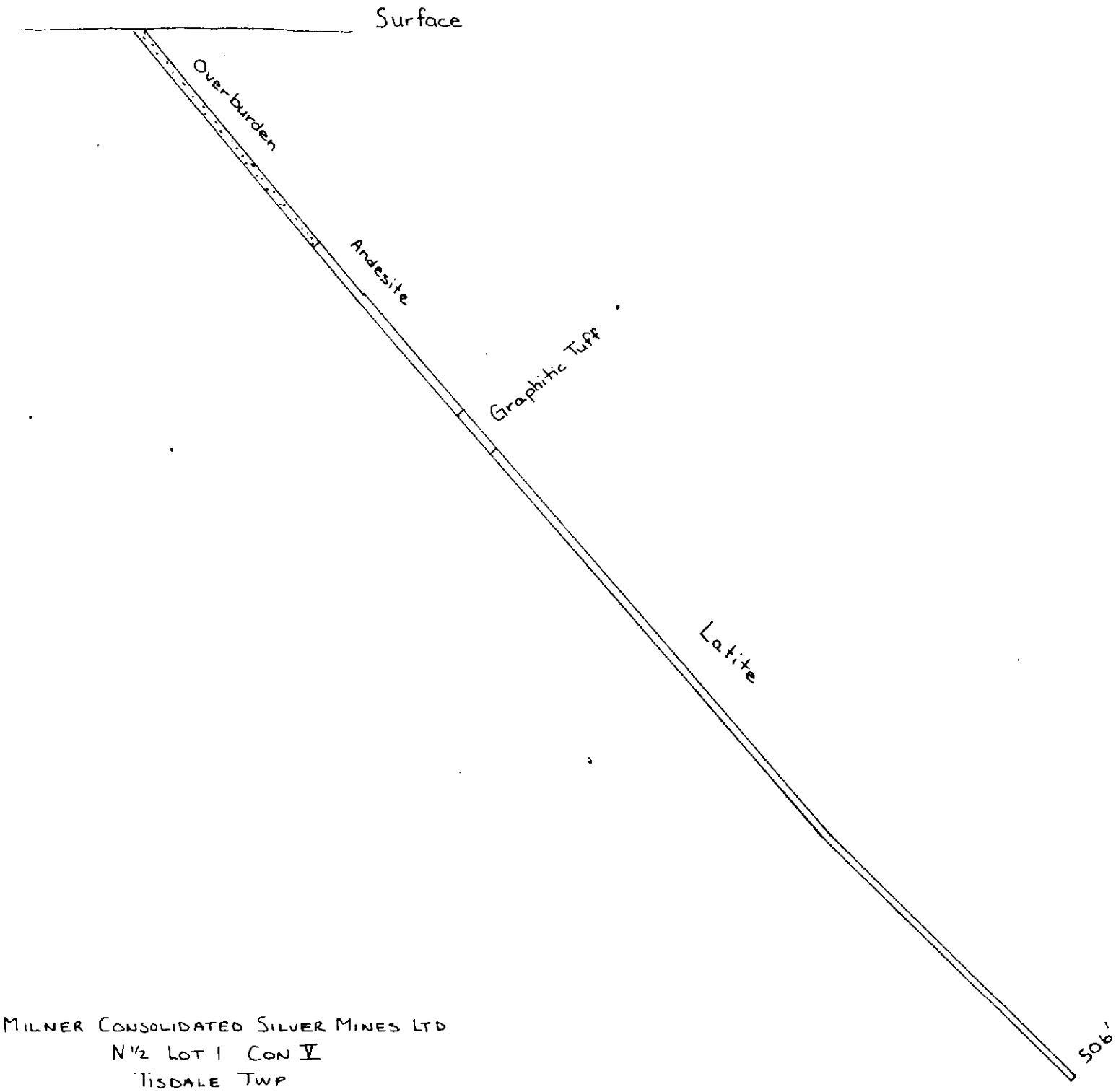
42A11SE8459 63.4628 TISDALE

200



MILNER CONSOLIDATED SILVER MINES LTD
N½ LOT 1 CON V
TISDALE TWP
DDH NO 1
SECTION
LOOKING EAST
SCALE 1IN = 50FT
JUNE 1985

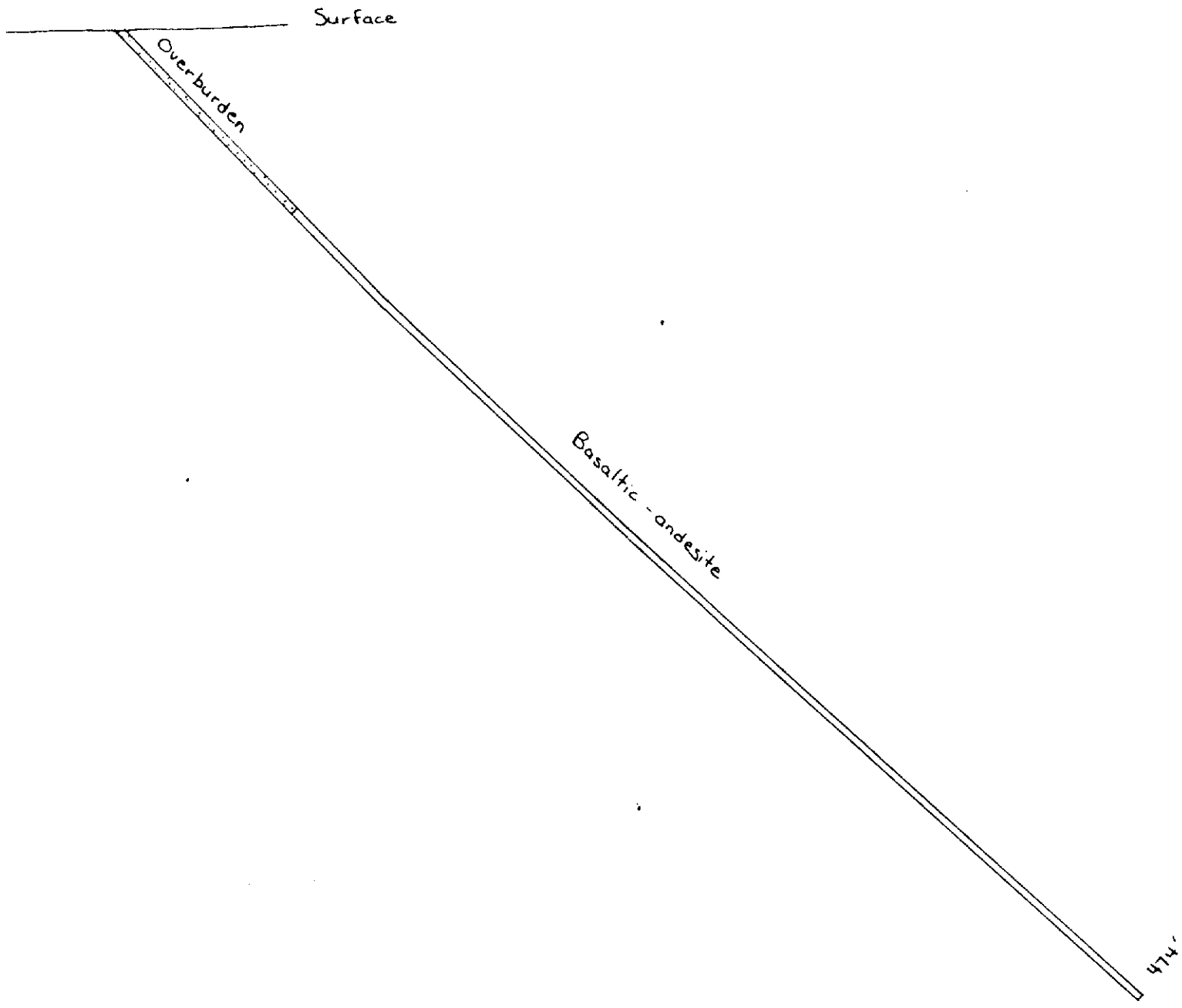
REGISTERED PROFESSIONAL ENGINEER
MINING
E. W. BAZINET
PROVINCE OF ONTARIO



MILNER CONSOLIDATED SILVER MINES LTD
N½ LOT 1 CON V
TISDALE TWP
DDH NO 2
SECTION
LOOKING NORTHEAST
SCALE 1IN = 50FT

JUNE 1985

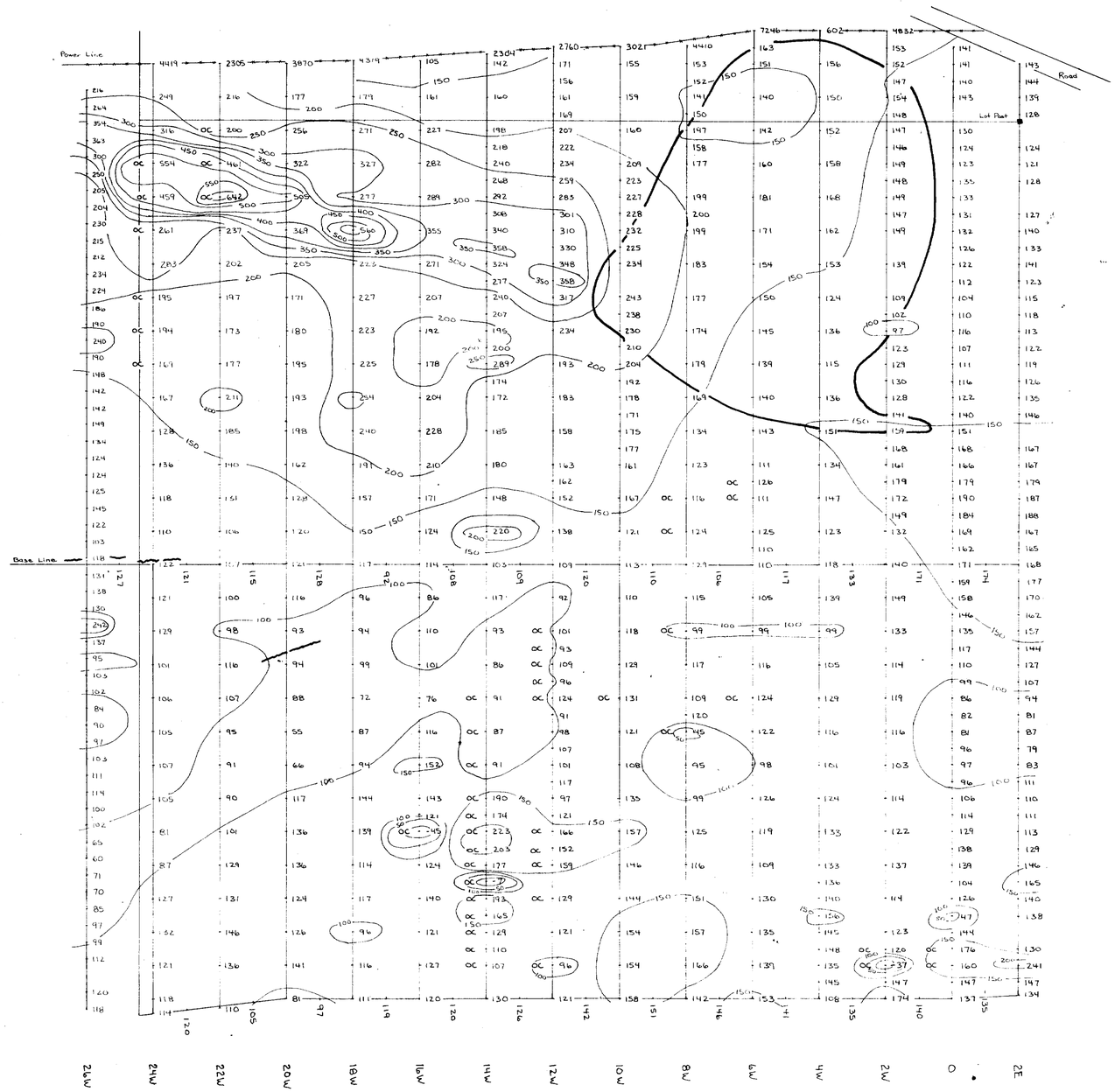
REGISTERED PROFESSIONAL ENGINEER
MINING
E. W. BAZINET
PROVINCE OF ONTARIO



MILNER CONSOLIDATED SILVER MINES LTD.
N ½ LOT 1 CON V
TISDALE TWP
DDH No 2
SECTION
LOOKING NORTH EAST
SCALE 1IN = 50FT

JUNE 1985

REGISTERED PROFESSIONAL ENGINEER
MINING
E. W. BAZINET
PROVINCE OF ONTARIO



MILNER CONSOLIDATED SILVER MINES LTD.
N½ LOT 1 CON V
TISDALE TWP
PORCUPINE MINING DIVISION
ONTARIO

MAGNETOMETER
SURVEY
SCALE 1 IN = 200 FT

LEGEND

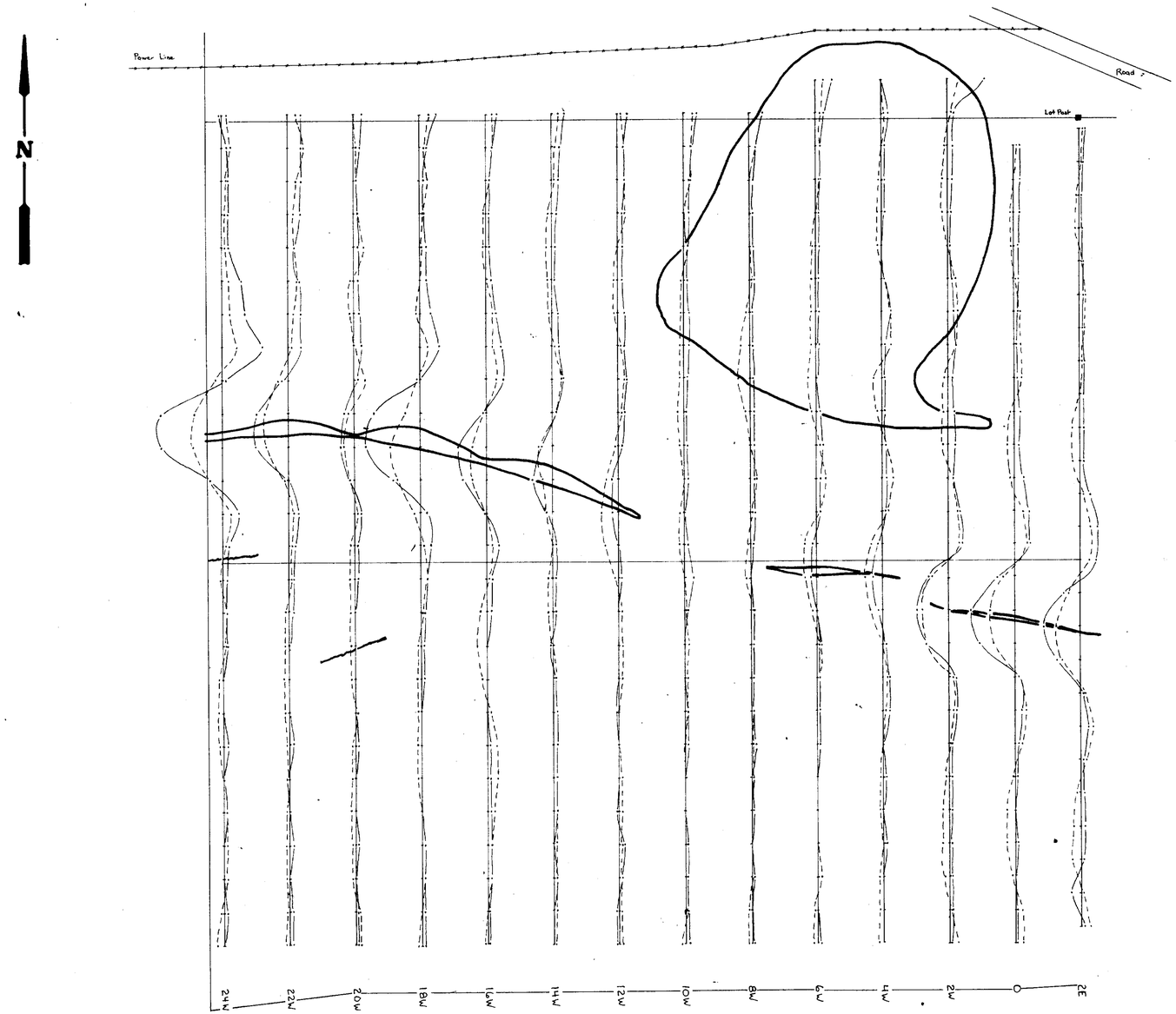
200 TOTAL INTENSITY OF EARTH'S MAGNETIC FIELD MINUS 59,000 GAMMAS

MAGNETIC CONTOUR INTERVAL 50 GAMMAS

BASE STATION

63.4628

OM84-328



MILNER CONSOLIDATED SILVER MINES LTD

N½ LOT 1 CON V

TISDALE TWP

PORCUPINE MINING DIVISION

ONTARIO

HORIZONTAL LOOP

ELECTROMAGNETIC SURVEY

LEGEND

- MEASUREMENT STATIONS ALONG PICKET LINES
- PROFILE IN PHASE COMPONENT (SCALE: 1 IN = 40%)
- PROFILE OUT OF PHASE COMPONENT (SCALE: 1 IN = 40%)

COIL SEPARATION 328 FT

OS OFFSCALE READING

OC OUTCROP AREA

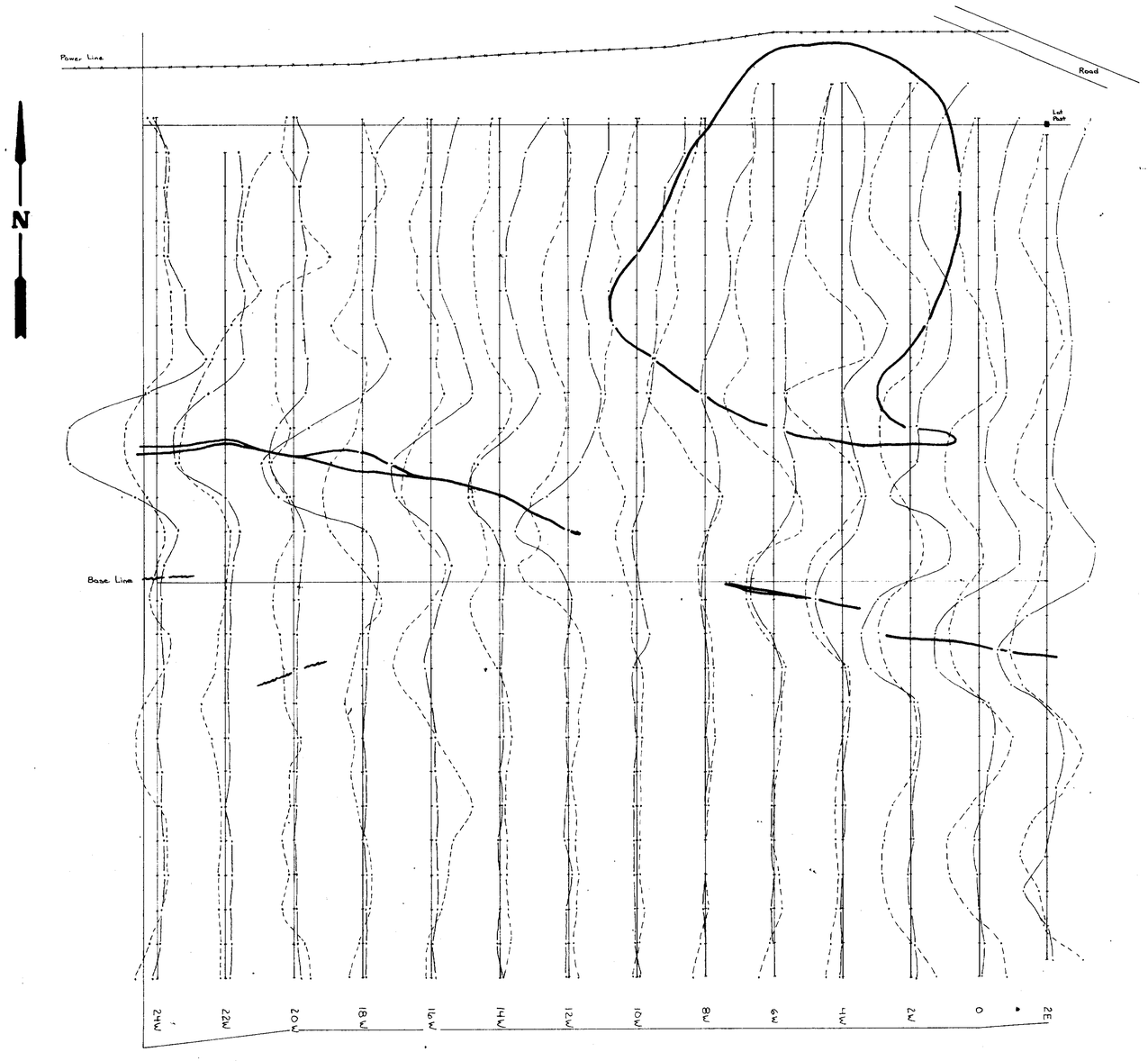
ELECTRICAL CONDUCTOR AXIS

INSTRUMENT MAX MIN II

FREQUENCY 888 Hz

Scale 1" = 200'

63.4628
OM84-328



MILNER CONSOLIDATED SILVER MINES LTD

N½ LOT 1 CON V

TISDALE TWP

PORCUPINE MINING DIVISION

ONTARIO

HORIZONTAL LOOP

ELECTROMAGNETIC SURVEY

LEGEND

- MEASUREMENT STATIONS ALONG PICKET LINES
- PROFILE IN PHASE COMPONENT (SCALE: 1 IN = 40%)
- PROFILE OUT OF PHASE COMPONENT (SCALE: 1 IN = 40%)

COIL SEPARATION 328 FT

OS OFFSCALE READING

OC OUTCROP AREA

ELECTRICAL CONDUCTOR AXIS

INSTRUMENT MAX MIN II

FREQUENCY 3555 Hz

Scale 1" = 200'

63.4628

OM84-328