

July 3<sup>rd</sup>, 2008

Pierre Quilliam  
Silver Falcon Mining Inc.  
7322 Manatee Ave. W., #299  
Bradenton, FL  
34209

Dear Mr. Quilliam,

Please find attached the summary and results of the Falcon concentration test done on the War Eagle sample sent to us on June 9<sup>th</sup>, 2008.

Please feel free to contact us if you have any questions.

Sincerely,

Danny Kwok, B.A.Sc. EIT  
Metallurgist, Met-Solve Laboratories

**Gravity Recovery of Gold &  
Silver – Falcon Gravity  
Concentration Test Work on  
War Eagle**

**Prepared for:**

Pierre Quilliam  
Silver Falcon Mining Inc.  
7322 Manatee Ave. W., #299  
Bradenton, FL  
34209

**Prepared by:**

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8515 Eastlake Drive  
Burnaby, BC V5A 4T7  
V5A 6R9 Canada

**Project Number:**

MS1105

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Danny Kwok, B.A.Sc. EIT  
Metallurgist

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Ish Grewal, M.A.Sc. P.Eng  
President

July 3<sup>rd</sup>, 2008

**Note:** This report refers to the samples as received. The information contained in this report is provided 'as is' without warranty of any kind with respect to the interpretation and use of the data by the client.

## 1.0 BACKGROUND

Two buckets of sample, named **War Eagle**, were received by Met-Solve on June 9<sup>th</sup>, 2008 for gravity centrifugal concentration test work via Falcon’s L40 unit. The purpose of the test work was to investigate the potential concentration of Gold (Au), Silver (Ag), Platinum (Pt), and Palladium (Pd) via Falcon SB-Type and C-Type simulation tests.

## 2.0 METHODOLOGY

As per the proposal, *Standard 3-stage SB-Type* and *Multi-stage C-Type* tests were completed on the sample to simulate the mineral’s amenability to Falcon’s concentrator technologies.

The process flow-sheet for the **Falcon C-Type Test (Test ZE101)** is as follows in figure 1:

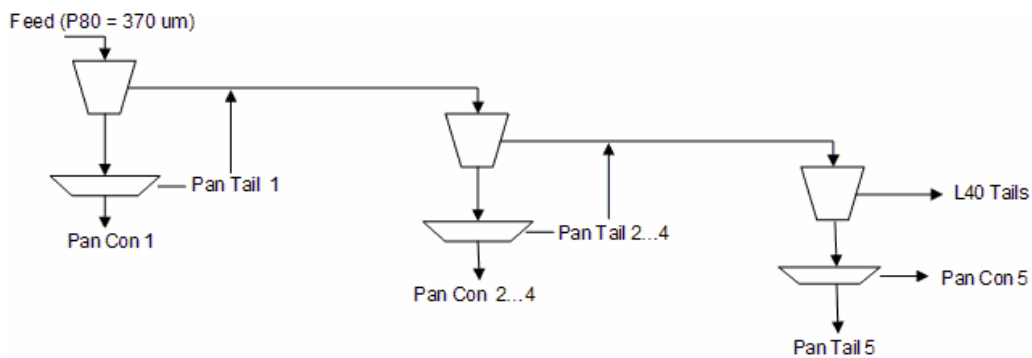


Figure 1. Process flow-sheet of C-Type test work via Falcon’s L40 concentrator

The process flow-sheet for the **Falcon SB-Type Test (Test ZE102)** is as follows in figure 2:

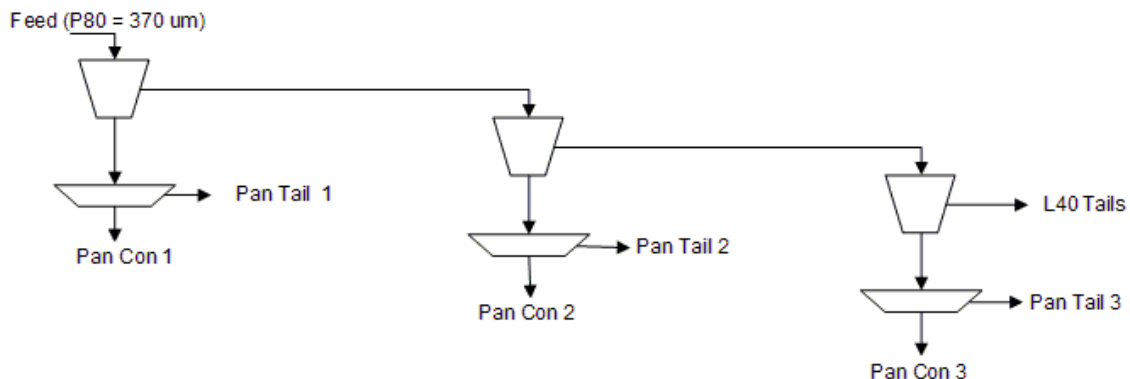


Figure 2. Process flow-sheet of SB-Type test work via Falcon’s L40 concentrator

### 3.0 RESULTS AND DISCUSSIONS

#### 3.1 HEAD ASSAY

Size-by-size analysis (**Test ZE103**) was conducted on a representative cut of the sample after it had been ground for 5 minutes. Table 1 summarizes the head assay results.

**Table 1. Size-by-size Head Assay Results – Gold & Silver**

Sieve Size		Weight		Au		Ag	
Tyler Mesh	Microns	(g)	(%)	(g/t)	Dist'n (%)	(g/t)	Dist'n (%)
40	425	15.5	10.09	1.19	1.91	31.6	6.26
50	300	34.2	22.27	7.42	26.2	39.0	17.1
70	212	26.6	17.32	11.7	32.1	27.8	9.45
100	150	18.9	12.30	7.58	14.8	30.5	7.37
140	106	14.9	9.70	2.44	3.76	33.2	6.32
200	75	10.1	6.58	4.90	5.12	44.7	5.77
270	53	8.4	5.47	4.51	3.92	47.7	5.12
400	37	5.0	3.26	4.84	2.50	339.3	21.7
-400	-37	20.0	13.02	4.64	9.60	82.0	21.0
<b>TOTAL:</b>		153.6	100.0	6.29	100.00	50.9	100.00

The overall calculated head grades from the size-by-size assays were 6.3 g/t and 50.9 g/t respectively for gold and silver. The distribution of gold indicates that 75% of the Au can be found in the fractions coarser than 150 microns. The silver distribution is more even with slight enrichment in the finer (- 53 um) fractions.

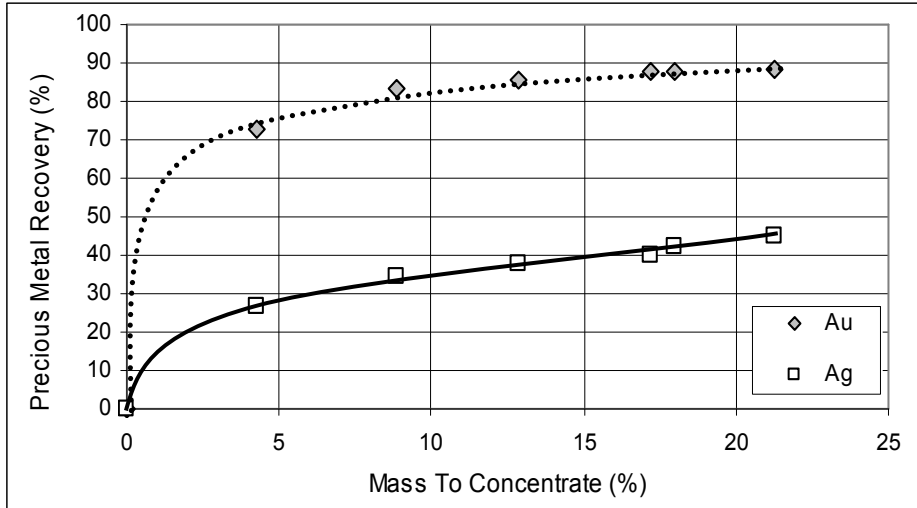
Platinum and palladium fire assay grades were close to zero (grades of ~0.01 g/t) for all fractions assayed in the size-by-size analysis.

### 3.2 FALCON C-TYPE TEST

The results from the C-Type test work (**Test ZE101**) are summarized in the table and figure below. Detailed metallurgical balances can be found in the appendices.

**Table 3. Metallurgical Summary – C-Type Simulation Test Work**

Products	Weight		Au		Ag	
	(g)	(%)	(g/t)	Dist'n (%)	(g/t)	Dist'n (%)
L40 Pan Concentrate 1	83.4	4.24	109.0	72.8	239.4	26.6
L40 Pan Concentrate 2	90.6	4.61	14.2	10.3	64.0	7.7
L40 Pan Concentrate 3	78.5	3.99	4.22	2.7	32.2	3.4
L40 Pan Concentrate 4	85.8	4.36	2.71	1.9	20.4	2.3
L40 Pan Concentrate 5	15.6	0.79	3.26	0.4	107.4	2.2
L40 Pan Tailings 5	64.3	3.27	1.08	0.6	29.2	2.5
<b>Total L40 Concentrate</b>	<b>418.2</b>	<b>21.26</b>	<b>26.4</b>	<b>88.6</b>	<b>80.3</b>	<b>44.8</b>
L40 Tails	1548.7	78.74	0.92	11.4	26.7	55.2
<b>Calculated Head</b>	<b>1966.9</b>	<b>100.0</b>	<b>6.35</b>	<b>100.0</b>	<b>38.1</b>	<b>100.0</b>
<b>Assayed Head</b>			<b>6.29</b>		<b>50.9</b>	



**Figure 3. Concentrate Recovery vs. Mass-to-Concentrate**

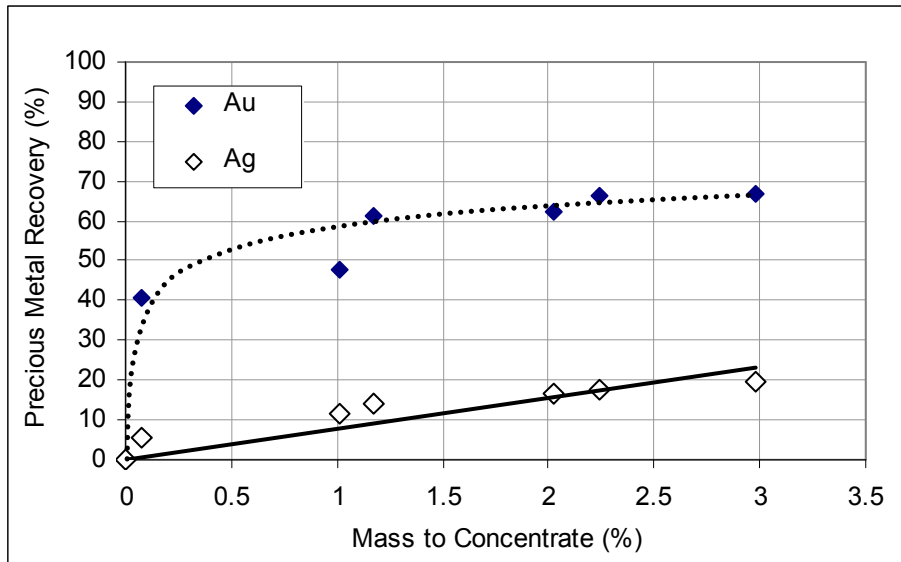
The results indicate the War Eagle sample contains gold that is readily recovered at a grind size P80 ~370 microns. With a product mass recovery of ~21%, centrifugal gravity concentration was able to enrich the sample from 6.35 g Au/t to 26.4 g Au/t at 88.6% recovery. The Ag concentrate returned a grade of 80.3 g/t at 44.8% recovery.

### 3.3 FALCON SB-TYPE TEST

The results from the SB-Type test work (**Test ZE102**) are summarized in the table and figure below. Detailed metallurgical balances can be found in the appendices.

**Table 4. Metallurgical Summary – Falcon SB-Type Simulation Test Work**

Products	Weight		Au		Ag	
	(g)	(%)	(g/t)	Dist'n (%)	(g/t)	Dist'n (%)
Pan Concentrate 1	6.3	0.07	3397	40.9	4079	5.6
Pan Tail 1	82.3	0.94	43.1	6.8	336.2	6.0
<b>L40 Concentrate 1</b>	<b>88.6</b>	<b>1.01</b>	<b>281.6</b>	<b>47.6</b>	<b>602.3</b>	<b>11.5</b>
Pan Concentrate 2	14.0	0.16	505.1	13.5	763.9	2.3
Pan Tail 2	74.8	0.85	9.56	1.4	163.2	2.6
<b>L40 Concentrate 2</b>	<b>88.8</b>	<b>1.01</b>	<b>87.7</b>	<b>14.9</b>	<b>257.9</b>	<b>4.9</b>
Pan Concentrate 3	18.6	0.21	104.7	3.7	300.7	1.2
Pan Tail 3	65.1	0.74	4.35	0.5	119.1	1.7
<b>L40 Concentrate 3</b>	<b>83.7</b>	<b>0.96</b>	<b>26.7</b>	<b>4.3</b>	<b>159.5</b>	<b>2.9</b>
<b>Total L40 Concentrate</b>	<b>261.1</b>	<b>2.98</b>	<b>133.9</b>	<b>66.7</b>	<b>343.2</b>	<b>19.4</b>
L40 Tails	8498.1	97.02	2.05	33.3	43.9	80.6
<b>Calculated Head</b>	<b>8759.2</b>	<b>100.0</b>	<b>5.98</b>	<b>100.0</b>	<b>52.8</b>	<b>100.0</b>
<b>Assayed Head</b>			<b>6.29</b>		<b>50.9</b>	



**Figure 4. Concentrate Recovery vs. Mass-to-Concentrate**

The SB-Type simulation test yielded a product mass recovery of ~3%, with gold and silver recoveries of 66.7% and 19.4% respectively. Further grinding to a finer particle size may improve gold and silver recoveries.

**4.0 SUMMARY**

The results from the two sets of test work are summarized in the following tables.

**Table 5. Summary of C-Type Test Results**

Products	Weight		Assay (g/t)		Distribution (%)	
	(g)	(%)	Au	Ag	Au	Ag
<b>C-Type Concentrate</b>	<b>418.2</b>	<b>21.26</b>	<b>26.4</b>	<b>80.3</b>	<b>88.6</b>	<b>44.8</b>
Tailings	1548.7	78.74	0.92	26.7	11.4	55.2
<b>Calculated Head</b>	<b>1966.9</b>	<b>100.0</b>	<b>6.35</b>	<b>38.1</b>	<b>100.0</b>	<b>100.0</b>

**Table 6. Summary of SB-Type Test Results**

Products	Weight		Assay (g/t)		Distribution (%)	
	(g)	(%)	Au	Ag	Au	Ag
<b>SB-Type Concentrate</b>	<b>261.1</b>	<b>2.98</b>	<b>133.9</b>	<b>343.2</b>	<b>66.7</b>	<b>19.4</b>
Tailings	8498.1	97.02	2.05	43.9	33.3	80.6
<b>Calculated Head</b>	<b>8759.2</b>	<b>100.0</b>	<b>5.98</b>	<b>52.8</b>	<b>100.0</b>	<b>100.0</b>

## **APPENDICES**

**Gravity Concentration Test Report  
(Detailed Metallurgical Balances)**

**Size-by-Size Head Assay**

**Particle Size Analysis**

**Client:** Silver Falcon Mining

**Date:** 13-Jun-08

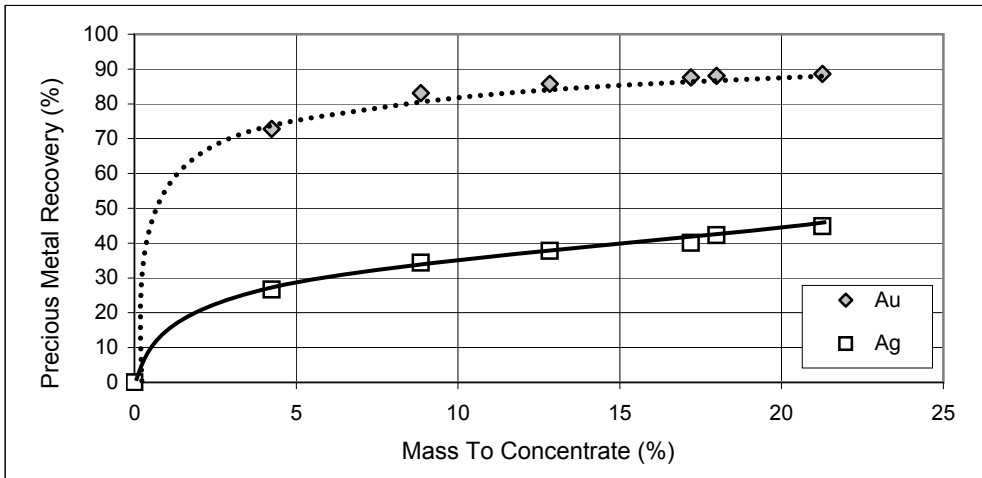
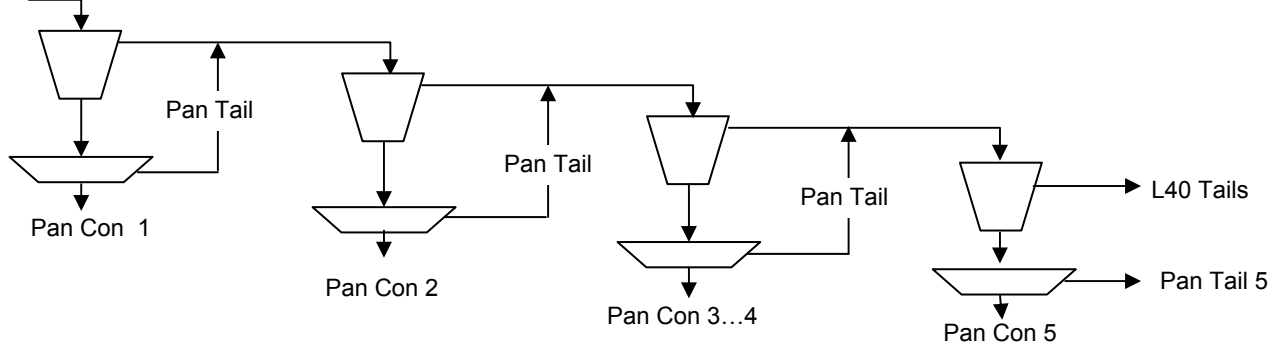
**Test:** ZE101

**Project:** MS1105

**Sample:** Crushed and Ground (5 minutes) on as-received sample

Products	Weight		Au		Ag	
	(g)	(%)	(g/t)	Dist'n (%)	(g/t)	Dist'n (%)
L40 Pan Concentrate 1	83.4	4.24	109.0	72.8	239.4	26.6
L40 Pan Concentrate 2	90.6	4.61	14.2	10.3	64.0	7.7
L40 Pan Concentrate 3	78.5	3.99	4.22	2.7	32.2	3.4
L40 Pan Concentrate 4	85.8	4.36	2.71	1.9	20.4	2.3
L40 Pan Concentrate 5	15.6	0.79	3.26	0.4	107.4	2.2
L40 Pan Tailings 5	64.3	3.27	1.08	0.6	29.2	2.5
<b>Total L40 Concentrate</b>	<b>418.2</b>	<b>21.26</b>	<b>26.4</b>	<b>88.6</b>	<b>80.3</b>	<b>44.8</b>
L40 Tails	1548.7	78.74	0.92	11.4	26.7	55.2
<b>Calculated Head</b>	<b>1966.9</b>	<b>100.0</b>	<b>6.35</b>	<b>100.0</b>	<b>38.1</b>	<b>100.0</b>
<b>Assayed Head</b>			<b>6.29</b>		<b>50.9</b>	

Feed (P80 = 370 um)



Test Conditions	
Pulp Density:	25%
Bowl:	1/32 holes
Fluid'n Pressure:	3 psi
G-Force:	150 g
Speed:	55.3 Hz

**Client:** Silver Falcon Mining

**Test:** ZE102

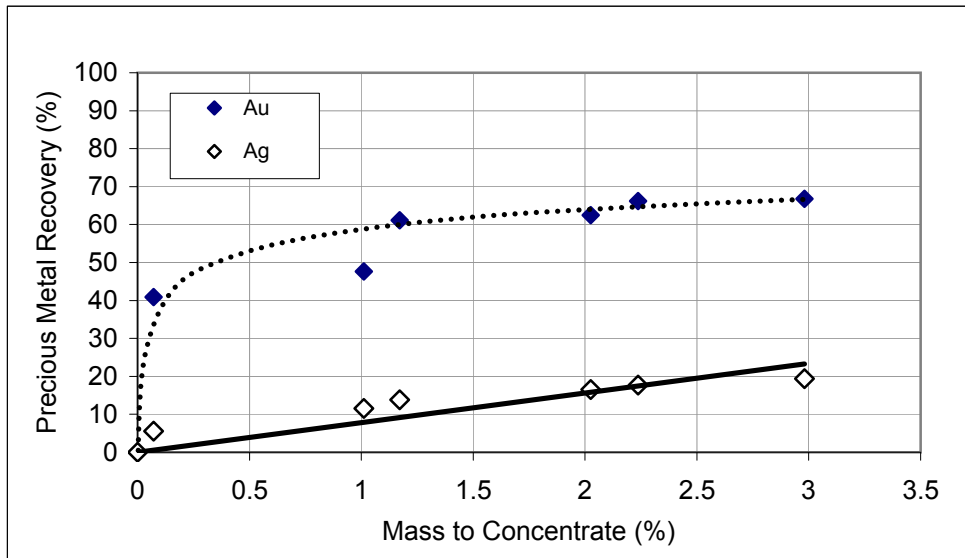
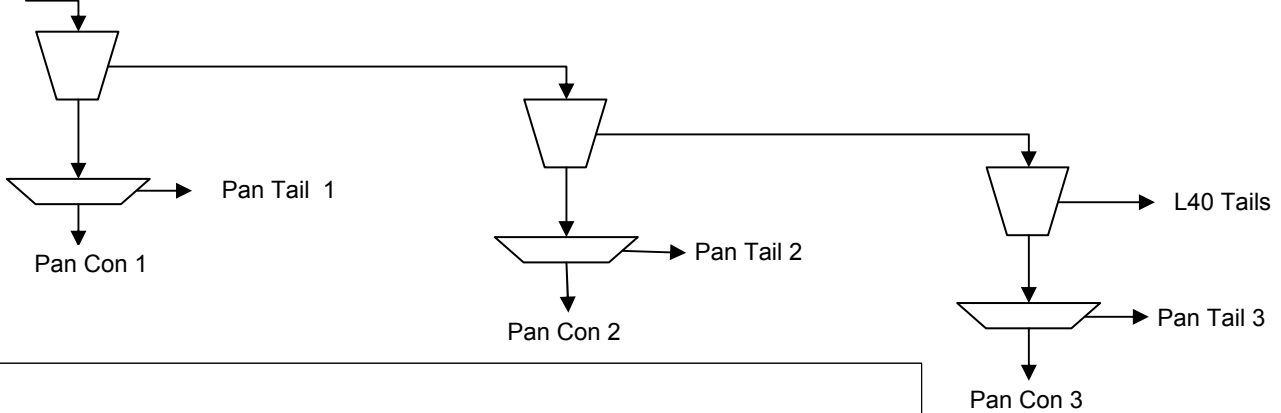
**Sample:** Crushed and Ground (5 minutes) on as-received sample

**Date:** 13-Jun-08

**Project:** MS1105

Products	Weight		Au		Ag	
	(g)	(%)	(g/t)	Dist'n (%)	(g/t)	Dist'n (%)
Pan Concentrate 1	6.3	0.07	3397	40.9	4079	5.6
Pan Tail 1	82.3	0.94	43.1	6.8	336.2	6.0
<b>L40 Concentrate 1</b>	<b>88.6</b>	<b>1.01</b>	<b>281.6</b>	<b>47.6</b>	<b>602.3</b>	<b>11.5</b>
Pan Concentrate 2	14.0	0.16	505.1	13.5	763.9	2.3
Pan Tail 2	74.8	0.85	9.56	1.4	163.2	2.6
<b>L40 Concentrate 2</b>	<b>88.8</b>	<b>1.01</b>	<b>87.7</b>	<b>14.9</b>	<b>257.9</b>	<b>4.9</b>
Pan Concentrate 3	18.6	0.21	104.7	3.7	300.7	1.2
Pan Tail 3	65.1	0.74	4.35	0.5	119.1	1.7
<b>L40 Concentrate 3</b>	<b>83.7</b>	<b>0.96</b>	<b>26.7</b>	<b>4.3</b>	<b>159.5</b>	<b>2.9</b>
<b>Total L40 Concentrate</b>	<b>261.1</b>	<b>2.98</b>	<b>133.9</b>	<b>66.7</b>	<b>343.2</b>	<b>19.4</b>
L40 Tails	8498.1	97.02	2.05	33.3	43.9	80.6
<b>Calculated Head</b>	<b>8759.2</b>	<b>100.0</b>	<b>5.98</b>	<b>100.0</b>	<b>52.8</b>	<b>100.0</b>
<b>Assayed Head</b>			<b>6.29</b>		<b>50.9</b>	

Feed (P80 = 370 um)



Test Conditions	
Pulp Density:	25%
Bowl:	1/32 holes
Fluid'n Pressure:	3 psi
G-Force:	150 g
Speed:	55.3 Hz

**Client:** Silver Falcon Mining

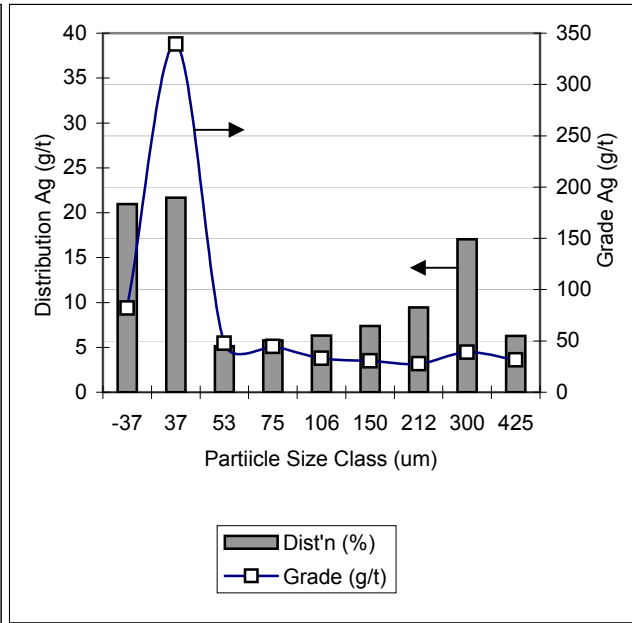
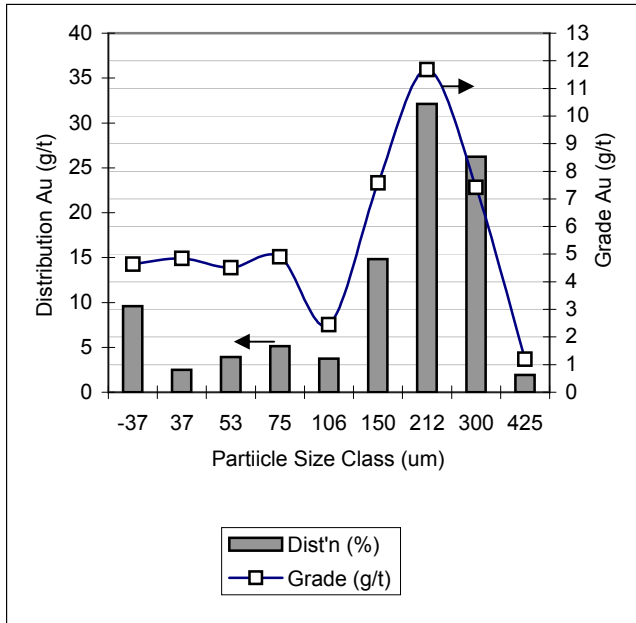
**Test:** ZE103

**Sample:** War Eagle - Screen @ 1.7mm, crush oversize & recombine, 5 min grind

**Date:** 17-Jun-08

**Project:** MS1105

Sieve Size		Weight		Au		Ag	
Tyler Mesh	Microns	(g)	(%)	(g/t)	Dist'n (%)	(g/t)	Dist'n (%)
8	2380						
10	1680						
14	1190						
20	840						
30	600						
40	425	15.5	10.09	1.19	1.91	31.6	6.26
50	300	34.2	22.27	7.42	26.2	39.0	17.1
70	212	26.6	17.32	11.7	32.1	27.8	9.45
100	150	18.9	12.30	7.58	14.8	30.5	7.37
140	106	14.9	9.70	2.44	3.76	33.2	6.32
200	75	10.1	6.58	4.90	5.12	44.7	5.77
270	53	8.4	5.47	4.51	3.92	47.7	5.12
400	37	5.0	3.26	4.84	2.50	339.3	21.7
-400	-37	20.0	13.02	4.64	9.60	82.0	21.0
<b>TOTAL:</b>		153.6	100.0	6.29	100.00	50.9	100.00



## PARTICLE SIZE ANALYSIS

**Client:** Silver Falcon Mining  
**Test:** ZE103  
**Sample:** War Eagle - Screen @ 1.7mm, crush oversize & recombine, 5 min grind

**Date:** 17-Jun-08  
**Project:** MS1105

Sieve Size		Weight		Cummulative (%)	
Tyler Mesh	Microns	(g)	(%)	Retained	Passing
8	2360	0.0			
12	1700	0.0			
16	1180	0.0			
20	850	0.0			
30	600	0.0			
40	425	15.5	10.09	10.09	89.91
50	300	34.2	22.27	32.36	67.64
70	212	26.6	17.32	49.67	50.33
100	150	18.9	12.30	61.98	38.02
140	106	14.9	9.70	71.68	28.32
200	75	10.1	6.58	78.26	21.74
270	53	8.4	5.47	83.72	16.28
400	37	5.0	3.26	86.98	13.02
Undersize	-37	20.0	13.02	100.00	
<b>TOTAL:</b>		<b>153.6</b>	<b>100.0</b>		

Size (um)	Passing P (%)
371	80
190	50

Size (um)	Passing P (%)
369	80
210	50

