

**Evaluation of, and Recommendations for an  
Exploration Program on, Black Isle Resources'  
Bond Property, NW Ontario**

**Jaffray Township (City of Kenora)  
Kenora Mining Division, Ontario  
N.T.S. 52E/16 SW**

**by  
Charles E. Blackburn, P. Geo.  
Blackburn Geological Services  
Victoria, B.C.**

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## TABLE OF CONTENTS

<b>1.0 SUMMARY .....</b>	<b>1</b>
<b>2.0 INTRODUCTION .....</b>	<b>4</b>
<b>3.0 RELIANCE ON OTHER EXPERTS .....</b>	<b>5</b>
<b>4.0 PROPERTY DESCRIPTION AND LOCATION.....</b>	<b>5</b>
<b>4.1 Location .....</b>	<b>5</b>
<b>4.2 Land Tenure.....</b>	<b>5</b>
<b>4.2.1 Mining Claims and Ownership .....</b>	<b>5</b>
<b>4.2.2 Permits .....</b>	<b>8</b>
<b>4.3 Environmental Issues .....</b>	<b>8</b>
<b>5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES,     INFRASTRUCTURE AND PHYSIOGRAPHY .....</b>	<b>9</b>
<b>6.0 HISTORY .....</b>	<b>10</b>
<b>7.0 GEOLOGICAL SETTING AND MINERALIZATION .....</b>	<b>13</b>
<b>7.1 Regional Geology.....</b>	<b>13</b>
<b>7.2 Local Geology.....</b>	<b>15</b>
<b>7.3 Property Geology .....</b>	<b>15</b>
<b>7.4 Mineralization .....</b>	<b>16</b>
<b>8.0 DEPOSIT TYPES.....</b>	<b>17</b>
<b>9.0 EXPLORATION .....</b>	<b>17</b>
<b>10.0 DRILLING .....</b>	<b>17</b>
<b>11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY .....</b>	<b>17</b>
<b>12.0 DATA VERIFICATION .....</b>	<b>17</b>
<b>13.0 MINERAL PROCESSING AND METALLURGICAL TESTING .....</b>	<b>18</b>
<b>14.0 MINERAL RESOURCE ESTIMATES .....</b>	<b>18</b>
<b>15.0 ADJACENT PROPERTIES.....</b>	<b>18</b>
<b>15.1 Scramble Mine .....</b>	<b>18</b>
<b>16.0 OTHER RELEVANT DATA AND INFORMATION.....</b>	<b>19</b>
<b>17.0 INTERPRETATION AND CONCLUSIONS.....</b>	<b>19</b>

<b>18.0 RECOMMENDATIONS.....</b>	<b>22</b>
<b>18.1 Costing.....</b>	<b>25</b>
<b>19.0 REFERENCES.....</b>	<b>26</b>
<b>20.0 AUTHOR'S QUALIFICATIONS .....</b>	<b>29</b>

**LIST OF FIGURES**

<b>1. Location Map of the Bond Property.....</b>	<b>6</b>
<b>2. Bond Claims Map .....</b>	<b>7</b>
<b>3. Historic Drill Hole Locations, Shafts and Portal .....</b>	<b>11</b>
<b>4. Regional Geology Map.....</b>	<b>14</b>
<b>5. Geophysical Interpretation, Lines 7W to 18W.....</b>	<b>21</b>
<b>6. Longitudinal Section, Scramble Zone .....</b>	<b>23</b>

## 1.0 SUMMARY

The Bond Property, in northwestern Ontario, consists of two contiguous Crown mining claims totalling 14 units that encompass an area of 224 hectares. The claims cover prospective gold-hosting zones along strike of a partially defined gold deposit known as the Scramble Mine.

Under the terms of an Option to Purchase agreement Black Isle Resources Corp. (the *Company*) of Vancouver, BC can acquire a 100% interest in the Bond Property from James Bond (the *Optionor*), on completion of certain considerations.

The Bond Property is located in former Jaffray Township, now within the City of Kenora, and about eight kilometres east of the downtown, business centre and former town of Kenora, at the north end of Lake of the Woods. Access to the Bond Property is provided by Jones Road off Hwy 17, the Trans Canada Highway, and by Homestake Road from downtown Kenora with the Jones Road.

The Bond Property lies within the Archean Lake of the Woods greenstone belt of the Wabigoon Subprovince, Superior Province. Rocks of the greenstone belt range from volcanic basaltic flows to pyroclastic dacite and rhyolite, with associated clastic sediments, and granitic and other plutonic batholith-scale intrusions. During the Kenoran Orogeny the supracrustal rocks were tightly folded and metamorphosed to greenschist and amphibolite grade.

The Bond Property straddles a submarine basalt flow sequence within a promontory of the greenstone belt at its northeast edge that tapers towards the northeast. Minor felsic to intermediate tuffaceous rocks occur at the northwest corner of the Bond Property and also within its southwestern part. Minor felsic dikes both parallel and cross-cut the dominant northeasterly structural trend.

Exploration on the Bond Property will be directed toward the discovery of lode gold, similar to that on the adjacent Scramble Mine to the northeast, where gold is concentrated in a narrow northeasterly striking sheared zone in the basalts. Gold is concentrated in the sheared and biotitized basalt, rather than in conformable felsic dikes and cross cutting quartz veins within the zone. Similar felsic dikes on the Bond Property have not to date yielded gold values, and no altered or sheared zones of basalt have been noted in association with them.

Potentially economic zones of gold mineralization remain to be discovered on the Bond Property. Sampling from the only 4 historic (1985-1986) diamond drill holes entirely within the Bond Property mostly returned trace to low gold values on assay. Notable exceptions included:

- In one hole, 0.7 g gold/tonne over 1.3m within a 3m core length termed "exhalite", all of which ran above trace amounts. In the same hole, a section ran

0.6 g gold tonne over 1.2m in a 3.4m core length of basalt with quartz-calcite veining.

- In a second hole, one section ran 0.5 g gold/tonne over 1m in a 2.4m core length of “felsic tuff”.

No exploration, drilling or sampling has yet been conducted on the Bond Property by or on behalf of the Company.

On the adjacent Scramble Mine patented land, close-patterned diamond drilling and surface sampling, and underground development work, all conducted in the 1980s by the joint venture partnership of Scramble Mining Ltd. and Madeleine Mines Ltd., led to commissioning of a study (Behre Dolbear & Company Inc. 1989) that provided an estimate of proven, probable and possible reserves, for a total of 139,000 tons at a grade of 0.24 ounce (8.2 g) gold ton. The calculations of “reserves” were not done according to NI 43-101 standards, and the Company is not treating these estimates as current mineral resources, or necessarily indicative of mineralization that is the subject of this technical report. The qualified person has been unable to verify the above information and the information is not necessarily indicative of the mineralization that is the subject of this technical report.

The work done on the Scramble Mine patented land bears on the Bond Property, in that the northeasterly trending Scramble Zone trends south-westward toward the Bond Property.

It is concluded that:

- 1) Gold mineralization of potential economic grade on the Scramble Zone has to date been amply demonstrated on the Scramble Mine patented lands, by underground sampling and diamond drilling.
- 2) Mineralization on the Scramble Mine patented lands is confined within a northeast trending shear zone within basalts. Coincident with the gold mineralization in the shear zone are linear magnetic anomalies and induced polarization (IP) responses. Any extension of the zone, as yet undefined, would extend onto the Bond Property. It is very significant that a drill hole contained wholly on the Bond Property intersected a 3m section logged as “exhalite”, within which a 1.3m section ran 0.7 g gold/tonne. The “exhalite” is very likely a southwest continuation of the Scramble shear zone in the basalt country rock.
- 3) Combined linear magnetic anomalies and IP responses coincident with the Scramble Zone on the Scramble patented ground extend at least 150m onto the Bond Property, beyond which power lines have to date prevented interpretation of geophysical responses across a 400m interval. Linear magnetic anomalies and coincident IP responses beyond this interval may represent the continuation of the anomalies coincident with the Scramble Zone. One section in one of only two drill holes in this latter area ran 0.5 g gold/tonne over 1m in a 2.4m core length logged