TECHNICAL REPORT ON THE SANTA ELENA PROPERTY, SONORA, MEXICO

PREPARED FOR SILVERCREST MINES INC.

SCOTT WILSON ROSCOE POSTLE ASSOCIATES INC.

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NI 43-101 Report

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November 26, 2006

SCOTT WILSON ROSCOE POSTLE ASSOCIATES INC.

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1 SUMMARY

EXECUTIVE SUMMARY

Scott Wilson Roscoe Postle Associates Inc. (Scott Wilson RPA) was retained by J. Scott Drever, President of SilverCrest Mines Inc. (SVL), to prepare an independent Technical Report on the Santa Elena property, in northeastern Sonora, Mexico. The purpose of this report is to support an initial estimate of Mineral Resources.

SVL has completed a program of sampling and diamond drilling sufficient to produce an estimate of mineral resources of a significant silver-gold deposit that, based on the configuration of the deposit and favourable topography, could potentially be partially mined by open pit methods. The resource estimate is stated in Table 1-1.

TABLE 1-1 MINERAL RESOURCES
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag	Contained ounces Equiv. Ag
Indicated	2,460,000	2.16	55.7	171,000	4,400,000	14,700,000
Inferred	3,510,000	1.42	78.3	159,000	8,820,000	18,400,000

Notes:
1. Numbers rounded
2. Composites capped at 12g/t Au and 300 g/t. Ag
3. Cut-off grade 60 g/t Ag equivalent based on a gold price of $540 per ounce and assumed 100% metallurgical recovery of both gold and silver
4. CIM definitions were followed for Mineral Resources.

In Scott Wilson RPA's opinion, the classification of Mineral Resources as stated is appropriate and conforms to the definitions of NI 43-101 and the CIM Standards on Mineral Resources and Reserves Definitions and Guidelines adopted by the CIM Council on December 11, 2005.

Additional drilling is required to delineate the extent of the mineralization to the east and downdip, and to investigate the potential for higher grade mineralization at structural

intersections. The vein has excellent potential to host additional resources within the immediate area. The proposed Phase I budget of $500,000 is designed to advance the property by further delineation of the resource base. The program includes detailed underground sampling, diamond drilling, environmental base line studies, and resource modelling.

Contingent upon the successful completion of the Phase I program, a prefeasibility study may be warranted at an estimated cost of $500,000.

Scott Wilson RPA is of the opinion that the property warrants the recommended budget.

TECHNICAL SUMMARY

The Santa Elena property is approximately 150 km northeast of the state capital city of Hermosillo, Sonora. The Santa Elena property can be easily accessed year round by paved highways east from Hermosillo to the community of Banamichi and from there by a gravelled maintained road, a distance of 7 km.

The property consists of seven concessions with a total nominal area of 3,159 hectares. All concessions are surveyed on the ground by a registered land surveyor at the time of location. A concession in Mexico does not confer any ownership of surface rights. The Santa Elena concessions are located on Ejido (community, or co-op) land, and it will be necessary to deal with the owners.

The new Mexican Mining Regulations, signed in February 2005 and put into effect in January 2006, provide for all concessions to be valid for a period of 50 years. Taxes, based on the surface area of the concession, are due in January and June of each year at an annual cost of approximately US$10,000.

Under the terms of an agreement dated December 6, 2005, SVL has the right to acquire a 100% interest in the Santa Elena property by making staged option payments of

US$4,000,000 over a period of five years, of which US$130,000 has been paid to date. A US$60,000 payment is due December 6, 2006. There are no applicable work commitments or underlying royalties to the property owners.

The Santa Elena property is a historic high-grade gold-silver producer with production estimated at 100,000 tonnes at a grade of 6 g/t Au to 8 g/t Au and 70 g/t Ag to 100 g/t Ag. During the late 19th century to early 20th century, an English company operated the Santa Elena mine until it was abandoned at the onset of the Mexican Revolution of 1910. During this period extensive underground development work was completed including a 450 ft. two compartment shaft, a 100 m single compartment inclined shaft, and eight to nine working levels at a spacing of approximately 15 m to 20 m with numerous crosscuts and raises.

After WWII, intermittent small scale mining was carried out by local companies. During the 1940s to the 1980s, old tailings from the historic operation were shipped to the Asarco Smelter in Douglas, Arizona. During the early 1980s, Tungsteno de Baviacora (Tungsteno), current owner of the mine, mined 45,000 t grading 3.5 g/t Au and 60 g/t Ag from an open cut at Santa Elena. This material was shipped for processing to the company's flotation mill near Baviacora.

Since 2003, Tungsteno has periodically surface mined high silica/low fluorine material from Santa Elena and shipped it to the Grupo Mexico smelter in El Tajo. Tungsteno currently has a 500 tonne per month contract with the smelter and is periodically producing product for shipment.

In late 2003, Nevada Pacific Gold Inc. of Vancouver B.C. completed a brief surface and underground sampling program with the collection of 119 samples. In early 2004, Fronteer Development Group completed an extensive surface and underground mapping and sampling program.

The property is located in the Basin and Range Province, west of the Sierra Madre Occidental mountain range. A thick succession of shallow marine siliclastic and

carbonate sediments was deposited in the northwest trending rift-basin during Late Jurassic time. These sediments were overlain by intermediate to felsic rocks during the late Cretaceous to middle Tertiary time. The primary rock types observed on the property are Tertiary andesite and rhyolite flows. These units have been uplifted and strike north-south with a dip of 10º to 45º east.

The main mineralized zone, consisting of quartz veining, quartz veinlets and stockwork, banded quartz, vuggy quartz and black calcite, is associated with an east-west structure cross-cutting the volcanic units. The structure is approximately 1 km in length with a width from 1 m to 35 m, averaging approximately 15 m. The structure dips from 40º to 60º to the south and has been tested to a depth of approximately 250 m from surface.

The SVL surface program consisted of 10 trenches containing a total of 289 samples which returned values ranging from 5 g/t Ag over 20 m to 160 g/t Ag over 23 m. The underground sampling returned typical values ranging from 16 m averaging 23 g/t Ag to 2.5 m averaging 184 g/t Ag. SVL completed a core drill program in early 2006 consisting of 19 holes totalling 2,572 m, which returned values including 16 m of 23 g/t Ag and 1.6 m of 182 g/t Ag.

During the 1980s, a number of metallurgical tests were carried out on the ore. In February 2003, the Department of Engineering, Chemistry and Metallurgy at the University of Sonora in Hermosillo completed column-percolation cyanide leach testing on two samples grading 3.36 g/t Au and 59 g/t Ag for Frente N and 1.28 g/t Au and 66 g/t Ag for Laguna. Results of the test work showed the Frente N sample having a recovery of 57.18% for gold and 12.99% for silver over 14 days. The Laguna sample had a recovery of 60.93% for gold and 10.83% for silver over 14 days.

In 2006, SVL completed six bottle roll tests on representative samples collected from the Santa Elena mine. This work was completed by Sol & Adobe S.A. de C.V. in Hermosillo, Mexico, in association with the University of Sonora. Results of a three-day leach at minus 10 mesh indicated an average 73% recovery for gold and 42% recovery

for silver. Reagent consumption was modest at 1.0 kg/tonne of cyanide. Lime consumption appeared to be high at 5.52 kg/tonne. Further bottle roll tests to optimize cyanide and lime consumptions on average grade composites were recommended.

The resource estimate was carried out using a block model constructed in GEMS (Gemcom). The block model consisted of blocks measuring 10 m along strike, 5 m across strike, and 10 m vertically. No rotation was applied to the model. Grade for Au and Ag were interpolated into the blocks using Ordinary Kriging (OK).

Wireframe models were constructed of the topographic surface, as well as the principal mineralized zone. This zone consists of an east-west-striking tabular body, which dips steeply to the south, moderating to a shallower dip at depth. The topographic DTM was then used to clip the mineralized zone model at the ground surface. The clipped mineralized zone was then used to assign a rock code to both the blocks and the sample composites.

Samples within the mineralized zone were composited to three metre lengths. The variogram ranges for gold are less than for silver and so the search was configured to use the gold ranges. Estimates were limited to a minimum of three and a maximum of 12 composites, with no more than three composites allowed from any one drillhole. Grade interpolation was carried out in two passes; the first with a search limited to 2/3 the variogram range, the second at the full variogram range. A specific gravity of 2.67 based on testwork was used in the model.

Blocks estimated in the first pass were assigned an integer code of 2, and blocks estimated in the second pass were assigned code 3. On inspection of the block model, it was found that most of the code 2 blocks (i.e., first pass) clustered in the upper west portion of the zone, with isolated pockets in other portions. A wireframe solid was constructed around the main cluster of code 2 blocks and all blocks within this solid were categorized as Indicated Resources. All other estimated blocks were assigned as Inferred Resources.

2 INTRODUCTION AND TERMS OF REFERENCE

Scott Wilson Roscoe Postle Associates Inc. (Scott Wilson RPA) was retained by J. Scott Drever, President of SilverCrest Mines Inc. (SVL), to prepare an independent Technical Report on the Santa Elena property, in northeastern Sonora, Mexico. The purpose of this report is to support an initial estimate of Mineral Resources. This Technical Report conforms to NI 43-101 Standards of Disclosure for Mineral Projects.

SVL is a junior mining company listed on the TSX-V Exchange, with an emphasis on silver projects. The current property holdings include exploration and advanced stage projects in Mexico and El Salvador.

SOURCES OF INFORMATION

Site visits were carried out by C. Stewart Wallis, Associate Consulting Geologist with Scott Wilson RPA, during the period April 18 to April 20, 2006. N. Eric Fier, Chief Operating Officer with SVL, has visited the property numerous times over the last six months.

During the site visit, discussions were held with personnel from SVL, including Eric Fier who is President of the Mexican company, Nusantara de Mexico S.A. de C.V.

The documentation reviewed, and other sources of information, are listed at the end of this report in Item 21 References.

TABLE 2-1 LIST OF ABBREVIATIONS

Units of measurement used in this report conform to the SI (metric) system. All currency in this report is Canadian dollars (C$) unless otherwise noted.

μ	micron
°C	degree Celsius
°F	degree Fahrenheit
μg	microgram
A	ampere
a	annum
bbl	barrels
Btu	British thermal units
C$	Canadian dollars
cal	calorie
cfm	cubic metres per minute
cm	centimetre
cm^2	square centimetre
d	day
dia.	diameter
dmt	dry metric tonne
dwt	dead-weight ton
ft	foot
ft/s	foot per second
ft^2	square foot
ft^3	cubic foot
g	gram
G	giga (billion)
Gal	Imperial gallon
g/L	gram per litre
g/t	gram per tonne
gpm	Imperial gallons per minute
gr/ft^3	grain per cubic foot
gr/m^3	grain per cubic metre
hr	hour
ha	hectare
hp	horsepower
in	inch
in^2	square inch
J	joule
k	kilo (thousand)
kcal	kilocalorie
kg	kilogram
km	kilometre
km/h	kilometre per hour
km^2	square kilometre
kPa	kilopascal
kVA	kilovolt-amperes
kW	kilowatt
kWh	kilowatt-hour
L	litre
L/s	litres per second
m	metre
M	mega (million)
m^2	square metre
m^3	cubic metre
min	minute
MASL	metres above sea level
mm	millimetre
mph	miles per hour
MVA	megavolt-amperes
MW	Megawatt
MWh	megawatt-hour
m^3/h	cubic metres per hour
opt, oz/st	ounce per short ton
oz	Troy ounce (31.1035g)
oz/dmt	ounce per dry metric tonne
ppm	part per million
psia	pound per square inch absolute
psig	pound per square inch gauge
RL	relative elevation
s	second
st	short ton
stpa	short ton per year
stpd	short ton per day
t	metric tonne
tpa	metric tonne per year
tpd	metric tonne per day
US$	United States dollar
USg	United States gallon
USgpm	US gallon per minute
V	volt
W	Watt
wmt	wet metric tonne
yd^3	cubic yard
yr	year

3 RELIANCE ON OTHER EXPERTS

This report has been prepared by Scott Wilson Roscoe Postle Associates Inc. (Scott Wilson RPA) for SilverCrest Mines Inc. (SVL). The information, conclusions, opinions, and estimates contained herein are based on:

- Information available to Scott Wilson RPA at the time of preparation of this report,
- Assumptions, conditions, and qualifications as set forth in this report, and
- Data, reports, and other information supplied by SVL and other third party sources.

For the purpose of this report, Scott Wilson RPA has relied on ownership information provided by SVL. SVL has obtained a Title Opinion completed by an independent attorney that confirms SVL's legal rights to the claimed areas. Scott Wilson RPA has not researched property title or mineral rights for the Santa Elena property and expresses no legal opinion as to the ownership status of the property.

4 PROPERTY DESCRIPTION AND LOCATION

The Santa Elena property is approximately 150 km northeast of the state capital city of Hermosillo, Sonora, Mexico, near the intersection of 30º 01' north latitude and 110º 09' west longitude (Figure 4-1). The community of Banamichi is located 7 km west of the property. The area is covered by the INEGI "Banamichi" topographic map at a scale of 1:50,000, sheet H12-B83.

The property consists of six concessions with a total nominal area of 3,159 hectares (Table 4-1). The Santa Elena concessions are contiguous within the area (Figure 4-2). The concessions are registered with Mexico Mines Registry in Hermosillo and Mexico City in the name of Tungsteno de Baviacora, S.A de C.V. (Tungsteno) with the option agreement to acquire these concession held by Nusantara de Mexico S.A. de C.V. (Nusantara), a wholly owned subsidiary of SVL. Subsequent to the acquisition, Nusantara filed the Santa Elena 7 concession which surrounds the five other concessions. All concessions are surveyed on the ground by a registered land surveyor at the time of location.

TABLE 4-1 CONCESSIONS
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Concession number	Date	Concession name	Owner	Size (ha)
192174	1983	Santa Elena	Tungsteno de Baviacora	24.19
178094	1983	Santa Elena No 4 Fraccion Se	Tungsteno de Baviacora	0.06
176544	1983	California	Tungsteno de Baviacora	18.00
221460	1995	Elena 5	Tungsteno de Baviacora	399.87
223533	2003	Santa Elena 6	Nusantara de Mexico	858.19
227239	2006	Santa Elena 7	Nusantara de Mexico	1,859.63
			TOTAL	**3,159.94**

Under the terms of an agreement dated December 6, 2005, SVL has the right to acquire a 100% interest in the Santa Elena property by making staged option payments of US$4,000,000 over a period of five years as follows (all amounts in US dollars): on signing $10,000 (completed), sixty days $60,000 (completed), six months $60,000 (completed), twelve months $60,000, eighteen months $60,000, twenty-four months $50,000, thirty months $500,000, thirty-six months $500,000, forty-two months $600,000, fifty-four months $600,000, sixty months $500,000, and the final US$1,000,000 payment is conditional upon receipt of a Feasibility Study and all operating and environmental permits. Approximately 40% of the acquisition costs are payable in common shares at SVL's option. There are no applicable work commitments or underlying royalties to the property owners.

The new Mining Regulations, signed in February 2005 and put into effect in January 2006, provide for all concessions to be valid for a period of 50 years. Taxes, based on the surface area of the concession, are due in January and June of each year at an annual cost of approximately US$10,000. All tax payments have been paid to date.

A concession in Mexico does not confer any ownership of surface rights; however, use of surface rights for exploration and production can be obtained under the terms of various acts and regulations if the concession is on government land. The Santa Elena concessions are located on Ejido (community, or co-op) land, and it will be necessary to deal with the owners.

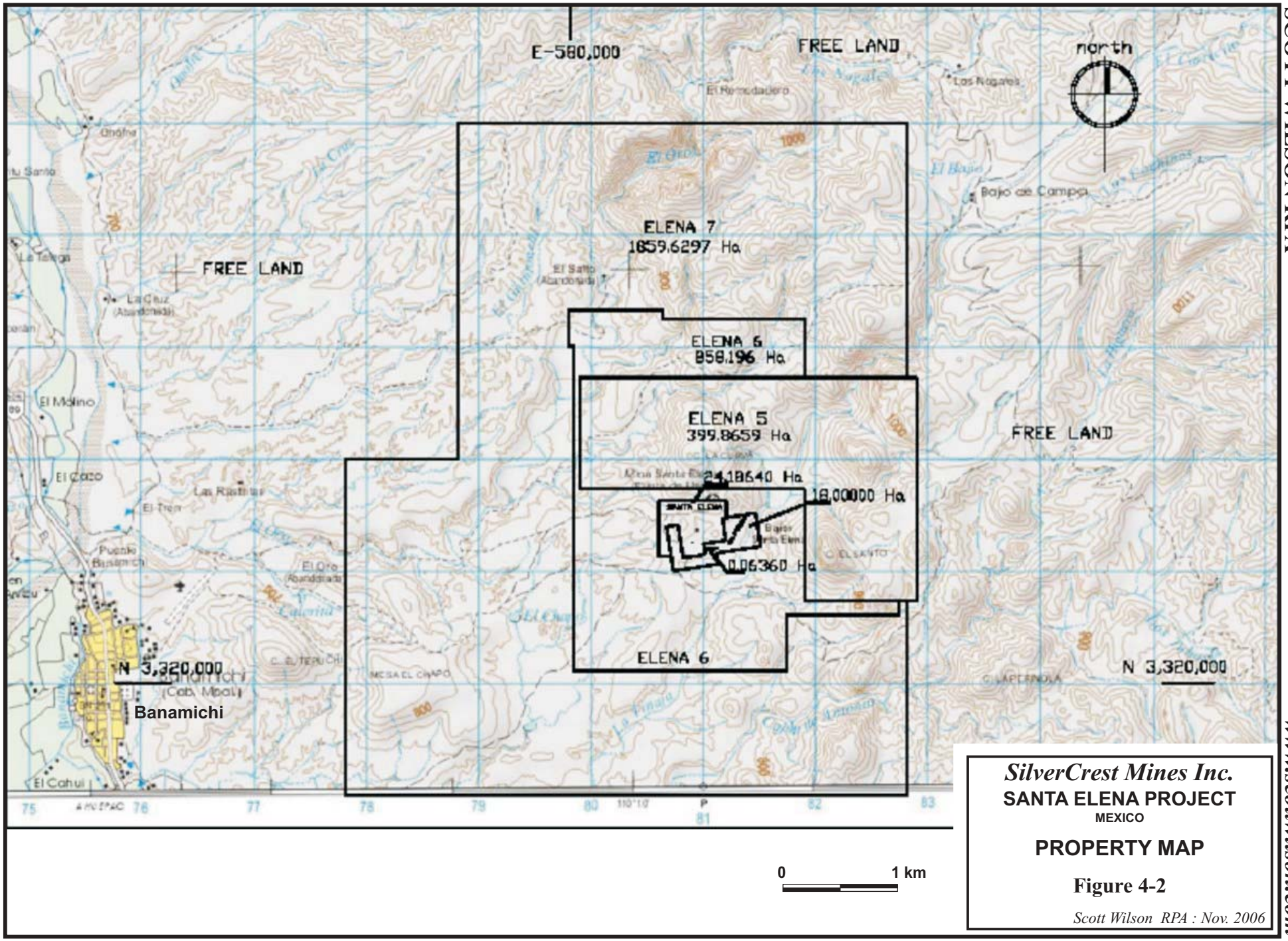
Work permits required for the exploration work have been obtained. The Mexican government issues an environmental permit (Environmental Assessment) for all proposed exploration work and a follow up inspection of required reclamation.

SilverCrest Mines Inc.
SANTA ELENA PROJECT
MEXICO

LOCATION MAP

Figure 4-1

Scott Wilson RPA : Nov. 2006



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MEXICO

PROPERTY MAP

Figure 4-2

Scott Wilson RPA : Nov. 2006

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

ACCESSIBILITY

The Santa Elena property can be easily accessed year round by paved highways east from Hermosillo to Ures, a distance of approximately 90 km, then north along a paved secondary road to the community of Banamichi, a distance of approximately 50 km, and by a gravelled maintained road 7 km east of Banamichi.

CLIMATE

The climate is typically Sonoran desert with the dry season from October to May. Average rainfall is estimated at 300 mm per annum. Seasonal temperatures vary from +10ºC to +40ºC. Summer afternoon thunderstorms are common and can temporarily impact the local electrical service. Flash flooding is common in the area.

LOCAL RESOURCES

Water for drilling is readily available on the property from the accessible underground workings. Water for a production facility could come from a local groundwater source, a preconstructed reservoir or the nearby Sonora River approximately 7 km west of Santa Elena.

Electrical power is readily available from nearby sources that currently supply municipalities, agriculture, and mines.

Sufficient area is available for a processing plant, waste dumps and leach pad or tailings disposal on the property, provided that the surface rights can be obtained from the current owners (Ejido).

The mining centre of Cananea is the closest urban area of any size (pop. est. 30,000), and is about 100 km north by paved road from the property. Most services and supplies are available in Cananea, but it may be necessary to go to Hermosillo, 150 km southwest of the property, for heavier machine shop, fabrication, and engineering services. Both communities are considered exploration and mining centres. Alternatively, Tucson, Arizona, is approximately a four-hour drive from the property.

Northern Mexico has significant precious and base metal mines and there are numbers of people with experience in mining and processing of those commodities. Many of the trades and skills learned there would be transferable to a new operation. The nearby Cananea and La Caridad mines are considered some of the largest mines in North America.

INFRASTRUCTURE

The owner of the Santa Elena property maintains several buildings on site with a genset for power, a one stage jaw crusher with associated conveyor belts, and a single compartment inclined shaft to a vertical depth of approximately 100 m. The water table is located near the bottom of the shaft and is principally pumped for minor operational purposes and drilling.

A double-compartment vertical shaft was excavated during the early 20th century. This shaft was reported to have been sunk to a depth of 450 m; however, there is speculation that the actual depth is 450 ft. The shaft is either bulkheaded or caved near the surface. The depth of 450 ft. correlates with the intersection of the shaft with the south-dipping mineralized structure.

All core from drilling is stored on site near or within the current buildings.

PHYSIOGRAPHY

The property is located on the western edge of the north-trending Sierra Madre Occidental geographically adjacent to the Sonora River valley. Elevations range from

800 m ASL to 1,000 m ASL with the project located on the range front at a low elevation respective to the mountains immediately east.

Vegetation is scarce during the dry season. During the wet season, various blooming cactus, trees, and grasses are abundant in drainage areas.

6 HISTORY

The Santa Elena property is a historic high-grade gold-silver producer. Although there are no official records, historic production from both open-cut and underground mining has been estimated from the dumps and old workings at 100,000 tonnes at a grade of 6 g/t Au to 8 g/t Au and 70 g/t Ag to 100 g/t Ag.

During the late 19th century to early 20th century, an English company by the name of Consolidated Fields operated the Santa Elena mine until it was abandoned at the onset of the Mexican Revolution of 1910. During this period, extensive underground development work was completed including a 450 ft. two compartment shaft, a 100 m single compartment inclined shaft, and eight to nine working levels at a spacing of approximately 15 m to 20 m with numerous crosscuts and raises. The two compartment shaft is caved near the surface and depth cannot be confirmed. Only four of the levels (surface to 75 m in depth) are currently accessible with a total of approximately 1.5 km of development. Stoping in the upper accessible levels has removed an estimated 57,000 t. No production records are available for this work.

After WWII, intermittent small scale mining was carried out by local companies. During the 1940s to the 1980s, old tailings from the historic operation were shipped to the Asarco Smelter in Douglas, Arizona, for flux and subsequent further recovery of gold and silver. There are no records available for this production. Locals suggest that approximately 40,000 tonnes were shipped at a grade of 3 g/t Au to 4 g/t Au. Approximately 5,000 t of old tailings remain onsite.

During the 1960s, Industrias Peñoles S.A de C.V. drilled two or three holes on the property. No records are available for this drilling.

During the early 1980s, Tungsteno, current owner of the mine, mined 45,000 t grading 3.5 g/t Au and 60 g/t Ag from an open cut at Santa Elena. This material was shipped for processing to the company's flotation mill near Baviacora, approximately 30

km southwest of Santa Elena. The 50 ton per day mill was specifically built for processing tungsten ores from a nearby deposit from 1977 to 1983. The tonnage from Santa Elena was supplemental to the tungsten production. Very limited records from the production are available, but the owner has stated that recovery was adequate for the Santa Elena tonnage, although some value still remains in the tailings onsite.

Since 2003, Tungsteno has periodically surface mined high silica/low fluorine material from Santa Elena and shipped it to the Grupo Mexico smelter in El Tajo near Nacozari, approximately 60 km to the northeast. Tungsteno currently has a 500 tonne per month contract with the Nacozari Smelter and is periodically producing product for shipment. Production records have been requested but were not available to the authors at the time of writing this report

During 2003, Sergio A. Trelles Monge, Certified Professional Geologist (CPG) and Qualified Person (QP), conducted an exploration program for Tungsteno de Baviacora at Santa Elena. Sr. Trelles was not considered an "independent" QP for the purposes of this work. The program consisted of the collection of 117 surface and underground samples. A sample summary report is available for review, but sample lengths and locations are not clear and this data was not used for the current resource estimation.

In late 2003, Nevada Pacific Gold Inc. of Vancouver B.C. (Nevada Pacific) completed a brief surface and underground sampling program with the collection of 119 samples. A report was completed and provided to the owner, but was subsequently misplaced. Only the ALS Chemex assay sheets and a rough location map were available for review. Sample lengths are unclear and this data was not used for the current resource estimation.

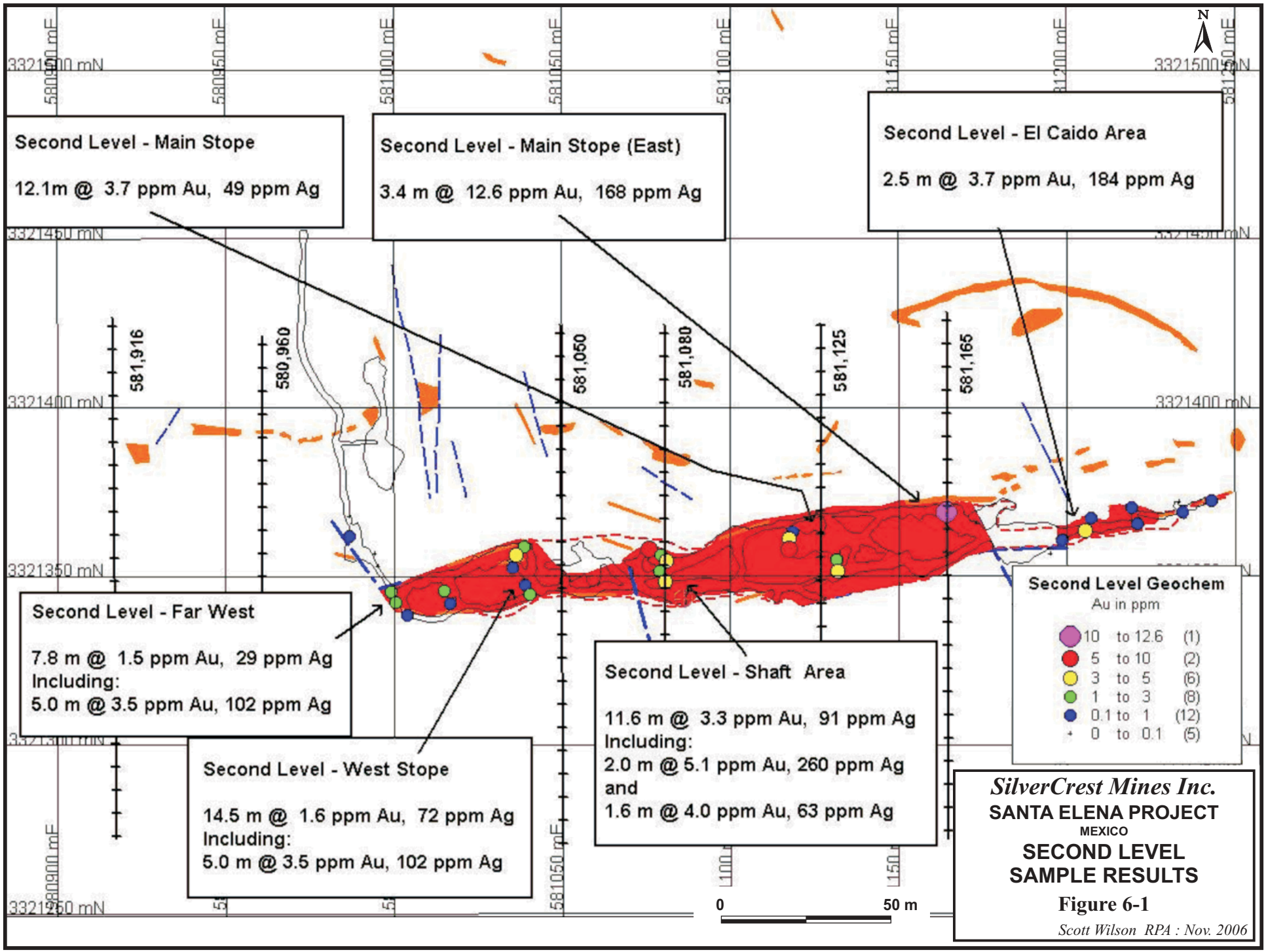
In early 2004, Fronteer Development Group of Vancouver B.C. (Fronteer) completed an extensive surface and underground mapping and sampling program. A total of 145 channel samples (89 underground and 56 surface) were collected and analyzed by ALS Chemex of Hermosillo, Mexico. Assay certificates for these results were not available

for review. Figures 6-1, 6-2, and 6-3 show the Fronteer underground sampling results. A summary of the underground samples is presented in Table 6-1.

TABLE 6-1 FRONTEER SAMPLING
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Location	# of samples	Average grade[1] g/t Au	Average grade[1] g/t Ag
Level 1 – Adit	6	3.49	60.0
Level 2	34	1.92	53.1
Level 3	24	1.76	45.1
Level 4	25	4.82	79.6
Total	89		
Average		**2.99**	**59.4**

Note [1] Arithmetic average, sample length assumed 1 m.



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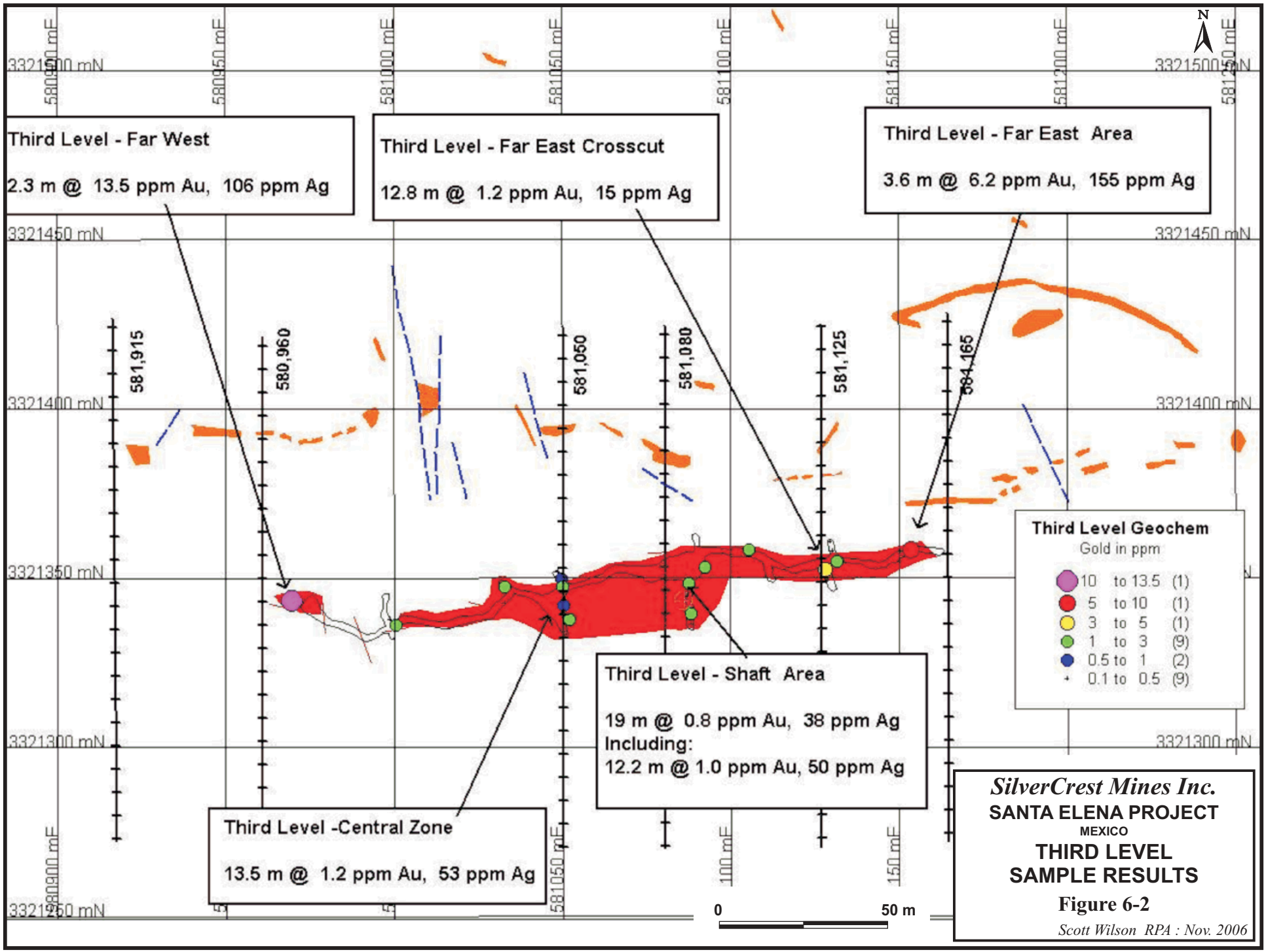

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THIRD LEVEL SAMPLE RESULTS

Figure 6-2

Scott Wilson RPA : Nov. 2006

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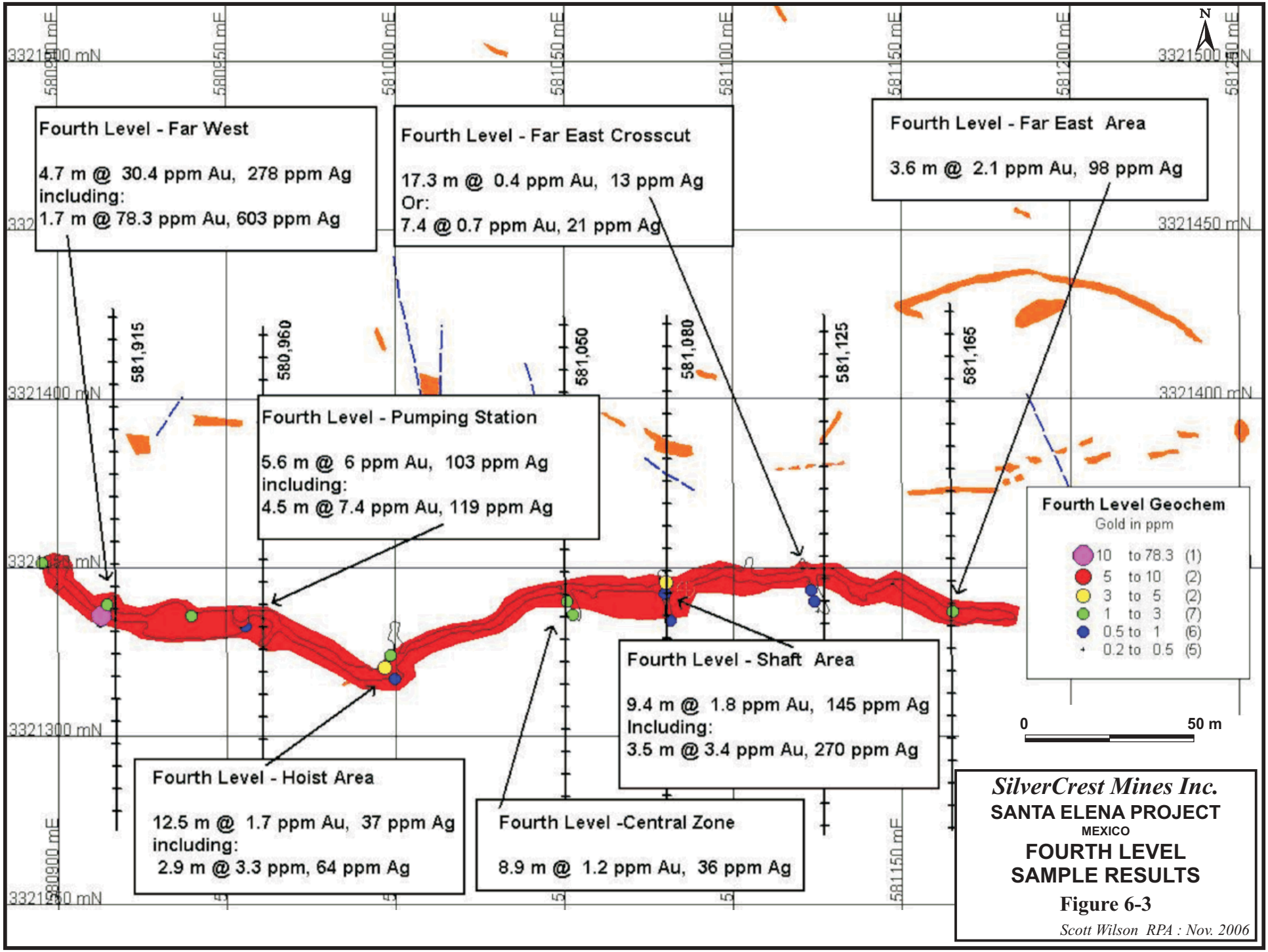
Fourth Level - Far West
4.7 m @ 30.4 ppm Au, 278 ppm Ag
including:
1.7 m @ 78.3 ppm Au, 603 ppm Ag
Fourth Level - Far East Crosscut
17.3 m @ 0.4 ppm Au, 13 ppm Ag
Or:
7.4 @ 0.7 ppm Au, 21 ppm Ag
Fourth Level - Far East Area
3.6 m @ 2.1 ppm Au, 98 ppm Ag
Fourth Level - Pumping Station
5.6 m @ 6 ppm Au, 103 ppm Ag
including:
4.5 m @ 7.4 ppm Au, 119 ppm Ag
Fourth Level - Shaft Area
9.4 m @ 1.8 ppm Au, 145 ppm Ag
Including:
3.5 m @ 3.4 ppm Au, 270 ppm Ag
Fourth Level - Hoist Area
12.5 m @ 1.7 ppm Au, 37 ppm Ag
including:
2.9 m @ 3.3 ppm, 64 ppm Ag
Fourth Level -Central Zone
8.9 m @ 1.2 ppm Au, 36 ppm Ag
581,915
580,960
581,050
581,080
581,125
581,165
3321400 mN
3321450 mN
3321300 mN
Fourth Level Geochem
Gold in ppm
10 to 78.3 (1)
5 to 10 (2)
3 to 5 (2)
1 to 3 (7)
0.5 to 1 (6)
0.2 to 0.5 (5)
0
50 m
N
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MEXICO
FOURTH LEVEL
SAMPLE RESULTS
Figure 6-3
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7 GEOLOGICAL SETTING

REGIONAL GEOLOGY

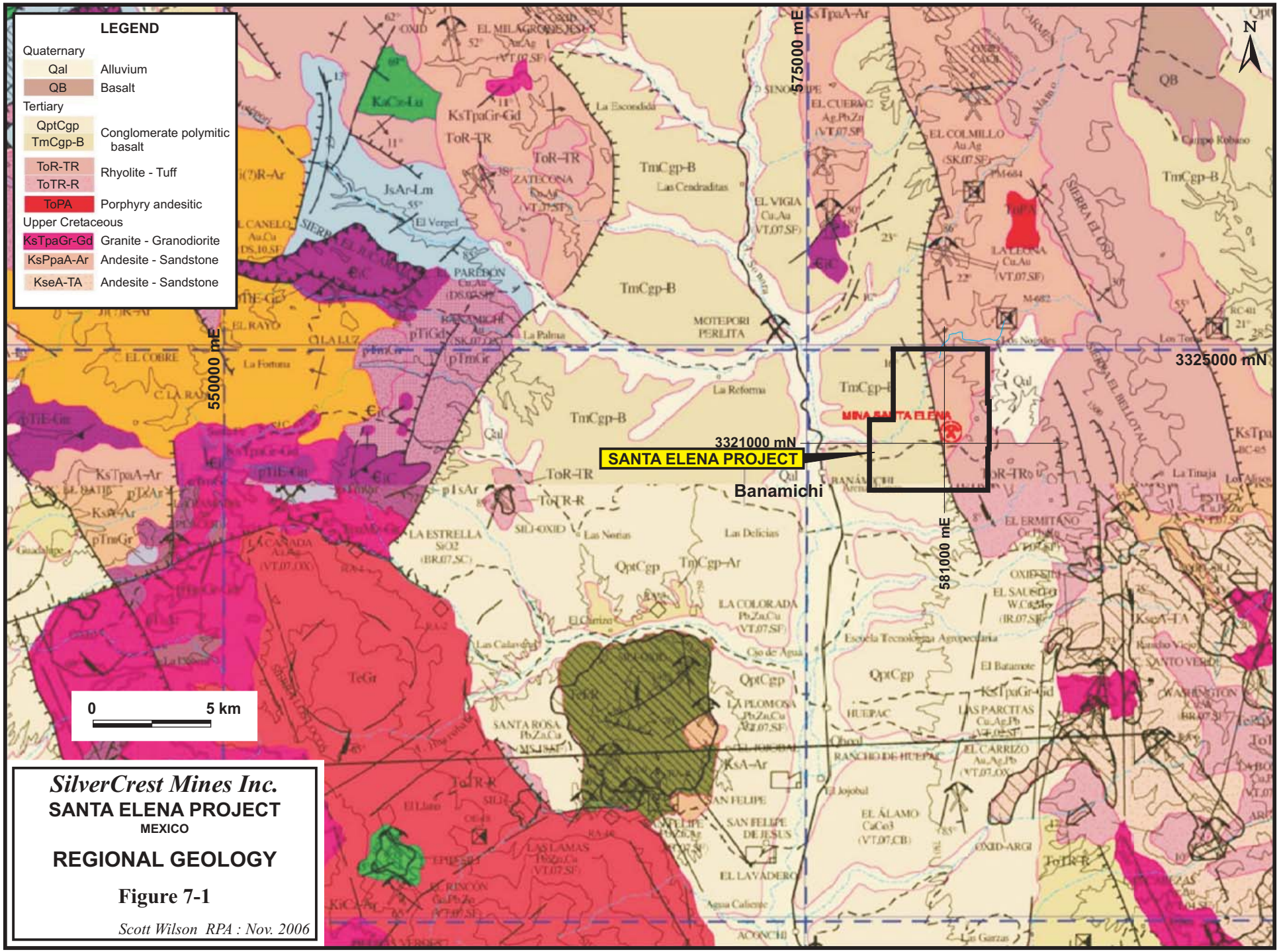
The State of Sonora is dominated by three physiographic provinces, which trend north-south and parallel the Sierra Madre Occidental. The property is located in the Basin and Range Province, which is part of the Sonora Desert subprovince, while the other two provinces consist of the Transitional Zone and the High Plateau (Figure 7-1).

The Late Proterozoic rifted continental margin of the North American plate lies approximately 120 km west of the property area. The passive continental margin was the depositional site of a thick sequence of shallow marine shelf carbonate and siliclastic rocks, which is unconformably overlain by volcanic and volcaniclastic formations. The rocks resulted from east directed subduction of the Farallon Plate beneath the North American plate during the Early and Middle Jurassic and concurrent continental arc volcanism. A large crustal-scale shear zone termed the Mojave-Sonora Megashear is thought to be the result of reactivation of the North American Plate margin. Left lateral movement along this northwest trending shear likely placed the North American craton against the Caborca Terrane, which is located to the west.

A thick succession of shallow marine siliclastic and carbonate sediments (the Bisbee Group) was deposited in the northwest trending rift-basin which is believed to have resulted from the back-arc extension during Late Jurassic time. These sediments filling the rift basin (Chihuahua trough) were overlain by intermediate to felsic rocks during the late Cretaceous to middle Tertiary time.

The northwest trending shear and associated faults appear to be an important control on mineralization in the region. The structural preparation along the faults localized the conduits for mineral bearing solutions. The heat source for the mineralizing solutions was likely from the plutonic rocks which are common in Sonora. These intrusives are considered batholithic and calc-alkaline, volcanic-arc plutons which are Middle Jurassic

to Tertiary in age. There are several major copper porphyries hosted by these intrusions, located at Cananea, Nacozari and La Caridad.



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SANTA ELENA PROJECT

MEXICO

REGIONAL GEOLOGY

Figure 7-1

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LOCAL AND PROPERTY GEOLOGY

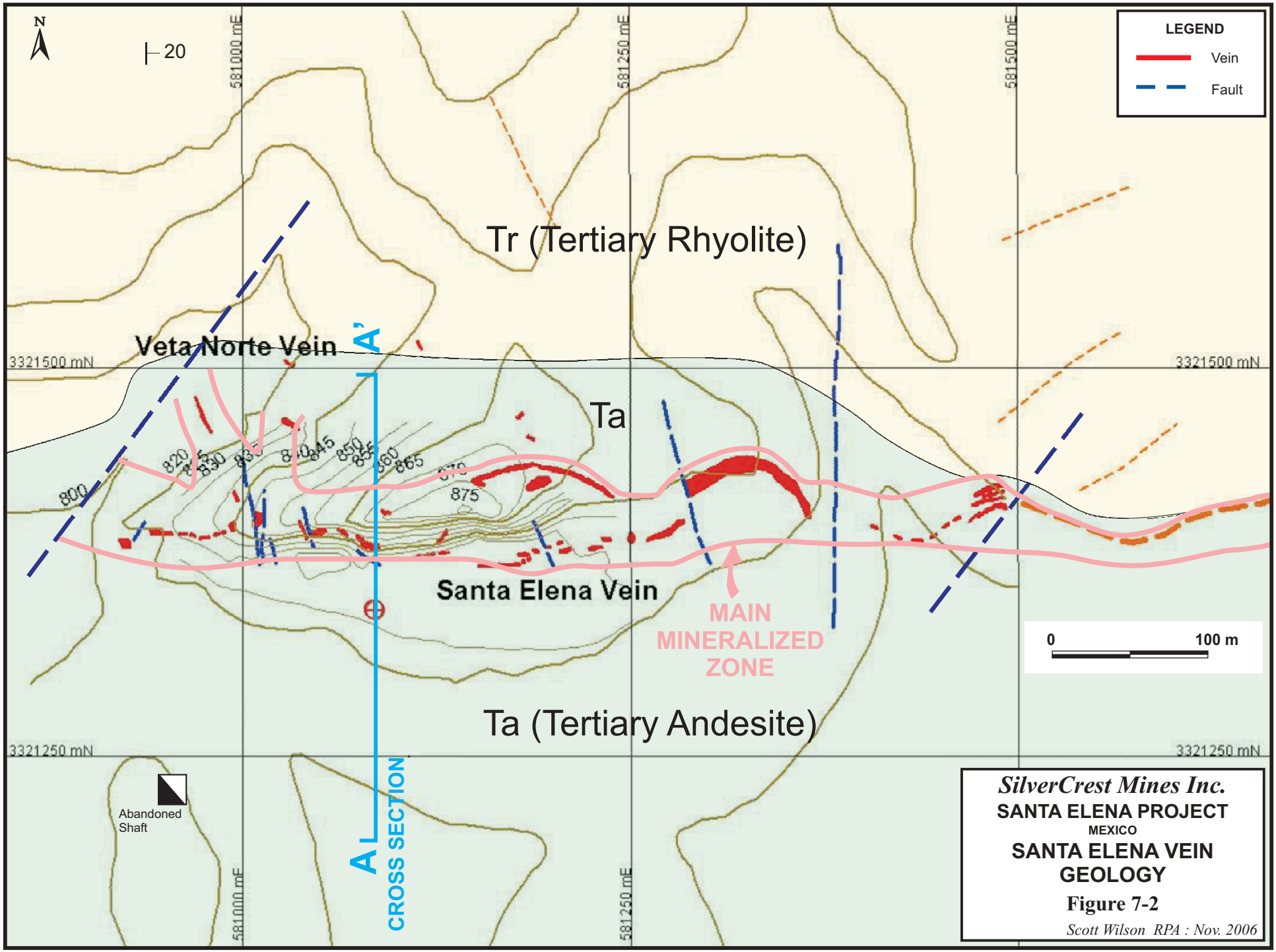
The primary rock types observed on the property are the Tertiary andesite and rhyolite flows (Figure 7-2). These units have been uplifted and strike north-south with a dip of 10º to 45º east.

All the volcanic units in the immediate area of the Santa Elena deposit exhibit from propylitic to silicic alteration Within the main mineralized structure, widespread argillic alteration and silicification proximal to quartz veining is present. Within the andesite beds, chloritic alteration increases away from the mineralized zone.

The main mineralized zone is associated with an east-west structure cross-cutting the volcanic units. The structure is approximately 1 km in length with a width from 1 m to 35 m, averaging approximately 15 m. The structure dips from 40º to 60º to the south and has been tested to a depth of approximately 250 m from surface. Splaying and cross-cutting northwest trending structures appear to influence mineralization at intersections and along a northwest trend.

No intrusives have been identified at the Santa Elena deposit. The heat source for mineralization is unknown, but an intrusive at depth is postulated.

The main structure is infilled with quartz veining, quartz veinlets and stockwork, banded quartz, vuggy quartz and black calcite. A breccia is found locally at areas of fault intersections. Adularia has been identified in a few hand specimens. Iron oxides including limonite, jarosite, goethite, and hematite are associated with mineralization.


N
20
LEGEND
Vein
Fault
581000 mE
581250 mE
581500 mE
Tr (Tertiary Rhyolite)
Veta Norte Vein
A'
3321500 mN
Ta
800
820
830
840
845
850
860
865
875
Santa Elena Vein
MAIN MINERALIZED ZONE
0
100 m
Ta (Tertiary Andesite)
3321250 mN
Abandoned Shaft
A
CROSS SECTION
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MEXICO
SANTA ELENA VEIN GEOLOGY
Figure 7-2
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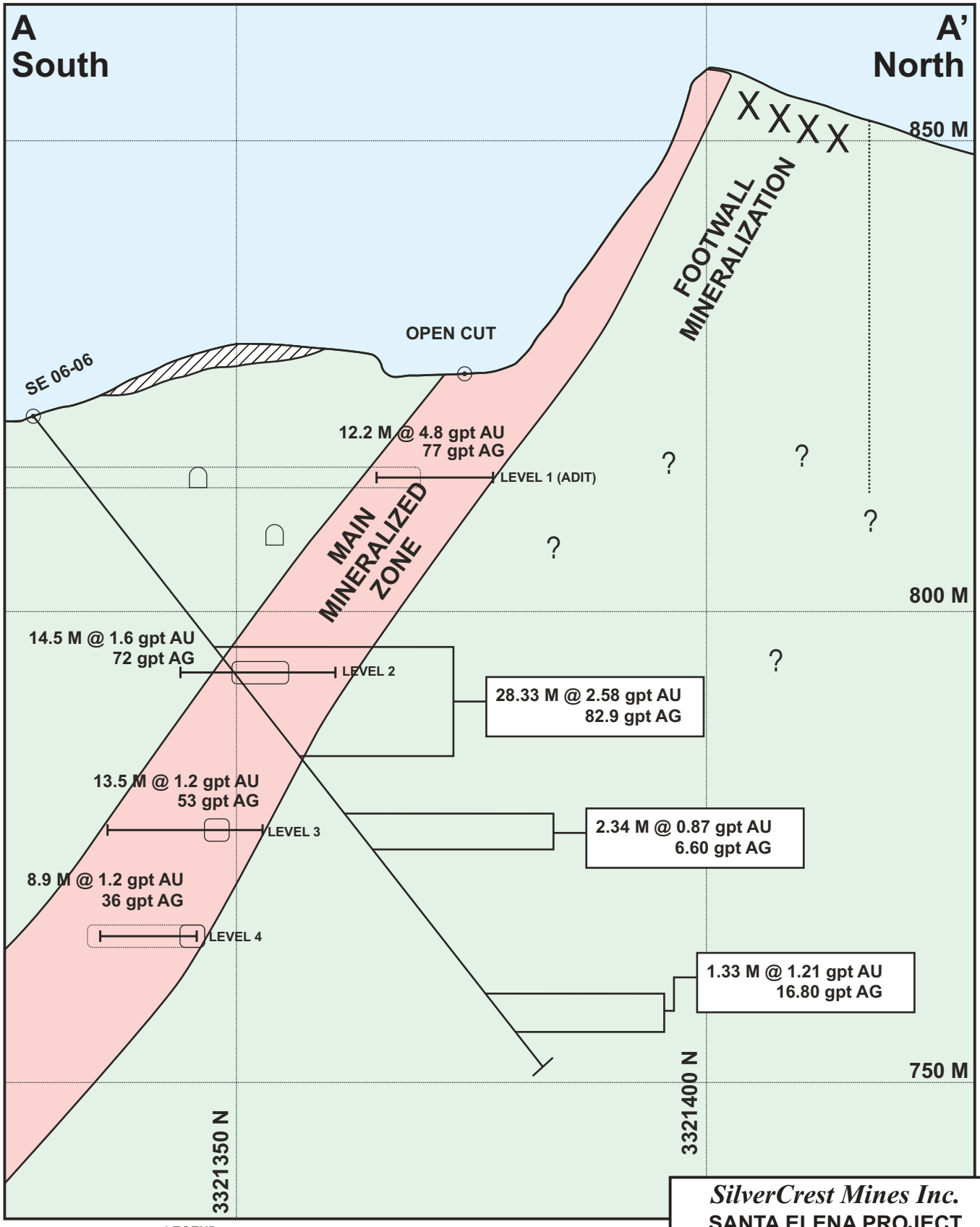

LEGEND

- GOLD MINERALIZATION (VEINS & BRECCIA)
- ANDESITE
- DUMP
- LEVEL
- COMPOSITE CHANNEL SAMPLES
- XX QUARTZ VEINING

0 25 m

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CROSS-SECTION A-A'

581100

Figure 7-3

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8 DEPOSIT TYPES

Mineralization at Santa Elena occurs as a series of replacements, stockworks, and hydrothermal breccias typical of other high level low-sulphidation deposits found in the Sierra Madres and elsewhere in the world such as the La Colorado deposit in Sonora, Mexico, El Peñón deposit in Chile, and those deposits occurring in the Midas and Oatman districts of Nevada and Arizona in the USA. These deposits form in predominantly felsic subaerial volcanic complexes in extensional and strike-slip structural regimes. Samples previously collected by various parties, including SVL, show a geochemical signature of Au+Ag+Sb+Pb+Zn+Ba+Ca+Mn which is consistent with a high level low-sulphidation system

The mineralization is the result of ascending structurally controlled low-sulphidation silica-rich fluids into a near-surface environment. Mineral deposition takes place as the fluids undergo cooling by fluid mixing, boiling, and decompression. Brecciation of the mineralized zone appears to be due to explosive venting from an assumed intrusive at depth followed by deposition of the mineralization by ascending fluids.

A large intrusive that exists approximately 10 km east and north of Santa Elena may be associated with the mineralization.

9 MINERALIZATION

The ratio of gold to silver of the Santa Elena deposit is estimated to be 1:20, with minor lead, zinc and copper. The mineralization in the main zone is associated with a structure in Tertiary felsic volcanics, which is exposed on the surface for approximately 800 m with a true width of 1 m to 30 m, averaging 20 m. Underground workings have confirmed mineralization along 400 m of this strike length over an average width of 20 m. The structure consists of multiple banded quartz veins and stockwork with associated adularia, fluorite, calcite, and minor sulphides. Bonanza ore shoots (greater than 500 g/t Ag and 30 g/t gold) appear to be present but require more definition to determine their full extent.

The permeable nature of the fractured zones has allowed significant oxidation to occur at least 150 m below the surface. The deepest core hole intersected the mineralized zone at approximately 200 vertical metres and shows disseminated sulphides and rhodonite suggesting primary mineralization with little or no oxidation.

Metal zonation appears to correspond to northwest-trending crosscutting structures that intersect the main zone and form high grade shoots. Vertical zonation shows gold content decreasing with depth and silver content appears to be increasing.

Minor sulphides have been observed only in a few locations within the mineralized zone. The andesite in the hangingwall shows disseminated pyrite up to 5%.

Alteration within the deposit is widespread and pervasive, with the most significant being silicification, kaolinization, chloritization. Kaolin and alunite have formed primarily along structures and the fractured-andesite contact, which are deeply weathered and oxidized. Limonite within the oxide zone consists of a brick-red colour after pyrite, brown goethite, and local yellow jarosite. Manganese occurs locally as pyrolusite and minor psilomelane.

Gangue minerals consist of quartz, calcite, chlorite, and fluorite. Black calcite can be a significant gangue mineral found within the main mineralized zone. Analysis shows Ca up to approximately 15%.

10 EXPLORATION

Exploration carried out previous to SVL's acquisition has been discussed in Item 6 History.

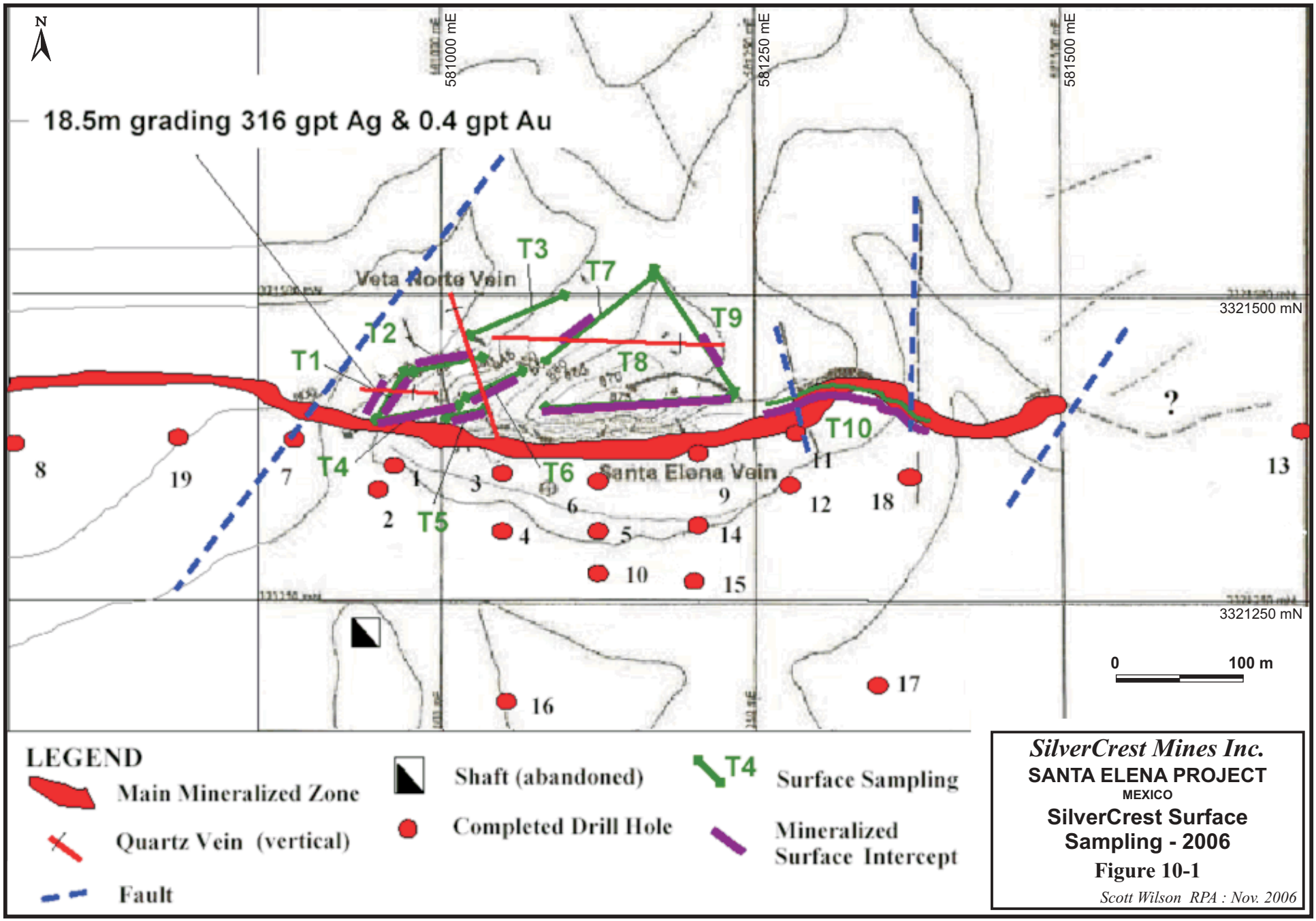
In 2006, SVL completed an extensive exploration program at Santa Elena, which included surface mapping and channel sampling, underground mapping and verification underground channel sampling and core drilling as presented in the following sections. The drill results and the underground sampling are provided in Tables 17-2 and 17-3 under Item 17, Mineral Resources.

SURFACE SAMPLING

The SVL surface program was conducted in May 2006 under the direction of N. Eric Fier, CPG, P.Eng., and co-author of this report. A total of 289 samples were collected and analyzed by ALS Chemex in Hermosillo, Mexico, and North Vancouver, BC. This program focused on the identification of mineralization in the footwall (north) of the main mineralized zone. Several areas of additional mineralization were identified for follow up exploration work. The most significant surface mineralized intercepts are presented in Table 10-1 and Figure 10-1.

TABLE 10-1 SILVERCREST SURFACE SAMPLING - 2006
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Trench	From (m)	To (m)	Length (m)	Au g/t	Au oz/ton	Ag g/t	Ag oz/ton
T1	0	23	23	0.34	0.010	160.4	4.7
T2	0	10	10	0.19	0.006	74.3	2.2
T2	10	58	48	1.74	0.051	71.8	2.1
T4	0	42	42	1.32	0.038	55.8	1.6
T5	0	12	12	0.19	0.005	35.3	1.0
T6	0	25	25	0.31	0.009	93.9	2.7
T7	10	40	30	1.81	0.053	15.6	0.5
T8	0	154	154	0.51	0.015	19.1	0.6
T9	25	45	20	1.05	0.030	4.6	0.1
T10	0	92	92	1.54	0.045	15.7	0.5



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SANTA ELENA PROJECT

MEXICO

SilverCrest Surface Sampling - 2006

Figure 10-1

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11 DRILLING

SVL completed a core drill program in early 2006 consisting of 19 holes totalling 2,572 m (Figure 11-1). Drilling was completed by Major Drilling de Mexico, a subsidiary of Major Drilling Canada of Ontario, using a Longyear 38 drill and associated support equipment.

Core holes (NQ size) were drilled on a 100 m sections along the east-west trending strike of the mineralized zone. All holes but two were drilled north at angles from -45º to -70º. Periodic downhole surveys were completed to test hole deviation. Most of the holes were short and showed little to no change in orientation.

Of the 19 core holes, 17 were drilled perpendicular to the mineralized structure at 45º to 70º. At this drill angle, most of the intercepts are considered to be at or near true thickness of mineralization.

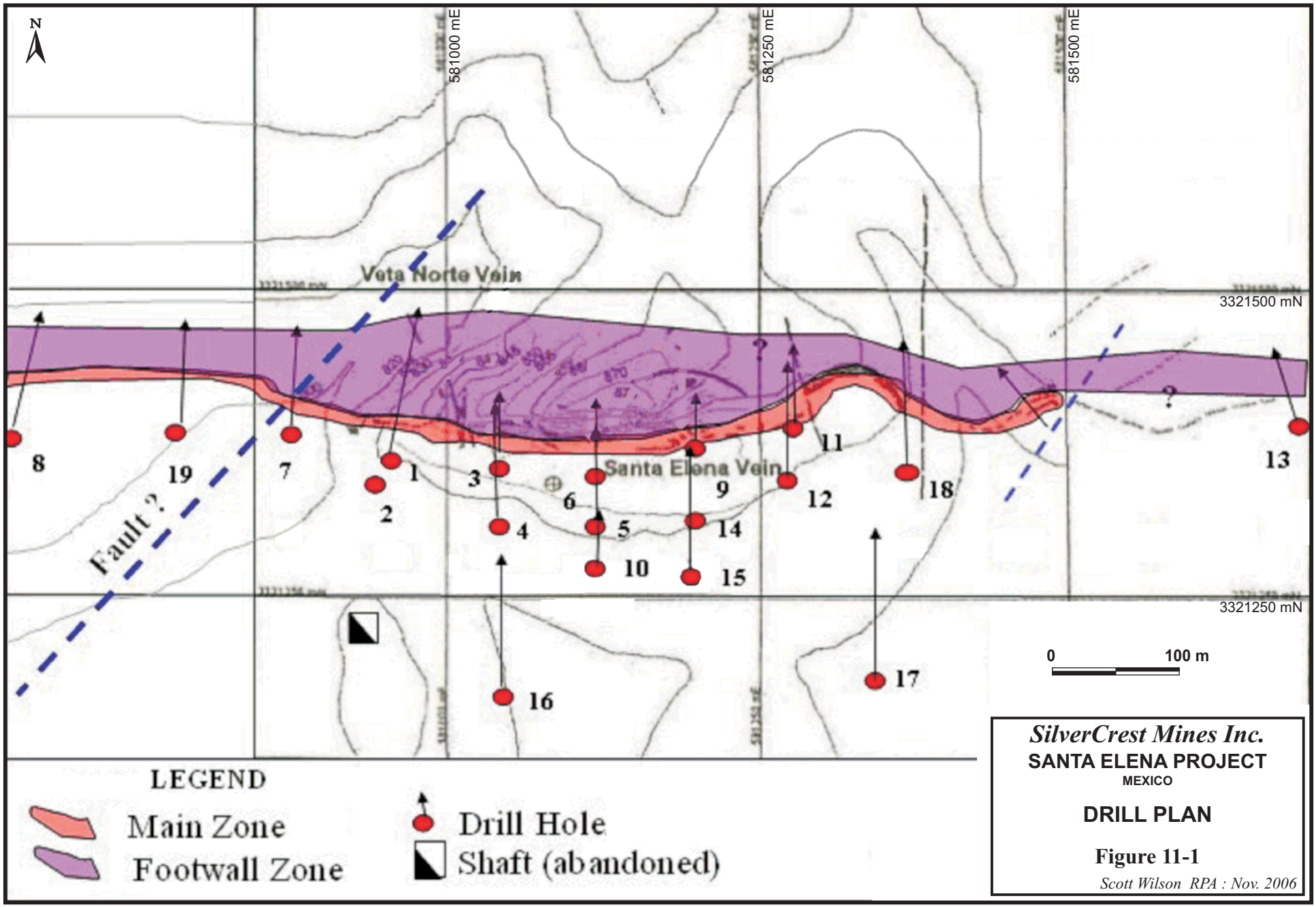
The location of the drill holes is shown on Figure 11-1 and a summary of the most significant drill hole intercepts used in the resource estimate are presented in Table 17-2.

During the 2006 drill program, several old underground workings (voids) were intercepted with little to no recovery (Table 11-2). Overall, recovery of mineralized intercepts averages 75%.

TABLE 11-1 UNDERGROUND VOIDS
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Drill hole no.	Void from (m)	Void to (m)	Void length (m)
SE06-02	92.05	93.27	1.22
SE06-03	37.34	39.47	2.13
SE06-04	89.92	90.53	0.61
SE06-09	46.77	54.86	6.09

Intersected voids are defined in the computer model for resource estimation purposes.



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DRILL PLAN

Figure 11-1

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12 SAMPLING METHOD AND APPROACH

Knowledge of the sampling methodology for work completed prior to 2004 is limited. All sampling completed by Tungsteno and Nevada Pacific is inadequately documented to determine the approach.

Sydney Resources Corp. completed underground sampling at Santa Elena. No further written information is available on sampling methodology, but identification of underground sampling locations suggests non-continuous channel sampling methodology.

In 2004, Fronteer completed surface and underground sampling at Santa Elena. Written documentation on sampling methodology is very limited. Discussions with the Mexican geologist who conducted the field program suggested that the sampling was completed with proper protocols. Field investigation by SVL of underground channel sampling areas confirmed the sample locations and channelling methodology of Fronteer. The approach was found to be “discontinuous” channels along the length of the stated sample. This approach is considered adequate at this stage of exploration, although “continuous” channel sampling is recommended.

The 2006 surface sampling by SVL consisted of continuous channel sampling along exposed road cuts and outcrops. Sample locations were marked in the field with flagging and paint, with subsequent survey of selective control points for sampling coordinates.

The 2006 underground verification channel sampling program consisted of semi-continuous horizontal sampling of identified Fronteer sample locations. The sampling approach was similar to the Fronteer methodology as outlined above.

The 2006 core drilling program consisted of collection of core plastic core boxes and labelled for hole identification and location. Each day, the core boxes are collected and delivered to the core laydown area located on the property. The core is measured for

further identification and recovery and then geologically logged. After identifying the mineralized zone, core is selected for splitting in half with a hydraulic hand splitter. Sampling intervals are determined geologically. Once split, the core is placed in a plastic bag with a label and marked with the sample number. The remaining core is stored on the property beside the watchman's house.

All surveying, including drill hole collars, was completed by Mario Alberto Quijada Galindo, a registered surveyor. The drill collars are marked with a concrete cap.

Scott Wilson RPA is of the opinion that the previous sampling was supervised by professionals and, in general, appears to meet accepted industry standards.

13 SAMPLE PREPARATION, ANALYSES AND SECURITY

The methodology of the sample preparation and analysis of the historical programs is not well documented.

SVL surface, underground, and drill samples were collected over selected intervals, placed in plastic bags, and periodically shipped to ALS Chemex in Hermosillo, Mexico, for preparation with subsequent shipping of sample pulps by ALS Chemex to their North Vancouver lab for geochemical analysis. All analysis was completed using standard 30 g fire-AA finish for gold and ICP for multiple geochemical elements, including silver. Gravimetric analyses were completed for over limit assays on gold and silver.

Typical internal standards and checks on the labs were completed by both ALS Chemex and ACME Analytical Laboratories in Vancouver B.C. (ACME) during analysis of Santa Elena samples. SVL did not insert standards or blanks in the field. Duplicate samples were analyzed as discussed in Item 14 Data Verification.

Security of samples before 2006 is unknown. Security for the SVL samples was completed using typical tagging and tracking of samples up to delivery to the laboratory.

Scott Wilson RPA is of the opinion that the sample preparation, analysis and security of samples are acceptable, were supervised by professionals, and, in general, meet accepted industry standards.

14 DATA VERIFICATION

In April of 2006, Scott Wilson RPA collected select samples for verification, including an underground continuous channel sample and quarter splits of drill core. The samples were put into sealed tamper proof plastic bags and sent to ALS Chemex in Hermosillo with a regular shipment of core samples.

Samples were dried, crushed, split, and pulverized to 90 percent passing minus 150 mesh. Gold was determined by a 30 g fire assay with an AA finish and rerun with a gravimetric finish if the value was greater than 0.1 g/t. All silver assays were 30 g fire assay with an aqua rega finish. Results are shown in Table 14-1.

TABLE 14-1 SCOTT WILSON RPA SAMPLING

SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Location	Company	Sample number	Length (m)	Au (g/t)	Ag (g/t)	% Diff	% Diff
Level 3	Fronteer	17949	2.3	13.50	106.0	-19	+10
	SWRPA*	H038625	2.3	10.90	117.0		
DH SE 06-16, 265.32-207.8	SVL	605052	1	0.46	34	-15	+6
	SWRPA	H038626	1	0.389	36.2		
DH SE 06-06, 39.01-40.93m	SVL	560844	1.92	3.61	62.2	+8	+8
	SWRPA	H038624	1.92	3.91	67.3		

* SWRPA – Scott Wilson RPA

Overall, the grade comparisons are considered to be within acceptable ranges.

In May 2006, SVL completed an underground sampling program designed to verify the sampling results of Fronteer (Table 14-2). SVL collected 15 underground channel samples to validate the Fronteer samples used in the resource estimation. Locations of samples are shown on Figures 6-1, 6-2, and 6-3.

TABLE 14-2 SILVERCREST SAMPLING
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

		Fronteer Development			SilverCrest		
Level	Location	Sample number	Au 30 g ppm	Ag ppm	Gravity Au ppm	AA Ag ppm	Gravity Ag ppm
4 th	Hoist area	17910	0.520	36.0	0.6	40.2	55.0
4 th	Shaft area crosscut	17915	0.973	95.0	0.82	52.4	64.0
4 th		17920	0.273	28.0	0.07	14.7	25.0
4 th		17925	0.219	9.0	2.47	33.5	47.0
3 rd	Far East crosscut	17930	0.331	13.0	0.56	20.5	36.0
3 rd	Shaft area	17935	1.680	91.0	4.93	87.0	105.0
3 rd		17940	2.950	145.0	5.44	154.0	192.0
3 rd	Central Zone	17945	1.200	35.0	0.66	29.8	36.0
3 rd	Central Zone	17950	2.740	47.0	1.42	58.6	77.0
2 nd	Far East	17955	0.234	30.0	0.11	23.3	24.0
2 nd	Main Stope area	17965	4.080	40.0	1.52	38.5	46.0
2 nd	Far West	17970	0.065	10.0	0.05	56.6	68.0
2 nd	MnOx zone	17975	0.935	33.0	0.41	24.4	32.0
2 nd	West stope	17980	1.040	148.0	0.53	71.2	80.0
2 nd	Shaft area	17985	3.080	50.0	0.45	27.6	24.0

Thompson Howarth plots are attached as Appendix 1 (Figures 24-1, 24-2). Based on the limited data, the SVL silver assays show a bias of up to 60% lower than the corresponding Fronteer assays at values below 100 g/t Ag, while the Au assays show a similar scatter and are 50% to 100% lower at values below 3 g/t Au. Although there is variation in the data, Scott Wilson RPA considers it acceptable at this stage of property development to use the Fronteer data in the resource estimate. Gravimetric silver grades are consistently higher compared to both Fronteer and SVL fire assay results with AA finish (Appendix 1 Figure 24-3). The fire assays with AA results are used in the resource estimate as they are more similar to the Fronteer results.

In addition to the underground sampling by SVL as stated in Table 14-2, SVL completed silver geochemical analysis on 289 surface samples for fire assay AA finish and fire assay gravimetric analysis (Appendix 1, Figure 24-3). Results of this study show an overall 20.3% increase in silver grade using silver gravimetric assays. AA silver

results are used in the resource estimation and are considered conservative for grade estimation. Further work is required on silver gravimetric (or four acid digestion) versus fire assay-AA finish values to help define the actual silver grade.

For quality assurance and control, duplicate analyses on 16 ALS Chemex pulps from core sampling and preparation were analysed at ACME (Table 14-3). Both ALS Chemex and ACME analyses are based on fire assay with AA finish.

TABLE 14-3 ALS CHEMEX AND ACME ANALYSES
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

	ALS – Chemex		ACME	
Sample Number	Au g/t	Ag g/t	Au g/t	Ag g/t
560722	0.005	0.2	<.01	<2
560901	0.017	1.3	<.01	<2
665054	0.088	19.7	0.09	18
665066	0.179	9.4	0.2	10
665071	1.095	70.9	1.26	60
665076	0.051	5.3	0.04	5
665088	0.018	4.2	<.01	4
665171	0.008	0.3	<.01	<2
665199	0.009	1	<.01	<2
665228	0.18	44.5	0.17	41
665233	13.85	405	13.9	406
665238	0.014	0.7	0.02	<2
665243	0.006	0.2	<.01	<2
665252	0.036	1.2	0.02	<2
665257	0.011	0.6	<.01	<2
665324	0.005	0.2	<.01	<2

Although the ACME results have a higher detection limit, the limited results on the duplicate pulps show consistent correlation of grades between laboratories.

Scott Wilson RPA is of the opinion that the data meet accepted industry standards and are suitable for use in estimating resources.

15 ADJACENT PROPERTIES

There are no adjacent properties as defined by NI 43-101.

16 MINERAL PROCESSING AND METALLURGICAL TESTING

In September 1983, Western Testing Laboratories of Sparks, Nevada, completed column-percolation cyanide leach testing for National Resources Development, Inc. of Fallon, Nevada. This test work was completed on the Santa Elena tailings located at the Tungsteno flotation mill site near Baviacora. A composite of 12 tailings samples showed a 99% extraction of gold and 40.2% extraction of silver. Reagent consumption was modest except for the 15 pounds of lime required for agglomeration.

In 1984, Comision de Fomento Minero of Hermosillo, Mexico (CFM) completed one column-percolation cyanide leach testing for Tungsteno on minus 2 in. material. After 32 days of leaching, the tails analysis of 0.9 g/t Au and 47.4 g/t Ag indicated a recovery of 59.9% for gold and 19.5% for silver, with a cyanide consumption of 0.6 kg/tonne.

In 1985, CFM completed further column-percolation cyanide leach testing on minus ¼ in. material. After 24 days of leaching, the tails analysis of 2.0 g/t Au and 50.0 g/t Ag indicated a recovery of 64.3% for gold and 36.5% for silver, with a cyanide consumption of 3.13 kg/tonne and lime consumption of 4.0 kg/tonne.

In September 1986, CFM completed further metallurgical test work program consisting of bottle roll tests, column-percolation cyanide leach testing, flotation and cyanidation of flotation concentrates. With the ore crushed to -14 mesh to- 100 mesh, 48-hour bottle rolls indicated an increasing recovery of 62% to 92% gold with moderate cyanide consumption. Agitated bottle rolls at 14 mesh over 24 to 144 hours indicated an increasing gold recovery of 61% to 68% and a silver recovery of 21% to 31%. Column tests carried out at a crush size of -35 mesh indicated a gold recovery of 62% after 10 days. A further test at minus ¼ in. crush indicated a gold recovery of 53% and a silver recovery of 13% after 13 days. Cyanidation of a flotation concentrate over 72 hrs from the same composite sample indicated a recovery of 71% for gold and 32% for silver.

In February 2003, the Department of Engineering, Chemistry and Metallurgy at the University of Sonora in Hermosillo completed column-percolation cyanide leach testing on two samples marked as Frente N and Laguna. Grades for the samples were 3.36 g/t Au and 59 g/t Ag for Frente N and 1.28 g/t Au and 66 g/t Ag for Laguna.

Results of the test work showed the Frente N sample having a recovery of 57.18% for gold and 12.99% for silver over 14 days. The Laguna sample had a recovery of 60.93% for gold and 10.83% for silver over 14 days.

In 2006, SVL completed six bottle roll tests on representative samples collected from the Santa Elena mine. This work was completed by Sol & Adobe S.A. de C.V. (Sol & Adobe) in Hermosillo, Mexico, in association with the University of Sonora. Results of a three-day leach at minus 10 mesh are shown in Table 16-1.

TABLE 16-1 SVL BOTTLE ROLL RESULTS
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Sample no.	Calculated head Au (g/t)	Calculated head Ag (g/t)	% Au Recovery	% Ag Recovery	Consumption NaCN kg/t
1	0.73	39.37	75	58	4.3
2	0.39	19.42	68	43	3.3
3	4.28	139.51	74	53	5.9
4	2.49	79.50	78	20	4.8
5	0.81	68.58	73	49	2.9
6	2.96	45.03	70	31	11.9

The conclusions made by Sol & Adobe indicated an average 73% recovery for gold and 42% recovery for silver. Reagent consumption was modest at 1.0 kg/tonne of cyanide consumption. Lime consumption appeared to be high at 5.52 kg/tonne. Sol & Adobe recommended further bottle roll tests to optimize cyanide and lime consumptions on average grade composites.

In July 2006, ten core samples were collected by SVL and sent to ACME for specific gravity analysis. The samples vary from 2.58 to 2.73, with an average of 2.67 which was used in the resource estimation. Since most of the whole core for the mineralized zone was split and used in geochemical analysis, the above specific gravity results represent zones proximal to the mineralization. Further specific gravity test work is recommended within the quartz-enriched mineralized zone.

17 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

MINERAL RESOURCES

The collection and compilation of all information with respect to resource estimation for Santa Elena was completed by SVL and its subsidiary Nusantara. This data was primarily retrieved from Tungsteno and Nusantara personnel. All the available data on underground sampling and core drilling was compiled and entered into Excel data spreadsheets and then imported into a Gemcom database. The current database used for the resource estimation is shown in Table 17.1.

TABLE 17-1 SANTA ELENA DATABASE
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Data	Number	Number of samples	Metres
UG LINE 1 to 23	23	71	201.6
T 1 to 10	10	270	828.0
SE06 1 to 19	19	551	2,579.2
TOTAL	52	892	3608.8

Scott Wilson RPA's due diligence of the resource estimation included a review of all surface, underground, and drill hole data, the use of surface topography and location of underground workings.

The significant drill hole intercepts are shown in Table 17-2. The significant underground samples are listed in Table 17-3 and the significant surface samples were provided previously under Item 10 Exploration. The intercepts are weighted averages of all values greater than 10.0 g/t Ag.

TABLE 17-2 SIGNIFICANT DRILL INTERCEPTS
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

DDH	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t
SE06-01	37.44	43.34	5.90	0.64	85.1
SE06-02	81.08	89.53	8.45	1.00	73.8
SE06-03	26.88	57.42	30.54	1.10	40.5
SE06-04	80.95	117.08	36.13	0.29	29.8
SE06-05	114.38	131.94	17.56	4.33	151.0
SE06-06	35.71	64.04	28.33	2.58	82.9
SE 06-07	19.51	20.53	1.02	0.07	36.8
SE 06-10	139.7	165.4	25.7	0.64	63.3
SE 06-11	38.5	42.7	4.2	1.64	36.5
SE 06-12	85.7	99.46	13.7	1.15	107.5
SE 06-13	52.55	54.65	2.1	1.59	182.0
SE 06-16	205.3	217.3	12.0	0.47	43.9
SE 06-17	192.7	209.6	16.9	0.48	65.9
SE 06-18	69.7	85.0	15.3	3.51	107.4

TABLE 17-3 SIGNIFICANT UNDERGROUND INTERCEPTS
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Location	From (m)	To (m)	Interval(m)	Au g/t	Ag g/t
1st Level	0.0	15.8	15.8	4.0	23.0
1st Level	0.0	16.8	16.8	4.0	77.0
2nd Level	0.0	11.6	11.6	3.3	91.0
2nd Level	0.0	5.0	5.0	3.5	102.0
2nd Level	0.0	12.1	12.1	3.7	49.0
2nd Level	0.0	3.4	3.4	12.5	168.0
2nd Level	0.0	7.8	7.8	1.5	29.0
2nd Level	0.0	14.5	14.5	1.5	72.0
2nd Level	0.0	11.6	11.6	3.3	91.0
2nd Level	0.0	2.5	2.5	3.7	184.0
2nd Level	0.0	3.4	3.4	12.6	168.0
3rd Level	0.0	19.0	19.0	0.8	38.0
3rd Level	0.0	13.5	13.5	1.2	53.0
3rd Level	0.0	12.8	12.8	1.2	15.0
3rd Level	0.0	3.6	3.6	6.2	155.0
3rd Level	0.0	2.3	2.3	13.5	106.0
4th Level	0.0	4.7	4.7	30.4	278.0
4th Level	0.0	9.4	9.4	1.8	145.0
4th Level	0.0	8.9	8.9	1.2	36.0
4th Level	0.0	7.4	7.4	0.7	13.0
4th Level	0.0	3.6	3.6	2.1	98.0
4th Level	0.0	4.5	4.5	7.4	119.0
4th Level	0.0	17.3	17.3	0.4	13.0
4th Level	0.0	3.6	3.6	2.1	98.0
4th Level	0.0	5.6	5.6	6.0	103.0

Statistically, the data comprise possibly three different populations. At least two of the separate populations correspond to the high grade versus lower grade silver mineralization.

During data review, it was discerned that there is a zonation of metal grades, with a high-grade zone associated with structural intersections. These boundaries have not been fully established and so could not be applied to the resource estimate. In Scott Wilson RPA's opinion, further review is necessary to resolve this possible structural control.

BLOCK MODELING

The resource estimate was carried out using a block model constructed in GEMS (Gemcom). The block model consisted of blocks measuring 10 m along strike (EW), 5 m across strike, and 10 m vertically. No rotation was applied to the model. Grade for Au and Ag were interpolated into the blocks using Ordinary Kriging (OK).

Wireframe models were constructed of the topographic surface, as well as the principal mineralized zone. This zone consists of an east-west-striking tabular body, which dips steeply to the south, moderating to a shallower dip at depth. The topographic DTM was then used to clip the mineralized zone model at the ground surface. The clipped mineralized zone was then used to assign a rock code to both the blocks and the sample composites.

STATISTICS

Samples contained within the mineralization wireframe were collected and subject to statistical analysis. It was observed that the samples were taken over varying lengths and so it was necessary to composite to a uniform length. Samples within the mineralized zone were composited to three metre lengths, starting at the point where the sample string entered the wireframe solid and progressing at three metre intervals to the exit point. This resulted in the generation of 26 composites (out of a total of 326) that were less than the prescribed three metre length. Scott Wilson RPA inspected these composites and is of the opinion that they are of similar grades to the other composites and that using them in the grade estimation will not introduce a bias. Consequently, they were left in the database. Composite statistics are provided in Table 17-4 and in Appendix 1 Figure 24-5.

TABLE 17-4 NON-DECLUSTERED COMPOSITE STATISTICS

SilverCrest Mines Ltd. Santa Elena Property, Mexico

Statistic	Gold	Silver
Number	326	326
Mean	1.78	52.96
Standard Deviation	4.79	72.37
Coefficient Variation	2.70	1.37
Median	0.66	30.00
Maximum	78.30	603.00
Minimum	0.01	0.50

The composite data for both Au and Ag are observed to be moderately to strongly positively skewed, and so in Scott Wilson RPA's opinion, it is appropriate to cap high grades to a predetermined value. The composites were capped at 12 g/t Au and 300 g/t Ag.

GEOSTATISTICS

A geostatistical analysis was carried out on the composites to derive kriging and search parameters. The kriging parameters derived from the semi-variogram analysis are provided in Table 17-5. Variograms for gold and silver are shown in Figures 24-6 and 24-7 respectively.

TABLE 17-5 KRIGING PARAMETERS

SilverCrest Mines Ltd. Santa Elena Property, Mexico

				Ranges			Orientations		
	Nugget	Tot. Sill	% Nug.	Major	Semi	Minor	Major	Semi	Minor
Au	0.45	0.85	52.9%	150	40	15	080/00	170/-60	170/30
Ag	0.25	0.63	39.7%	210	140	15	090/00	180/-60	180/30

Both models for Au and Ag comprise single structure spherical models with orientations that closely match one another and the known principal geological structure.

Scott Wilson RPA notes that the relative nugget effect (i.e., the proportion of the total sill taken up by the nugget) is quite high for both Au and Ag. Relative nuggets are 53% for Au and 40% for Ag. High nugget effects result in more smoothing of the block grades, which reduces ore/waste discrimination, and generally results in less recovered metal for a particular cut-off grade.

SEARCH PARAMETERS

The variogram ranges for gold are less than for silver and so the search was configured to use the shorter gold ranges. Estimates were limited to a minimum of three and a maximum of 12 composites, with no more than three composites allowed from any one drill hole. Grade interpolation was carried out in two passes; the first with a search limited to 2/3 the variogram range, the second at the full variogram range. Scott Wilson RPA notes that not all blocks within the wireframe model were estimated. Several blocks on the extreme east and lower extremities were left unfilled.

CLASSIFICATION

Blocks estimated in the first pass were assigned an integer code of 2, and blocks estimated in the second pass were assigned code 3. On inspection of the block model, it was found that most of the code 2 blocks (i.e., first pass) clustered in the upper west portion of the zone, with isolated pockets in other portions. A wireframe solid was constructed around the main cluster of code 2 blocks and all blocks within this solid were categorized as Indicated Resources. All other estimated blocks were assigned as Inferred Resources.

BLOCK MODEL VALIDATION

The block model results were subjected to the following validation exercises:

- Inspection on plan and section views and comparison with assays.
- Comparison of block and declustered composite statistics.
- Re-estimation using alternate methodologies.

The block grades are observed to agree well with the composite grades.

The declustered composite means of 1.51 g/t Au and 50.8 g/t Ag agree reasonably well with the mean block grades of 1.46 g/t Au and 59.3 g/t Ag. In Scott Wilson RPA's opinion, however, there is some evidence of a modest bias in the Ag grades. This bias, should it be real, is not anticipated to have a very large impact on the economics of the project.

Scott Wilson RPA also estimated the block grades using both Inverse Distance to the Third Power (ID^3) and Inverse Distance to the Fifth Power (ID^5) weighting. The results were virtually the same as for the OK model. The OK model yielded slightly lower grades than the other two methods.

In Scott Wilson RPA's opinion, the validation exercises performed on the block model suggest that it is a reasonable global estimate of the mineral resources at Santa Elena.

MINERAL RESOURCES

The previous extracted underground tonnage has been approximated by historic records and volumetric measurements of underground workings completed by SVL in May 2006. The extracted tonnage is estimated at 57,000 tonnes grading 6 g/t Au and 80 g/t Ag above the 4th level. This material has been subtracted from the Indicated Resource estimation, which is predominately the classification of resources above the 4th level.

A specific gravity of 2.67 was used for the resource estimations based on test work as discussed in Item 16.

It is Scott Wilson RPA's opinion that a 60 g/t Ag equivalent cut-off would be appropriate for the reporting of the estimate from the perspective of both grade continuity and economics. Assuming open pit mining with an all-in cost of US$13 per tonne milled before stripping, 65% recovery for a heap leach operation, and a net realized silver price of US$9/oz, the calculated cut-off would be in the range of 60 g/t Ag on a fully diluted

basis. Note that the cut-off calculations assume that the rock is already broken and the choice is to either process it or truck it to the waste dump.

Economic Cut-off = (Ore Cost $/t-Waste Cost $/t) / ($Net Value/g Ag x Process Recovery)
= (US$13/t-US$2/t) / (US$9/oz / 31.1 g/oz x65% recovery)
= 60 g/t Ag

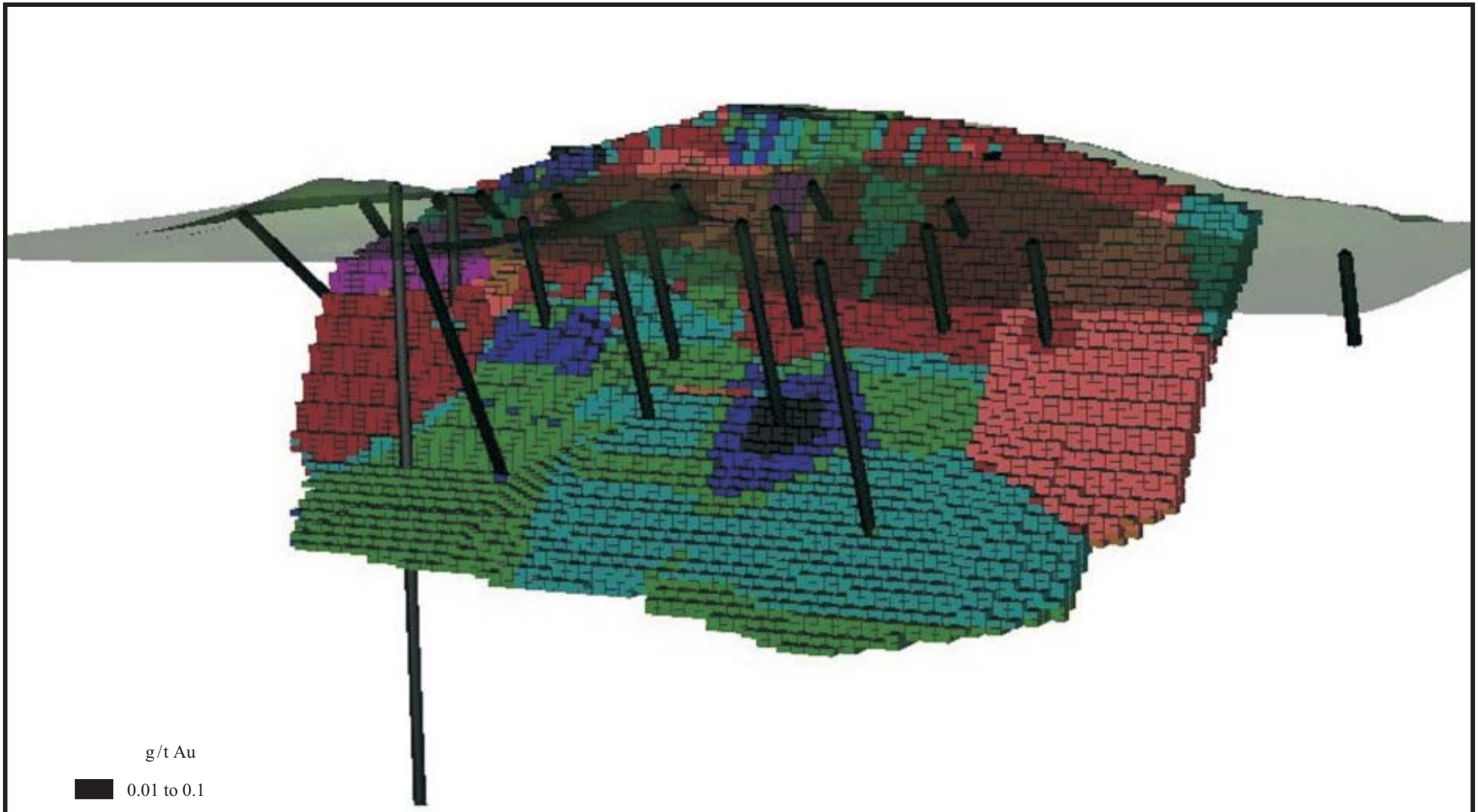
Table 17-5 shows the resource estimate for Santa Elena based on a cut-off grade of 60 g/t Ag equivalent, a 60:1 silver to gold ratio, and assuming 100% metallurgical recovery for both gold and silver.

TABLE 17-6 MINERAL RESOURCES
SilverCrest Mines Ltd. Santa Elena Property, Mexico

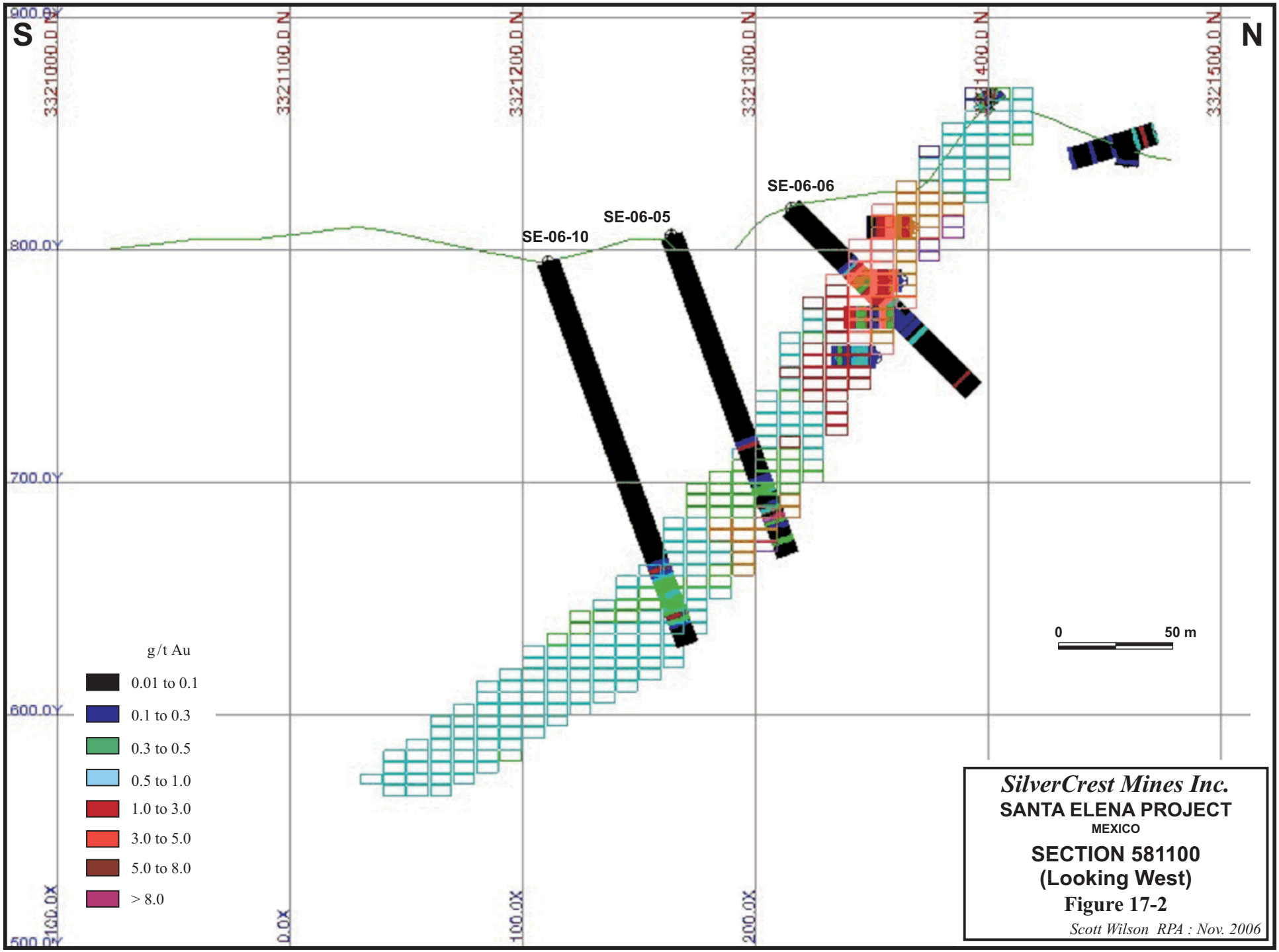
Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag	Contained ounces Equiv. Ag
Indicated	2,460,000	2.16	55.7	171,000	4,400,000	14,700,000
Inferred	3,510,000	1.42	78.3	159,000	8,820,000	18,400,000

Notes:
1. Numbers rounded
2. Composites capped at 12g/t Au and 300 g/t. Ag
3. Cut-off grade 60 g/t Ag equivalent based on a gold price of $540 per ounce and assumed 100% metallurgical recovery of both gold and silver
4. CIM definitions were followed for Mineral Resources.

In Scott Wilson RPA's opinion, the classification of Mineral Resources as stated is appropriate and conforms to the definitions as stated by NI 43-101 and defined by the CIM Standards on Mineral Resources and Reserves Definitions and Guidelines adopted by the CIM Council on December 11, 2005.



SilverCrest Mines Inc.
SANTA ELENA PROJECT
MEXICO
BLOCK MODEL - Looking Northwest
Figure 17-1
Scott Wilson RPA : Nov. 2006



SilverCrest Mines Inc.

SANTA ELENA PROJECT

MEXICO

SECTION 581100
(Looking West)

Figure 17-2

Scott Wilson RPA : Nov. 2006

SCOTT WILSON RPA

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18 OTHER RELEVANT DATA AND INFORMATION

ENVIRONMENTAL CONSIDERATIONS

No visual evidence of any environmental problems was observed during the site visit. There is no evidence of prior treatment of the ores on the property and the infrastructure is limited to two shafts, an adit, and several buildings.

Under current Mexican mining law, an environmental assessment report is required for exploitation permitting. This report requires a plan of operations and reclamation plan to World Bank standards. Reclamation bonding is not required but can be discretionary in the near future based on environmental impact.

19 INTERPRETATION AND CONCLUSIONS

SVL has completed a program of sampling and diamond drilling sufficient to produce an estimate of mineral resources containing a significant silver resource that based on the configuration of the deposit and favourable topography could potentially be partially mined by open pit methods. The resource estimate is stated in Table 19-1.

TABLE 19-1 MINERAL RESOURCES
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag	Contained ounces Equiv. Ag
Indicated	2,460,000	2.16	55.7	171,000	4,400,000	14,700,000
Inferred	3,510,000	1.42	78.3	159,000	8,820,000	18,400,000

Notes:
5. Numbers rounded
6. Composites capped at 12g/t Au and 300 g/t. Ag
7. Cut-off grade 60 g/t Ag equivalent based on a gold price of $540 per ounce and assumed 100% metallurgical recovery of both gold and silver
8. CIM definitions were followed for Mineral Resources.

In Scott Wilson RPA's opinion, the classification of Mineral Resources as stated is appropriate and conforms to the definitions as stated by NI 43-101 and defined by the CIM Standards on Mineral Resources and Reserves Definitions and Guidelines adopted by the CIM Council on December 11, 2005.

20 RECOMMENDATIONS

Additional drilling is required to delineate the extent of the mineralization to the east, downdip, and to investigate the potential for higher grade mineralization at structural intersections. The vein has excellent potential to host additional resources within the immediate area.

The property is considered to be at a scoping stage of development. The following proposed Phase 1 budget (Table 20-1) for Santa Elena is based on further defining and expanding the current resource by reclassifying inferred resources into indicated resources with infill drilling. It is intended that the drill density will be of sufficient density to satisfy the requirements of a prefeasibility study. In addition to the drilling, specific detailed work is required as follows:

- conduct additional systematic underground continuous channel sampling;
- investigate deposit mineralogy and petrography;
- complete further metallurgical test work for optimum recovery rates;
- complete detailed underground geologic mapping;
- do further specific gravity measurements;
- commence preliminary environmental baseline studies;
- sample old tailings and estimate volume metrics grade.

TABLE 20-1 PROPOSED PHASE 1 BUDGET
SilverCrest Mines Ltd. - Santa Elena Property, Mexico

Task	Cost per unit	Cost $
Core Drilling	2000 m @ $125	250,000
Underground Sampling & Assays	500 samples @ $30	15,000
Site preparation		10,000
Metallurgical Testing		30,000
Environmental base line studies		50,000
Resource Modelling	20 days @ $1,0000	20,000
Geologist	60 man days @$500	30,000
Labour	150 man days @ $20	30,000
Expenses, accommodation,	200 days @ $100	20,000
Contingency		45,000
TOTAL		**500,000**

Contingent upon the successful completion of the Phase I program, a prefeasibility study may be warranted at an estimated cost of $500,000.

Scott Wilson RPA is of the opinion that the property warrants the recommended budget. The proposed program is subject to variation, depending on results encountered by SVL in the course of the program. SVL may determine that increased spending is warranted if favourable results are encountered and may conclude that less spending or discontinuation of the program is appropriate if unfavourable results are encountered.

21 REFERENCES

Ayala, C.J., and Clark, K.F., (1998): Lithology, Structure and Gold Deposits of North-Western Sonora, Mexico. In K.F. Clark (Ed), Gold Deposits of Northern Sonora, Mexico. Society of Economic Geologists, Guidebook series, v. 30, p. 203-248

Cirett, J., Report on Santa Elena Mine, Preliminary Evaluation, Sonora State Mexico, February 2004.

Trelles Monge, S., CPG# 10304, 2003. Informe Geologico-Minero de Avance de la Mine Santa Elena, Munucipio de Banamichi, Sonora para Tungsteno de Baviacora, S.A., October 2003.

Zawada, Ross, P.Geo., Personal conversation with respect to Nevada Pacific work and conclusions.

22 SIGNATURE PAGE

This report titled "Technical Report on the Santa Elena Property, Sonora, Mexico" and dated November 26, 2006, was prepared and signed by the following authors:

"Signed and sealed"

Dated at Vancouver, BC
November 26, 2006

C. Stewart Wallis, P.Geo.
Consulting Geologist

"Signed and sealed"

Dated at Vancouver, BC
November 26, 2006

Nathan Eric Fier, C.P.G., P. Eng.

23 CERTIFICATE OF QUALIFICATIONS

N. ERIC FIER

I, N. Eric Fier, C.P.G., P. Eng., as an author of this report entitled "Technical Report on the Santa Elena Property, Sonora, Mexico", prepared for Silver Crest Mines Inc. and dated November 26, 2006, do hereby certify that:

1. I am the Chief Operating Officer of SilverCrest Mines and President of Nusantara S.A. de C.V. My office address is Suite 405, 1311 Howe Street, Vancouver, B.C. V6Z 2P3.

2. I am a graduate of Montana Tech, Butte, Montana, in 1984 and 1986 with a Bachelor of Science degree in Geological Engineering and Mining Engineering, respectively.

3. I am registered as a Certified Professional Geologist registered with the American Institute of Professional Geologists (Reg.# 10622) and a Professional Engineer in British Columbia (Reg.# 135165). I have worked as a geologist and mining engineer for a total of 20 years since my graduation. My relevant experience for the purpose of the Technical Report is:
    - Review and report as a manager and consultant on numerous exploration and mining projects around the world for due diligence, operations and regulatory requirements, including:
        - Development Manager for Eldorado Gold on the La Colorado Mine, Sonora Mexico and La Trinidad Mine, Sinaloa Mexico
        - Geologic review and acquisition of numerous Mexican properties for Eldorado Gold and SilverCrest Mines.
        - Technical Report on the El Ocote Project, Honduras
        - Technical Report on the El Zapote Project, El Salvador

4. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI43-101.

5. I visited the Santa Elena Property on several occasions from January 2005 to present.

6. I am responsible for the overall preparation of the Technical Report.

7. I am not independent of the Issuer applying the test set out in Section 1.4 of National Instrument 43-101.

8. I have had no prior involvement before January 2005 with the property that is the subject of the Technical Report.

9. I have read National Instrument 43-101, and the Technical Report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1.

10. To the best of my knowledge, information, and belief, as of the date of the report, the Technical Report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.

Dated 26th day of November, 2006

"Signed and sealed"

N. Eric Fier, C.P.G., P. Eng.

C. STEWART WALLIS

I, C. Stewart Wallis, P. Geo., as an author of this report entitled "Technical Report on the Santa Elena Property, Sonora, Mexico", prepared for Silver Crest Mines Inc. and dated November 26, 2006, do hereby certify that:

1. I am an Associate Consulting Geologist with Scott Wilson Roscoe Postle Associates Inc. My office address is Suite 1204, 1140 W. Pender Street, Vancouver, B.C. V6E 4G1.

2. I am a graduate of McMaster University, Hamilton, Canada, in 1967 with a Bachelor of Science degree in Geology.

3. I am registered as a Professional Geologist in the Province of British Columbia (Reg.# 372) and Saskatchewan (Reg.# 10829), a Professional Geologist in the State of Wyoming (Reg.# PG-2616) and a Certified Professional Geologist registered with the American Institute of Professional Geologists. I have worked as a geologist for a total of 38 years since my graduation. My relevant experience for the purpose of the Technical Report is:
    - Review and report as a consultant on numerous exploration and mining projects around the world for due diligence and regulatory requirements, including:
        - Technical Report on the Pitilla Properties, Sonora Mexico
        - Technical Report on the Dolores Property, Mexico
    - Managing Director of a consulting company in charge of evaluations, due diligence, and technical reports on a wide variety of commodities throughout the world.

4. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI43-101.

5. I visited the Santa Elena Property on April 18, 2006.

6. I am responsible for the overall preparation of the Technical Report.

7. I am independent of the Issuer applying the test set out in Section 1.4 of National Instrument 43-101.

8. I have had no prior involvement with the property that is the subject of the Technical Report.

9. I have read National Instrument 43-101, and the Technical Report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1.

10. To the best of my knowledge, information, and belief, as of the date of the report, the Technical Report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.

Dated 26th day of November, 2006

"Signed and sealed"

C. Stewart Wallis, P.Geo.

24 APPENDIX 1

GEOSTISTICAL PLOTS, HISTORGRAMS, VARIOGRAMS

FIGURE 24-1 THOMPSON HOWARTH PLOT SILVER - SVL VERSUS FRONTEER SAMPLES

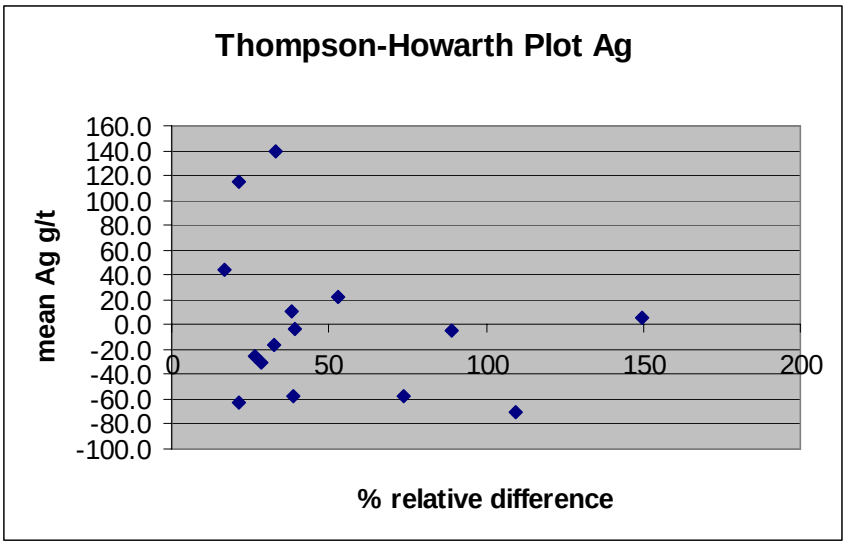

FIGURE 24-2 THOMPSON HOWARTH PLOT GOLD - SVL VERSUS FRONTEER SAMPLES

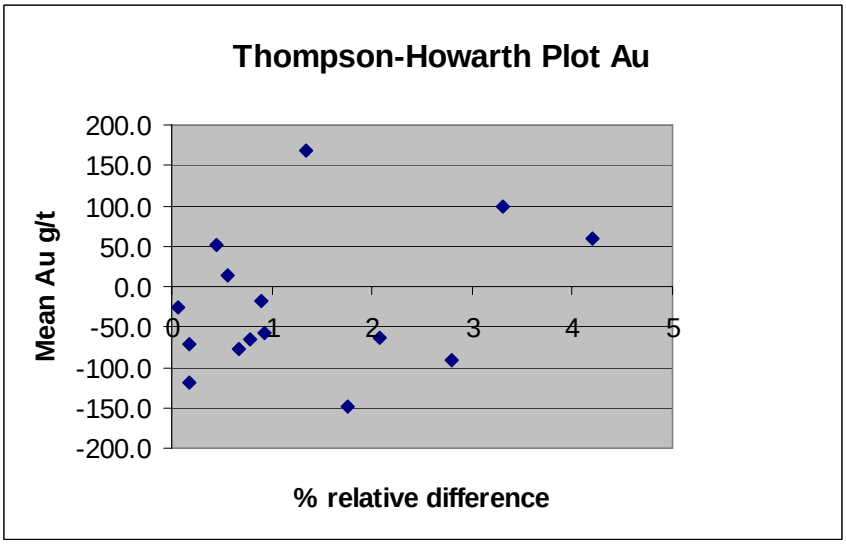

FIGURE 24-3 SCATTER PLOT OF UNDERGROUND SILVER FIRE/AA VS GRAVIMETRIC ASSAYS

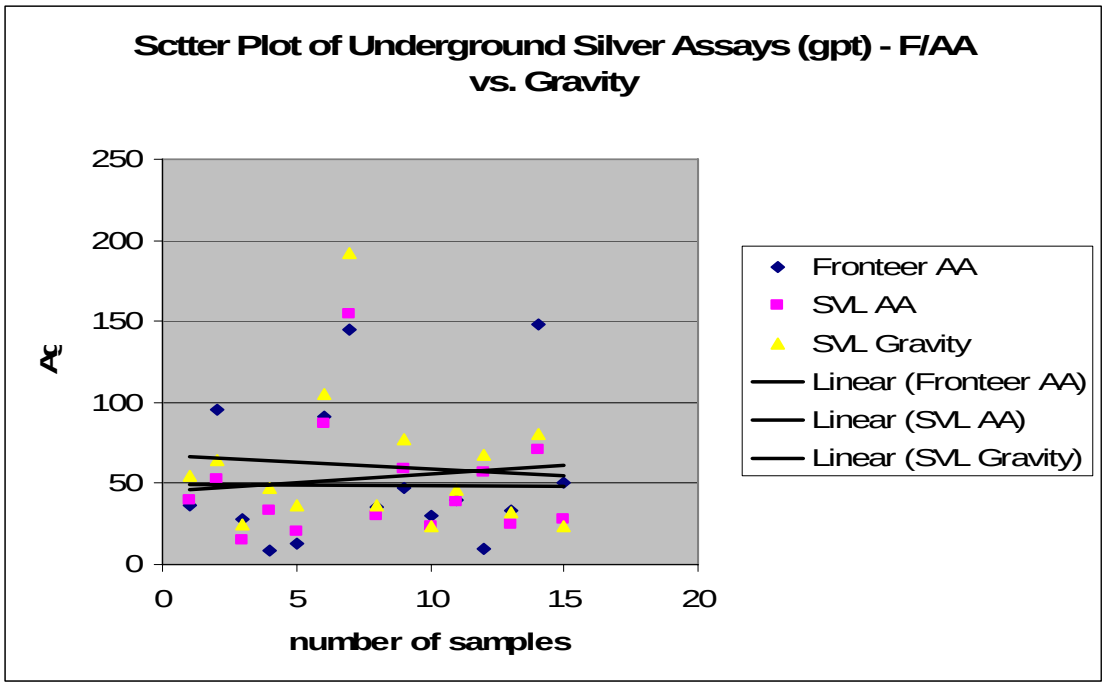

FIGURE 24-4 SCATTER PLOT OF SURFACE SILVER FIRE/AA VS GRAVIMETRIC ASSAYS

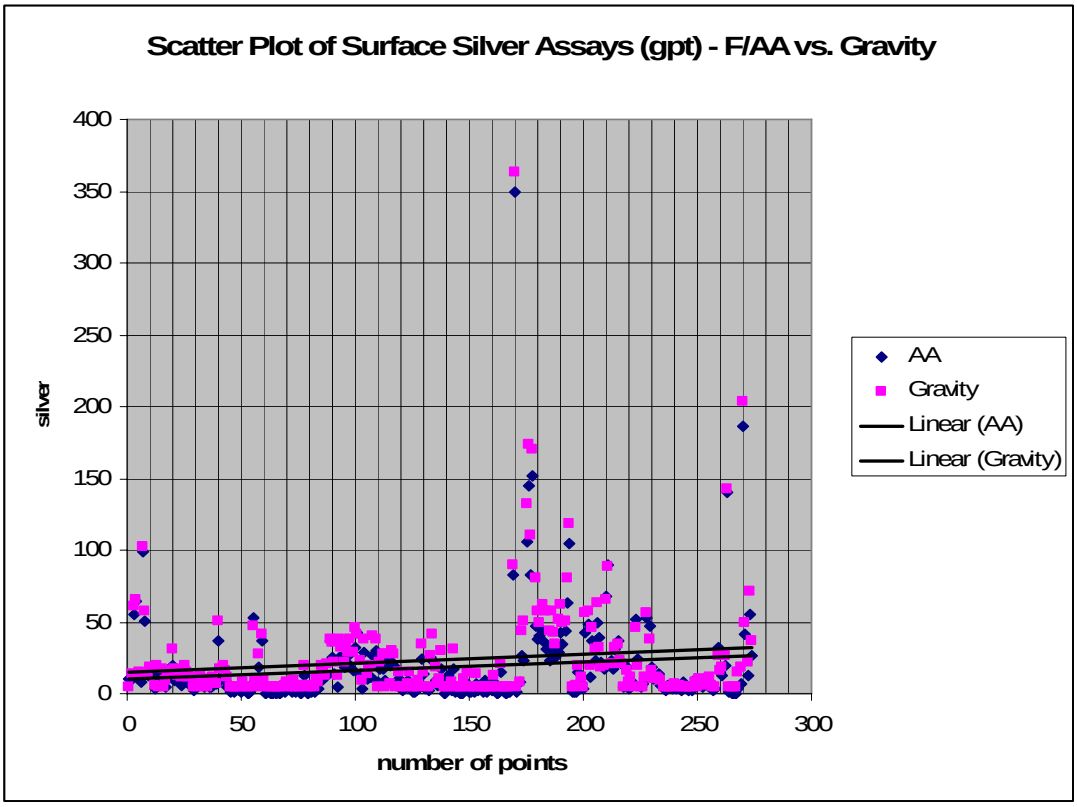

FIGURE 24-5 HISTOGRAMS AND PROBABILITY PLOTS

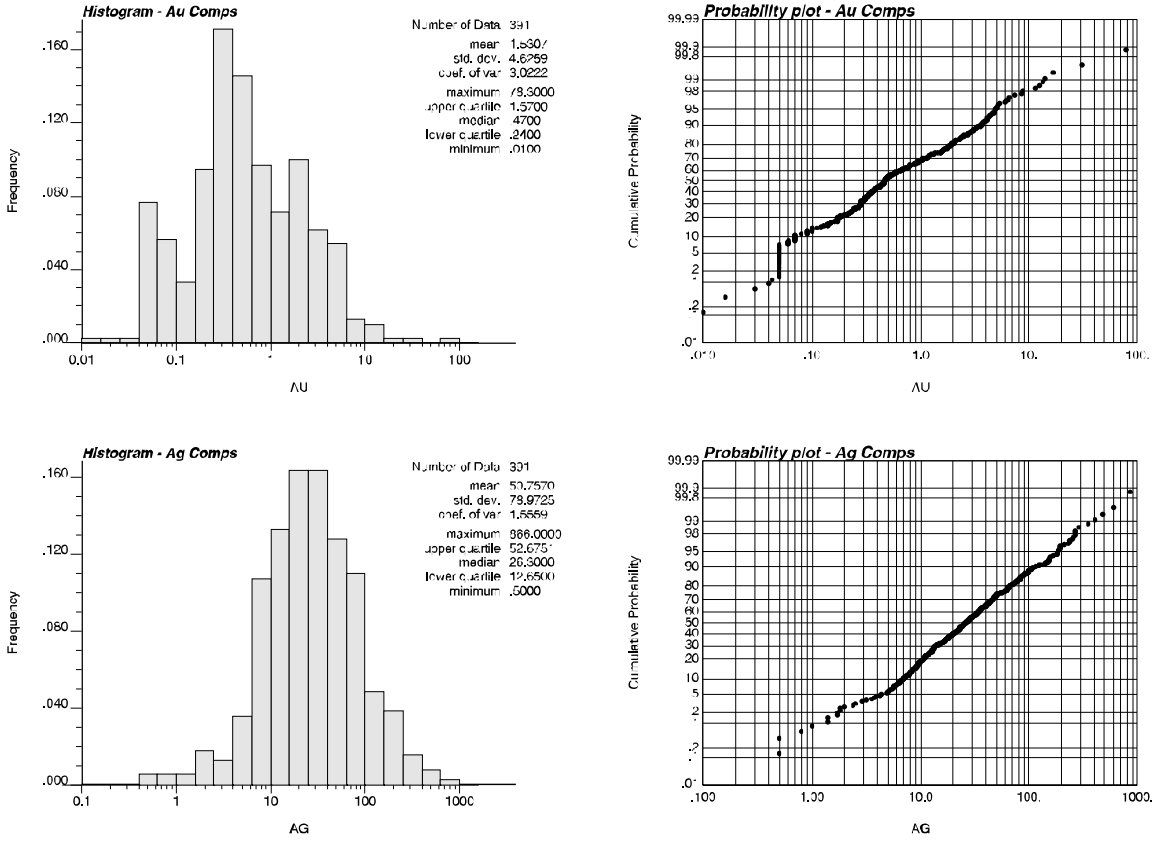

FIGURE 24-6 AU VARIOGRAM MODEL

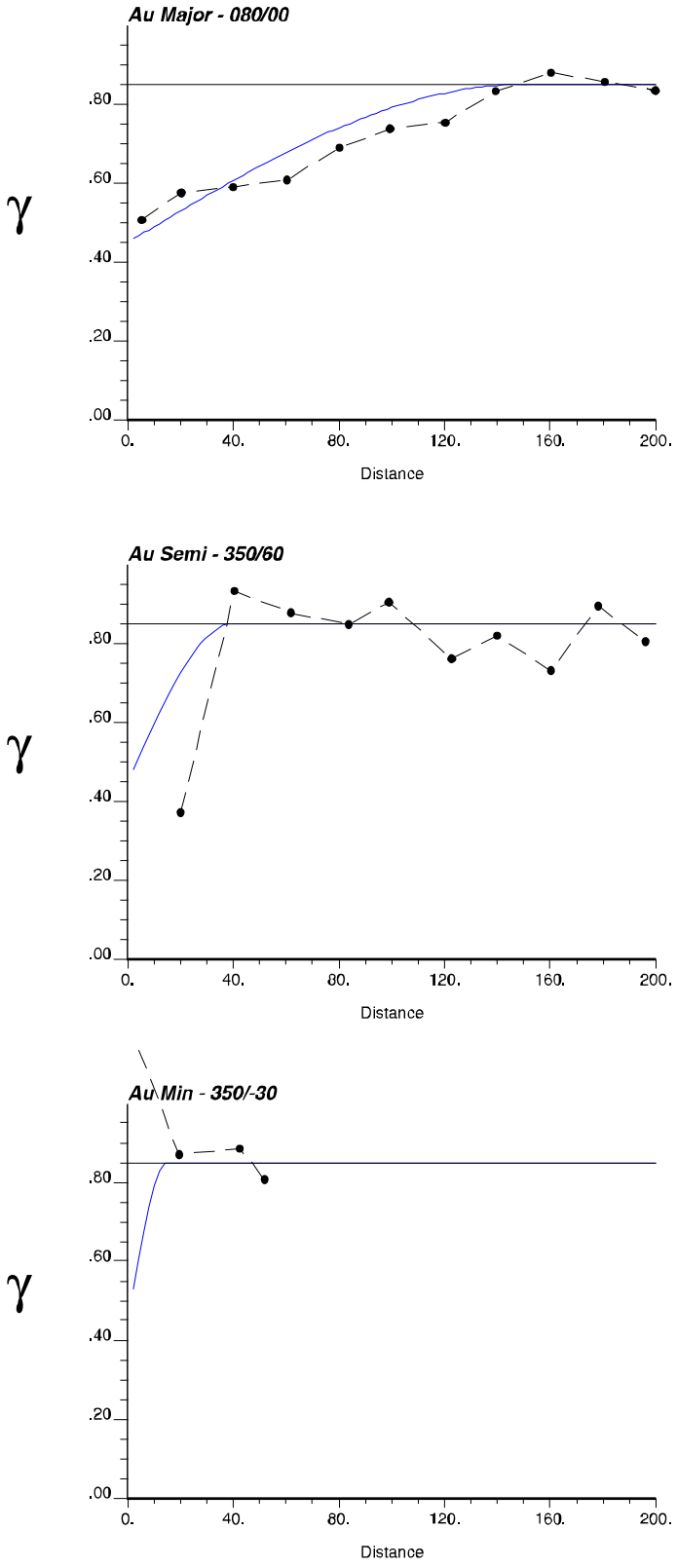

FIGURE 24-7 AG VARIOGRAM MODEL