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REPORT ON THE WAYFAIR OKA PROPERTY

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REPORT ON THE WAYFAIR OKA PROPERTY

OKA DISTRICT, QUEBEC, CANADA

FOR

TENANGO EXPLORATIONS INC.

N.T.S. Reference 31 - G - 8

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GM 52660

Toronto, Ontario, Canada
December 15, 1993

Melville William Rennick, P. Eng.
Consulting Geologist

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SUMMARY

The Wayfair Exploration Limited Oka Property is comprised of 15 mining claims in the Oka District of the Province of Quebec, Canada. It lies approximately 22 miles (35 kilometres) west of the City of Montreal.

The property straddles a contact between Precambrian and Cretaceous rocks. The Cretaceous rocks form what is known as the Oka Carbonatite Complex and host a number of important niobium-bearing mineral deposits including one on the subject property. This deposit has been investigated by diamond drilling to a depth of 1,300 feet (395 metres) and has a strike-length greater than 4,500 feet (1,370 metres). It hosts a potential reserve of 38,243,000 tons grading 0.40 percent Nb_2O_5.

Feasibility studies conducted in 1966, and based on detailed definition drilling, concluded that the northwest end of the mineralized zone hosts a minimum 5,000,000 tons grading 0.43 percent Nb_2O_5 that could be exploited profitably by open-pit mining methods. A producer price of C$1.00 per pound of Nb_2O_5 was used in arriving at this conclusion. At the same time, no consideration was given to the possible positive economic impact on the operation resulting from the production of by-products such as apatite, magnetite, calcium carbonate and rare earth minerals.

During the intervening years, the 1966 feasibility studies have become obsolete. Production costs have escalated, mining and milling technologies have advanced significantly and product prices have risen to approximately U.S. $2.60 per pound of Nb_2O_5 contained in an acceptable concentrate form.

It has been concluded that a present day value for the Wayfair Oka Property could be set approximately at C$1,863,000.00 and that a reassessment of the feasibility of putting the property into production should be carried out.

As a preliminary step toward a full scale feasibility study it is recommended that necessary samples be collected for bench testing, at a total estimated cost of

$65,835.00. Positive results from these tests will provide a sound basis for the development of flowsheets for pilot plant tests on bulk samples and, ultimately, determining the feasibility of putting the property into full scale production.

INTRODUCTION

On October 7, 1993 Mr. T.R. Gledhill, President, Tenango Explorations Inc., 22 Front Street West, Lower Level, Toronto, Ontario, M5J 1C4 commissioned the author to prepare a report on a property which contains a major niobium-bearing minerals resource in the Oka District of Quebec and which will be referred to herein as the Wayfair Oka Property.

The scope of this report is to provide a review of mineral exploration and related work on the subject property. The purpose of the report is to provide pertinent information relative to an assessment of the economic potential and the asset value of the property.

Although no physical examination of the property was carried out, the author is familiar with the area as a result of previous work in the district. This familiarity has been supplemented by a study of maps, reports and various other data which are relevant to the property and believed to be authentic and reliable. Conclusions and recommendations presented in this report are based on these studies.

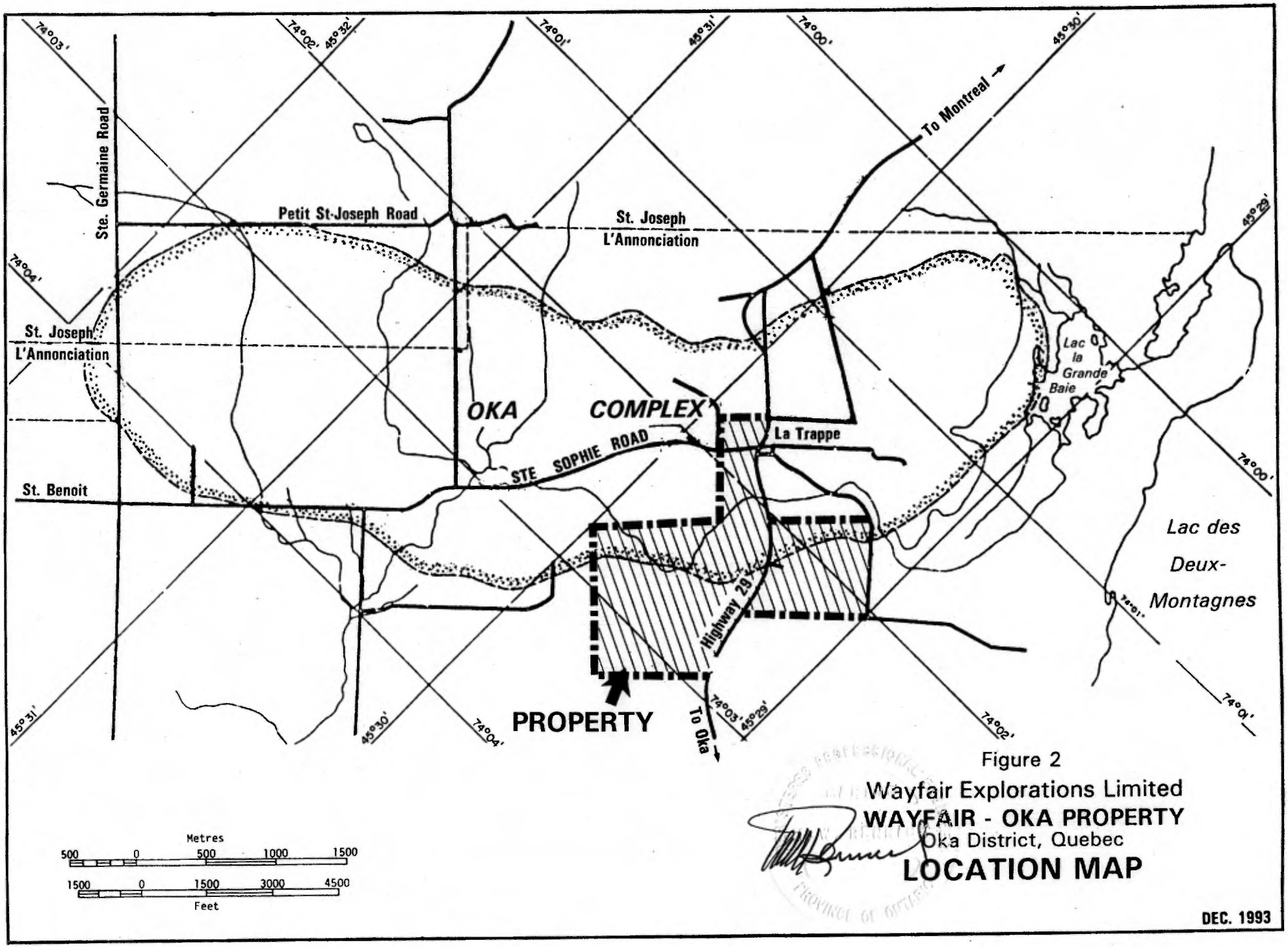


Figure 2

Wayfair Explorations Limited

WAYFAIR - OKA PROPERTY

Oka District, Quebec

LOCATION MAP

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SOURCES OF INFORMATION

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Field Guide to the Oka Area - Description and Itinerary: Quebec Dept. Nat. Resources (S-101). 1969.

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Preliminary Report On The Oka Region, Electoral District of Two Mountains, Quebec: PR 351, Dept. of Mines, Quebec. 1957.

Sullivan, D.W.
Report on Diamond Drilling and Geology, North Part of the Oka Property, Columbium Mining Products Limited, In County of Two Mountains, Oka District, Quebec. 1961. (Accompanied by 40 - scale drill sections and open pit layout)

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The St. Honore Carbonatite Complex, Quebec: CIM Transactions Vol. LXXIII, pp. 346 - 356. 1970.

PROPERTY DESCRIPTION, LOCATION AND ACCESSIBILITY

The Wayfair Oka Property (Fig. 2) is composed of 15 contiguous mining claims, covering the mineral rights for 568 acres (227 hectares), more or less, situated in the southeast part of the Paroise De L'Annonciation, Lac-Des-Deux-Montagnes Seigneury, Province of Quebec, Canada. The claims are currently registered in the name of Wayward Resources Limited which company holds them In Trust for Wayfair Explorations Limited. An important part of these holdings is 92 acres (36.8 hectares) of surface rights including those covering all of mining claim number 733361 and part of claim 733351. The claims are more specifically described as follows:

Development Licence/Claim No.	No. Claims	Expiry Date
0733341	1	1994-11-15
0733351 to 0733355, inclusive	5	1994-11-15
0733361 to 0733365, inclusive	5	1994-11-15
0705721 to 0705724, inclusive	4	1995-10-21
Total No. Claims	15	

The author has not conducted any search of title for any of the claims.

The property is located approximately 22 miles (35 kilometres) west from the City of Montreal and 12 miles (19 kilometres) from the village of St. Eustache (Fig. 1). Quebec Provincial Highway 29 passes through the property. Secondary and tertiary roads provide easy access to most parts of the claim group and electric power is available from the area network of rural transmission lines.

Topographically, the area is quite hilly with differences in elevation on the property ranging from 100 feet (30 metres) to slightly more than 600 feet (182 metres) above sea-level. The lowlands in the district are occupied by farms and orchards, whereas the hills are generally covered with stands of mature hardwood trees consisting, mainly, of oak, elm, and maple. Only small streams drain the area into Lac Des Deux-Montagnes, an enlargement of the Ottawa river at its confluence

with the St. Lawrence, the north shore of which lies approximately two miles (three kilometres) south of the property.

HISTORY

The presence of rare earth and radioactive minerals in the Oka District was first discovered in 1952 within a suite of rocks that soon became referred to as the Oka "Carbonatite Complex". Identification, by the Geological Survey of Canada, of the niobium-bearing pyrochlore-microlite series in radioactive rock samples, sparked a general staking rush in the district.

Claims comprising the subject property were originally staked as part of a larger block of ground held jointly by Coulee Lead and Zinc Mines Ltd. and Headway Red Lake Gold Mines Ltd. During 1954, airborne magnetic and radiometric surveys over the property defined a significant zone of radioactivity which was confirmed by follow-up, ground geophysical surveys. A diamond drilling programme was undertaken in the northeast corner of the property in 1955.

In mid-1956, Columbium Mining Products Ltd. was incorporated to take over operation of the property from Coulee and Headway. During the years 1955 to 1957, approximately 38,000 feet (11,600 metres) of diamond drilling were completed. It confirmed the presence of a zone of niobium-bearing mineralization with a strike-length greater than 4,500 feet (1,370 metres) and a minimum depth of 1,300 feet (395 metres).

During the fall and winter of 1960-61, 16,000 feet (4,877 metres) of definition drilling was carried out on the northwest end of the zone. Fifty-six holes were completed on an 80-foot (25-metre) grid system designed to delineate a niobium-bearing deposit for open pit mining in an area approximately 1,000 feet (305 metres) long and 700 feet (215 metres) wide, to a depth of 340 feet (105 metres).

In 1966, Kilborn Engineering Ltd. completed a commission by Columbium Mining Products Limited for a feasibility study covering mining and milling of the niobium-bearing deposit. Kilborn's report embraced capital and operating cost estimates for a 1,000 ton per day operation, including two cash flow estimates, and concluded that the deposit could be put into production at 1,000 tons per day (350,000 tons per year) and operated profitably. Based on a sales price of C$1.00 per pound of Nb_2O_5, they forecast an operating profit of C$0.53 per pound of Nb_2O_5 produced, and a cash flow of C$0.22 per pound produced over a 10 year period.

Preliminary testwork was conducted on a sample from the property in 1984 by Lakefield Research. The object of the test was to examine the feasibility of concentrating the niobium-bearing minerals utilizing a simple, sink-float technique. Test results indicate that after crushing to -10 mesh and screening at 65 and 200 mesh, treatment by heavy liquid separation at Specific Gravity 3.3 results in the concentration of 63.9 percent of the contained Nb_2O_5 in 14 percent of the sample weight, from the -10 +65 mesh fraction, and 13.7 percent of the contained Nb_2O_5 in 1.9 percent of the sample weight, from the -65 +200 mesh fraction. Simply stated, this test reduced the sample bulk by 84.0 percent and increased the grade of the captured fraction to 2.098 percent Nb_2O_5 from 0.43 percent, for any overall recovery of 77.6 percent of the Nb_2O_5 contained in the test sample.

Wayfair Explorations Limited acquired sole ownership of the property in 1989.

GEOLOGY

(i) Regional

The Oka Complex, of Cretaceous age, is a subdued feature of the Oka Hills. These hills rise to a height of 700 feet (215 metres) above the St. Lawrence Lowlands as an inlier or "island" of Precambrian rocks about 10 miles (16 kilometres) in diameter within a much larger area underlain by Potsdam Sandstone and Post-Potsdam sedimentary rocks. The Complex is about 4.5 miles (7.2 kilometres) long by 1.5 miles (2.4 kilometres) wide. The regional structural trend of the hills is northeast.

Crystalline carbonate and feldspathoidal-bearing silicate rocks of the Oka Complex intrude the Precambrian rocks as a double ring structure (Gold and Vallee, 1969). They host several major concentrations of niobium-bearing and rare earth (lanthanide element) minerals.

The long axis of the Complex is almost perpendicular to the regional structure and coincides with the axis of the Beauharnois arch which is a broad, northwest trending arch extending from the Adirondack mountains to the Laurentians. Parts of the Complex are covered by up to 400 feet (122 metres) of Pleistocene till and sediments deposited in the Champlain Sea.

(ii) Wayfair Oka Property

The Wayfair Oka Property overlies part of the southwest contact of the Cretaceous rocks, which form the Oka Complex, with Precambrian rocks and covers one of several deposits of niobium-bearing minerals known to be hosted by the Complex. The deposit is the southern extension of the Bond Zone deposit on claims adjoining to the northwest (see Fig. 3). Other deposits include the Manny Zone which lies 6,500 feet (1,980 metres) due north, and the St. Lawrence Columbium and Metals Corporation mine location 5,000 feet (1,525 metres) due east of the Wayfair

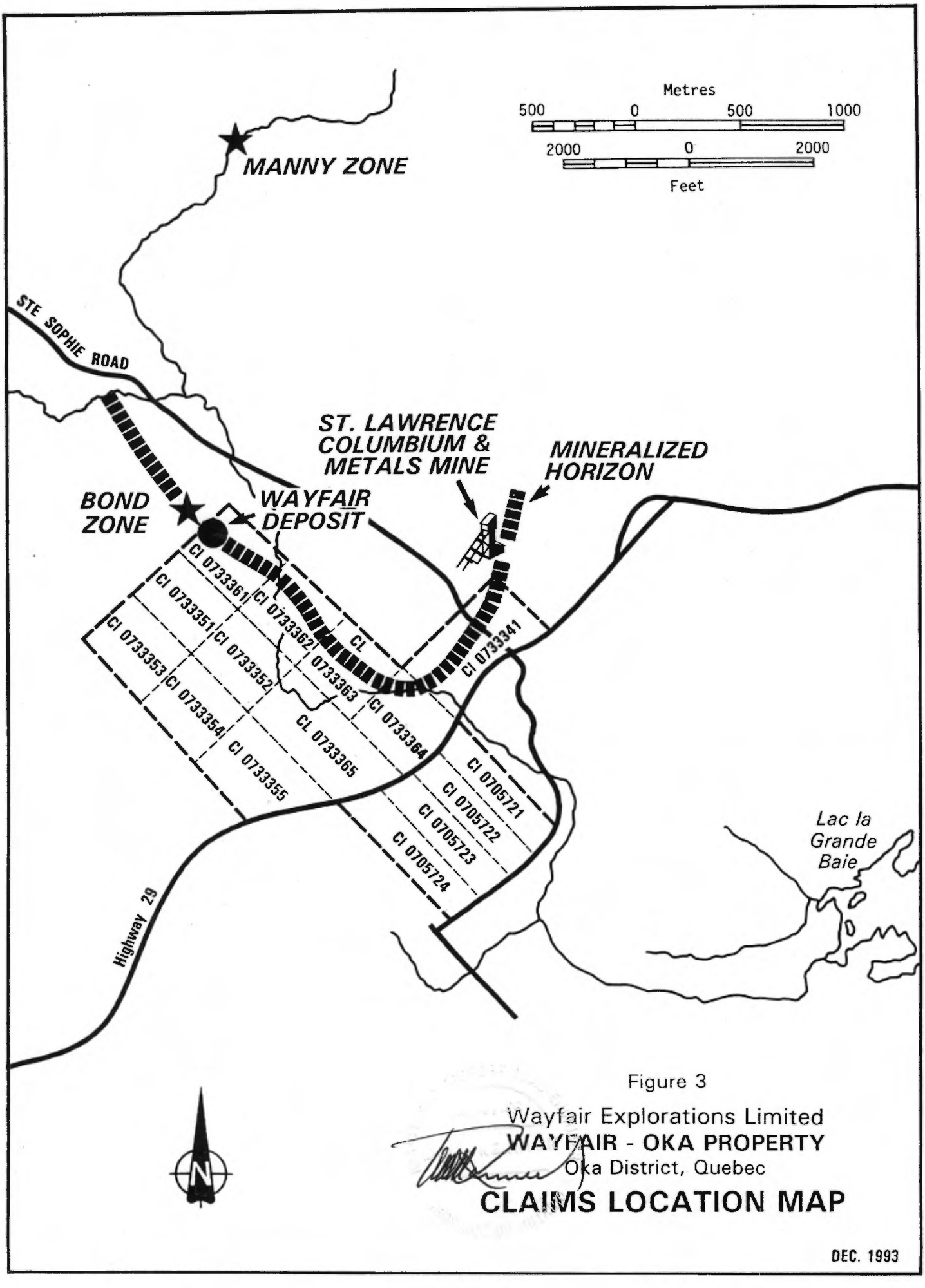


Figure 3

Wayfair Explorations Limited

WAYFAIR - OKA PROPERTY

Oka District, Quebec

CLAIMS LOCATION MAP

DEC. 1993

Oka Property deposit. The St. Lawrence deposit supported a producing mine from mid - 1961 to 1976.

The southwest part of the property in underlain by Precambrian rocks including: crystalline limestone; quartz-feldspar-hornblende and or garnet and biotite gneiss interbedded with diopsidic marble and quartzite; diabase dikes. The northeast portion of the claims group is underlain by Cretaceous rocks of the Oka Complex (Fig. 2) the most important of which are ijolite and microijolite, okaite and nepheline okaite, and carbonatite. For detailed descriptions of these and the many other rock types comprising or related to the Complex the reader may refer to published reports by Davidson (1963), Gold and Vallee (1969) and Maurice (1957).

The niobium-bearing and rare earth minerals occur in the contact zone between Precambrian crystalline limestone and the intrusive Cretaceous rocks of the Complex. Concentrations of the mineralization are better developed in areas where small dikes and sills of the intrusive are most abundant. Available data indicate that the Precambrian-Cretaceous contact roughly parallels the northwest boundary of the property passing through claims 733351, 733352 and part of 733365, before swinging rather abruptly to almost due east through claims 733364 and 733341 (Fig. 3). Dips along the contact zone are generally steep to the northeast or north. Because the contact is undulatory, strikes along the contact zone vary from N 45 degrees West to N 45 degrees East. The section which hosts the Wayfair Oka Property deposit dips 70 degrees east and strikes N 10 degrees West.

Concentrations of niobium-bearing mineralization occur as shoots or lenses of variable width and length and appear to be lenticular both vertically and horizontally. Some cut across different rock types. The best values are found in close proximity to intrusive rock, in the ijolite and microijolite, and crystalline limestone or calcitic rocks.

Very little is known of the structure in the vicinity of the deposit except that there appears to be a fault along the west or footwall side of it. Diamond drilling

has confirmed that there is no change in the structure of the rocks hosting the mineralization down to 1,300 feet (395 metres), the maximum depth drilled to date, or along strike.

(iii) Economic

Preliminary diamond drilling confirmed the presence of significant mineralization along a strike length of more than 4,500 feet (1,370 metres) to a depth of 1,300 feet (395 metres). This work indicated a resource reserve of 106,000,000 tons grading 0.26 percent Nb_2O_5 (Sullivan, 1961). Alternative figures, based on the same data, indicate reserves of 72,480,000 tons grading 0.32 percent Nb_2O_5 or 38,243,000 tons grading 0.40 percent Nb_2O_5.

Detailed drilling on claim 733361 delineated a body suitable for open-pit mining within an area 1,000 feet (305 metres) long, 700 feet (215 metres) wide (Fig. 4) and 340 feet (105 metres) deep. In 1961, a reserve of 5,067,500 tons grading 0.43 percent Nb_2O_5 was calculated using a 0.20 percent Nb_2O_5 cutoff grade and allowing for 10 percent dilution, by A.A. McClosky, P. Eng., Consulting Mining Engineer, assisted by D.W. Sullivan, P. Eng., of Scope Mining and Exploration Consultants Limited. A separate review of the data by Walter F. Brown, P. Eng., Mining Consultant, in March, 1966 confirmed the McClusky - Sullivan calculations.

During 1971, Mr. Fernand Dubuc, M.Sc. conducted a new review of the drilling data from the proposed open pit area. In his report dated September 21, 1971 to Mr. E.P. McDonough, President, Columbium Mining Products Ltd. Dubuc states: "Combining the information from both the detailed surface drilling done in 1960-61 and the deeper drilling done earlier, the total tonnage estimated comes to 8,051,375 tons grading 0.509 percent Cb_2O_5. Since spacing between the deep drilling averages about 200 feet while the surface drilling is on 80 foot section, the total tonnage could be divide into a proven surface tonnage, down to about 350 feet, of 5,480,394 tons of 0.497 percent Cb_2O_5 and a further probable tonnage of 2,570,981 tons of 0.535 percent Cb_2O_5 from 350 feet down to about 800 feet". Dubuc further

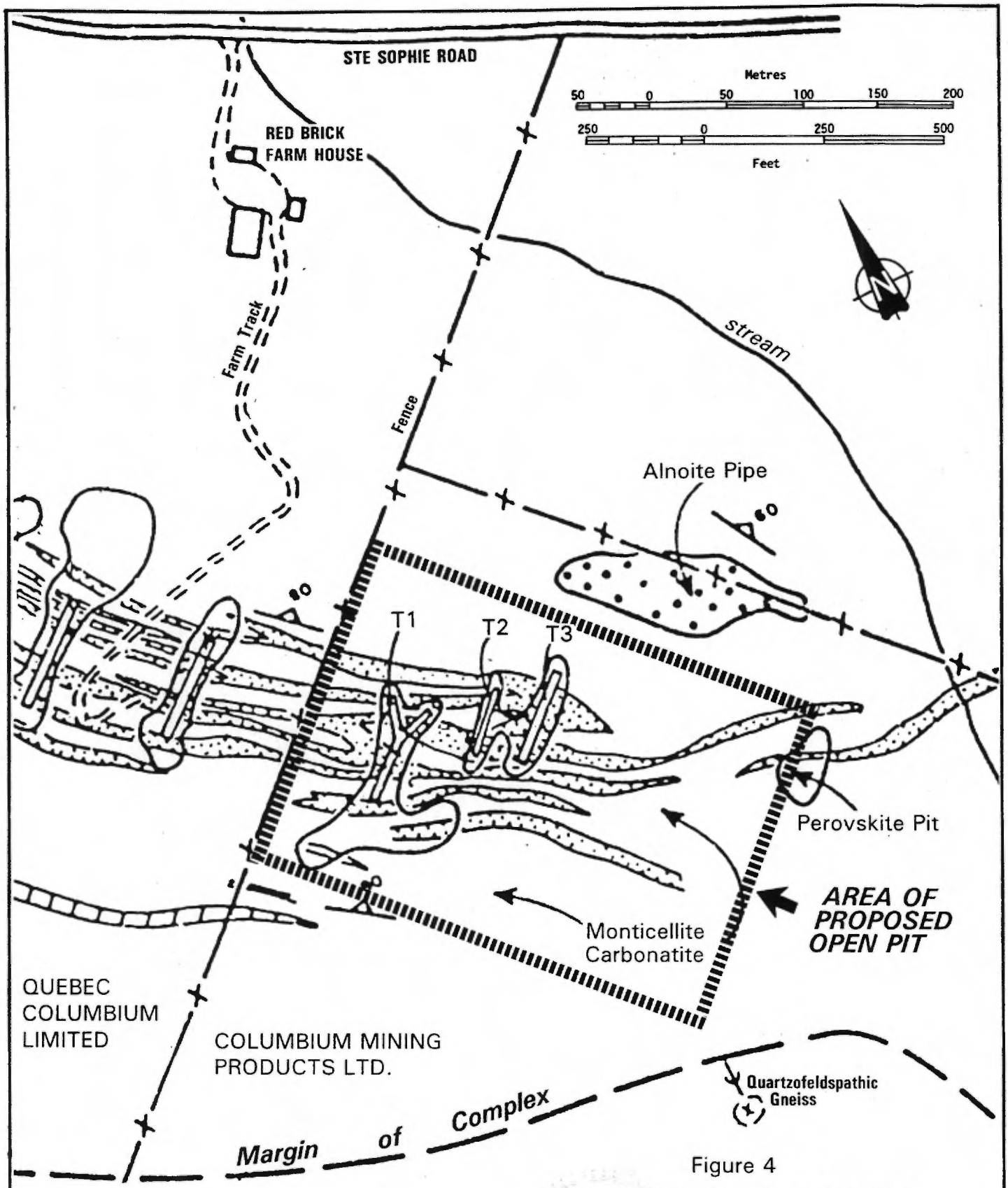


Figure 4

Wayfair Explorations Limited

WAYFAIR - OKA PROPERTY

Oka District, Quebec

GEOLOGY
PROPOSED OPEN PIT

DEC. 1993

Modified after D.N.R.Q. 1967 B-897

refers to the zone "splitting at depth into 2 distinct zones with possible extension southward beyond the 1,000 foot length ...." and that "the grade of this possible extension is much higher than the average ore (.799% Cb_2O_5 as against .489%)." While making the estimate "there was an attempt at excluding as much as possible drilling intersections assaying below .40% Cb_2O_5" but no mention is made of a dilution allowance so it must be assumed that none was incorporated into Dubuc's calculations.

MINERALIZATION

Niobium-bearing minerals occur as discrete euhedral grains disseminated throughout the gangue. They may vary in size from location to location or within the same specimen. The grain size range is from 10 microns to 1,400 microns. Betafite generally tends to be more fine-grained than the other related minerals.

Pyrochlore is the dominant mineral in the marble series although significant amounts of perovskite are also present. Perovskite in the marble is invariably associated with sphene which may or may not be niobium-bearing. Niocalite occurs sporadically within the marble series. Betafite tends to occur near or at the contacts of biotized ijolite; a minor amount of perskovite occurs within the ijolite. However, overlapping relationships take place between the occurrence of specific niobium-bearing minerals and specific rock types.

The gangue minerals in the marble consist dominantly of calcite, diopside and biotite; subordinant gangue constituents are apatite, melilite and monticellite. Minor gangue constituents in the marble are phlogopite, sphene, magnetite, pyrite, pyrrhotite, fluorite, sericite, olivine, arfvedsonite and vesuvianite. The pyrochlore, perovskite, betafite and niocalite are essentially accessory minerals.

The gangue minerals which are contributed by the ijolite are dominantly biotite, aegirinaugite and nepheline; subordinant gangue minerals are garnet, zeolites and cancrinite.

No single ore mineral appears to be localized in any particular part of the deposit although, as indicated above, there are some general relationships between the occurrence of some ore minerals and specific rock types. A zonation of the deposit based on the distribution of niobium-bearing minerals is not apparent. Rather, on the basis of specimens examined, the niobium-bearing minerals appear to be uniformly dispersed throughout the deposit in, roughly, the same relative proportions.

CONCLUSIONS

Definition drilling has confirmed a minimum reserve of 5,000,000 short tons grading 0.43 percent Nb_2O_5 along 1,000 feet (305 metres) at the northwest end of a mineralized zone with a strike-length greater than 4,500 feet (1,370 metres). The overall minimum reserve potential of the zone, based on preliminary drilling, is 38,243,000 tons grading 0.40 percent Nb_2O_5 (McClosky and Sullivan of Scope Mining and Exploration Consultants Ltd., 1961 and Walter F. Brown for Kilborn Engineering Ltd., 1966).

Engineering studies concluded that the 5,000,000-ton reserve could be mined by open-pit methods. Geological indications are that it could be increased significantly by additional definition drilling at depth and along strike to the southwest.

No data have been collected to establish the quantities of rare earth elements in the Wayfair Oka Property deposit although various technical publications, including those authored by Gold (1969) and Maurice (1957), note that they are present in other similar deposits within the Oka Complex.

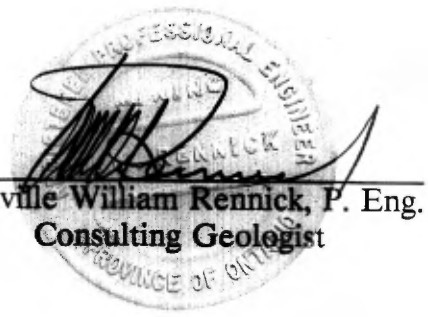
Outstanding advances in mining and milling technologies and very substantial increases in product prices, and in equipment, consumable supplies and labour costs have all contributed to making the Kilborn plans and projections obsolete. New feasibility studies will have to be conducted. They should include investigations into the feasibility of recovery and the overall economic impact of producing saleable by-products such as rare earth minerals, apatite, magnetite and calcium carbonate, in addition to a primary niobium concentrate.

The relatively simple sink-float method of concentration has the potential to produce a saleable product for an established milling operation at a costs beneficial to both parties. It could relieve the primary producer from the financial burden of

a "finished product" milling installation. For the buyer of such a product, mining, mine development and crushing costs would be eliminated; fine grinding, tailings disposal, and milling costs per pound of finished product would be substantially reduced; the production of the milling installation would be increased without the added costs of increasing the physical capacity of the mill. Further tests should be conducted to evaluate the viability of using this technique in the exploitation of the Wayfair Oka Property deposit.

It is concluded that the real present-day value of the Wayfair Oka Property can be set approximately at C $1,863,000.00 and that a reassessment of the feasibility of putting the property into production should be carried out. The value was established by adjusting the estimated costs of previous work on the property to reflect 1993 costs; by umpirically assigning a value of C$0.01 per pound contained in the reserve potential of 38,243,000 tons grading 0.40 percent (8.0 pounds per ton) Nb_2O_5; discounting the indicated value of the calculated niobium content by 80 percent.

Toronto, Ontario, Canada
December 15, 1993



Melville William Rennick, P. Eng.
Consulting Geologist

RECOMMENDATIONS

It is recommended that sufficient funds be provided to finance the following activities, the results of which could establish a sound basis for a complete reassessment of the feasibility of putting the Wayside Oka Property into production.

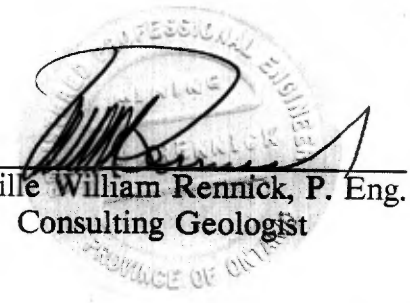
Collect adequate samples for at least two bench scale tests. These samples should be collected from trenches T1 and T3 (Fig. 4) and blended to provide two composite samples of material reflecting, as nearly as possible, the average grade of the deposit, i.e. 0.40 - 0.45 percent Nb_2O_5. A suitable size for each sample would be about 150 pounds.

Conduct bench scale testwork to develop a floatation and magnetic separation procedure to produce concentrate grades in the order of 60 percent Nb_2O_5 and investigate the possibility of producing by-products such as apatite, magnetite, calcium carbonate, and rare earth minerals.

Conduct bench scale testwork to develop a sink-float separation procedure to determine the optimum bulk reduction/pyrochlore concentration ratios and any possible by-products which might be produced by employing such a procedure.

All of which is respectfully submitted for your information and consideration.

Toronto, Ontario, Canada
December 15, 1993

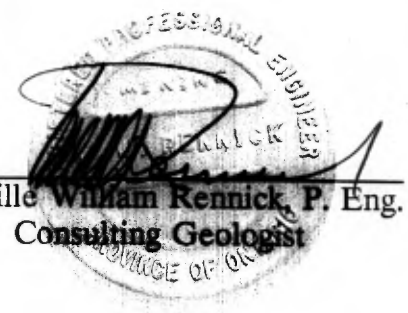


Melville William Rennick, P. Eng.
Consulting Geologist

ESTIMATED COSTS OF RECOMMENDED WORK

Sample Collection - including labour, transportation, subsistence and miscellaneous expenses	$ 2,600.00
Bench Scale Testwork - two complete series of tests @ $25,000.00 ea.	50,000.00
Extra Analyses - for rare earth minerals, etc.	900.00
	$53,500.00
Plus Contingencies @ 15%	8,025.00
	$61,525.00
Add G.S.T. @ 7%	4,310.00
TOTAL ESTIMATED COST	**$65,835.00**

Toronto, Ontario, Canada
December 15, 1993



Melville William Rennick, P. Eng.
Consulting Geologist

CERTIFICATE

I, Melville William Rennick, of the Borough of East York, in the Municipality of Metropolitan Toronto, do hereby declare:

1. That I am a Consulting Geologist residing at 234 Donlea Drive, Toronto, Ontario, M4G 2N2.

2. That I am a graduate of the Provincial Institute of Mining, Haileybury, Ontario, in 1955 and have been continuously engaged as a practising geologist since that time, and I am a Registered Professional Engineer in the Province of Ontario.

3. That the foregoing report is based on several sources of information which are believed to be authentic and reliable.

4. That no personal examination of the subject property was conducted.

5. That I have no interest, direct or indirect, in Wayfair Explorations Limited or Tenango Explorations Inc. or in any of their properties, nor do I expect to receive any such interest.

6. That I do not own and have not received, directly or indirectly, or expect to acquire any interest, direct or indirect, in the securities of Wayfair Mines Limited or Tenango Explorations Inc.

Toronto, Ontario, Canada
December 15, 1993

Melville William Rennick, P. Eng.
Consulting Geologist