TECHNICAL REPORT ON THE SANTA ELENA PROPERTY, SONORA MEXICO PREPARED FOR SILVERCREST MINES INC.

Report for NI 43-101

Author:

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TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF APPENDIX FIGURES & TABLES

1 SUMMARY

EXECUTIVE SUMMARY

N. Eric Fier, CPG, P. Eng, Chief Operating Officer for SilverCrest Mines Inc. (SVL) and President of Nusantara de Mexico S.A. de C.V. (Nusantara, SVL Mexican sub) has prepared this Technical Report on the Santa Elena Property, in north-eastern Sonora, Mexico. The purpose of this report is to support a revised estimate of Mineral Resources. The property is considered to be at the pre-feasibility stage of development.

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

Table 1-1 MINERAL RESOURCES
(Excludes Reserve) - January 2009
SilverCrest Mines Inc. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag
Indicated	2,161,240	2.75	170.2	190,666	11,815,600
Inferred	3,258,800	1.11	76.2	116,235	7,977,000

Notes:
1. CIM definitions were followed for Mineral Resources.
2. Composites capped at 12 g/t Au and 300 g/t Ag.
3. Cut-off grade of 0.5 g/t Au equivalent.
4. Mineral Resources are exclusive of Mineral Reserves.
5. Numbers rounded.

The new resources show an increase of 150% in contained gold ounces in indicated resources and a decrease of 4.6% in contained gold ounces in inferred resources compared to the resource estimates announced June 26, 2008. Contained ounces of silver in Indicated Resources increased by 172 % and contained silver ounces in Inferred Resources increased 4.8%.

A reserve was declared on the property in August 2008 (see Technical Report on SEDAR dated August 11, 2008). This reserve is stated below and remains unchanged from previous report.

TABLE 1-2 MINERAL RESERVES – AUGUST 2008
SilverCrest Mines Inc. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag
Probable	6,542,000	1.61	56.7	339,600	11,927,000

Notes:
1. CIM definitions were followed for Mineral Reserves.
2. Mineral Reserves are estimated at a cut-off grade of 0.5 g/t Au.
3. Mineral Reserves are estimated using a long-term gold price of US$765 per ounce, a silver price of US$11.95 per ounce, and a US$/peso exchange rate of 1:10.58.

The potential underground resources were segregated by utilizing a conceptual, ultimate Whittle pit shell based on a gold price of US$850 per ounce and silver price of US$12 per ounce and a cut-off grade of 1.75 g/t Au equivalent. These cut-off parameters reflect the higher cost of underground mining and are generally considered standard for establishing current underground resources in Mexico.

TABLE 1-3 UNDERGROUND MINERAL RESOURCE JANUARY 2009
SilverCrest Mines Inc. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag
Indicated	1,084,390	2.10	127.6	73,235	4,448,800
Inferred	1,350,080	1.94	121.5	84,057	5,276,300

Notes:
1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are estimated at a cut-off grade of 1.75 g/t Au equivalent at a ratio of 83:1 (Ag:Au) using a 94% Au recovery and 80% Ag recovery.
3. Mineral Resources are estimated using a long-term gold price of US$850 per ounce, a silver price of US$12 per ounce, and a US$/peso exchange rate of 1:10.58.
4. Minimum mining width of 2 metres.

N. Eric Fier, CPG, P.Eng. is of the 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.

Additional drilling is required to delineate the extent of the mineralization to the east, down dip 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 expanded Phase III budget of $650,000 is designed to advance the property by further delineation of the resource base. The program includes diamond drilling, reverse circulation drilling and revised independent resource modelling. N. Eric Fier 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 negotiations have been completed with the surface.

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$1,300,000 has been paid to date. There are no applicable work commitments or underlying royalties to the property owners.

On November 12, 2007, Nusantara signed an agreement with the Community of Banamichi (Ejido) for a 20 year lease on surface rights for a maximum of 841 ha with

respect to exploration and exploitation. The annual cost per year will range from approximately US$55,000 to $160,000 dependent on the number of hectares required. A payment of approximately US$55,000 has been made to initiate the agreement and cover the first year of the lease.

The Santa Elena Project is a historic high-grade gold-silver producer with production estimated at 100,000 tonnes at a grade of 6 to 8 g/t Au and 70 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 single compartment 100 m 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 has a 500 tonne per month contact with the smelter and is periodically producing product for shipment. Their last shipment was in late 2006.

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 were 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 1.2 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 drill-tested to a down-dip depth of approximately 600 m from surface.

The SVL surface program consisted of 10 trenches containing a total of 289 samples which returned values ranging from 20 m of 5 g/t Ag 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. SVL completed a core drill program in 2007 consisting of 21 holes totalling 3,273 m.

SVL completed a drilling program in 2008 consisting of an additional 48 core holes (9,939 metres), 4 geotechnical core holes (1,163 metres) and 21 reverse circulation drill holes (4,308 metres). A total of 15,791 m of core drilling has been completed as of December 2008. Near-surface results from the core drilling shows values in the Main Zone ranging from 2.1 m of 1.59 g/t gold and 182.0 g/t silver to 51.45 m of 1.53 g/t gold and 126.9 g/t silver. Overall, the Main Zone has an average width of 15.6 m at a weighted average uncut grade of 1.7 g/t gold and 82.5 g/t silver.

During the 1980s, a number of metallurgical tests were carried out on the ore. In February of 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 CN consumption. 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.

In 2007, SilverCrest completed a significant amount of metallurgical work using SGS Group lab (certified) in Durango Mexico. The results for 7 column-percolation tests show a recovery ranging from 58 to 72% for gold and 30 to 39% for silver. Material was crushed to -3/8" for six columns and -1/4" for one column. A comparison of results for the two sizes shows minor changes in recovery, therefore, the -3/8" is considered optimum. Results suggest that the Santa Elena mineralization is amenable to processing by standard heap leach methodologies.

In 2008, Metcon Inc. of Tucson, Arizona initiated a series of bottle roll tests and 11, six metre high columns for feasibility work. This test work was ongoing at the time of this report.

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 based on a detailed aerial flight 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 3 m lengths. The variogram ranges for Au are less than for Ag and so the search was configured to use the Au ranges.

Estimates were limited to a minimum of 3 and a maximum of 12 composites with no more than 3 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. A specific gravity of 2.67 based on test work 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 3. On inspection of the block model, it was found that most of the code 2 blocks (i.e. 1st 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

N. Eric Fier, CPG, P. Eng, Chief Operating Officer for SilverCrest Mines (SVL) and President of Nusantara de Mexico S.A. de C.V. (Nusantara, SVL Mexican sub) has prepared this Technical Report on the Santa Elena Property, in north-eastern Sonora, Mexico. The purpose of this report is to support a revised 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-gold projects. There current property holdings include exploration and advanced stage projects in Mexico and El Salvador.

SOURCES OF INFORMATION

Site visits were carried out by N. Eric Fier who has visited the property numerous times over in 2008 including detailed reviews of drilling, QA/QC, exploration planning and scheduling.

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 N. Eric Fier for SilverCrest Mines. The information, conclusions, opinions, and estimates contained herein are based on:

- Information available to N. Eric Fier 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, N. Eric Fier 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.

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 Inc. 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, 2006, 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 (completed), eighteen months $60,000 (completed), twenty-four months $50,000 (completed), thirty months $500,000 (completed), thirty-six months $500,000 (completed), 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.

On November 12 2007, Nusantara signed an agreement with the Community of Banamichi (Ejido) for a 20 year lease on surface rights for a maximum of 841 ha with respect to exploration and exploitation. Lease payments are dependent (at Nusantara's discretion) on the number of hectares required for a given year. A minimum of 285 ha is required for exploitation. The annual cost per year will range from approximately US$55,000 to $160,000 dependent on the number of hectares required. A payment of approximately US$55,000 has been made to initiate the agreement and cover the first year of the lease.

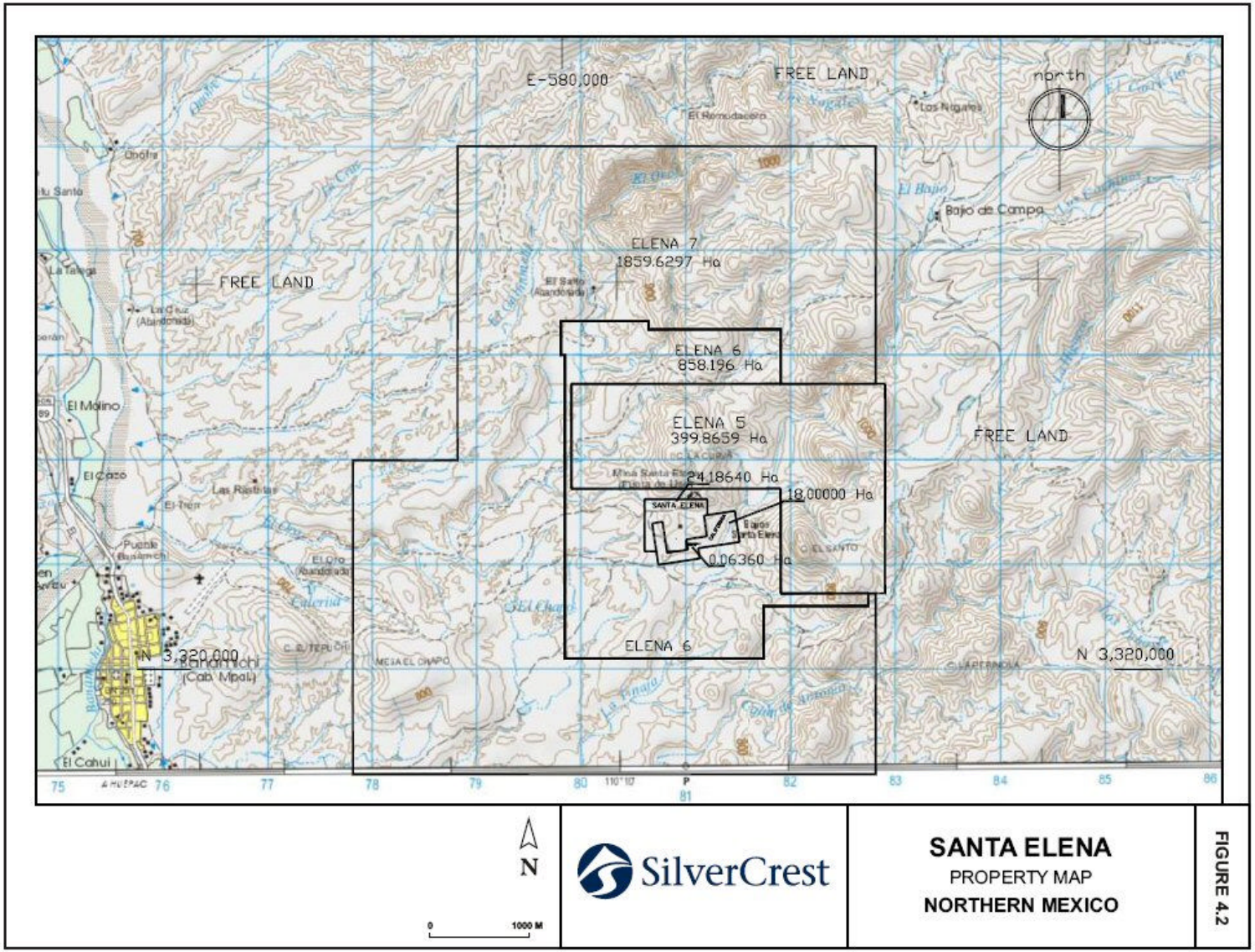
The new Mining Regulations, signed in February 2005 and put into effect in January 2006, provide for all concessions to be valid for a period of 50 years. Taxes, based on the surface area of the concession, are due in January and June of each year at an annual cost of approximately US$10,000. All tax 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 as of November 12 2007, an agreement with the surface owners has been signed as defined above.

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.

FIGURE 4-1 LOCATION MAP

FIGURE 4-2 PROPERTY MAP



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. Self- generation for reliable power may be considered if a mining operation is justifiable.

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 4 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 project 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 bulk headed 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 Project 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 to 8 g/t Au and 70 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 single compartment 100 m inclined shaft, 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 can not 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. Stopping 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, some 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 was shipped at a grade of 3 g/t to 4 g/t Au. Approximately 15,000 tonnes 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 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, approximately 30 kilometres 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 but that 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 contact 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 this report

During 2003, Sergio A. Trelles Monge, CPG and Qualified Person 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. completed a brief surface and underground sampling program with the collection of 119 samples. A report was completed and provided to the owner which 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 Inc. 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

FIGURE 6-1 SECOND LEVEL SAMPLE RESULTS

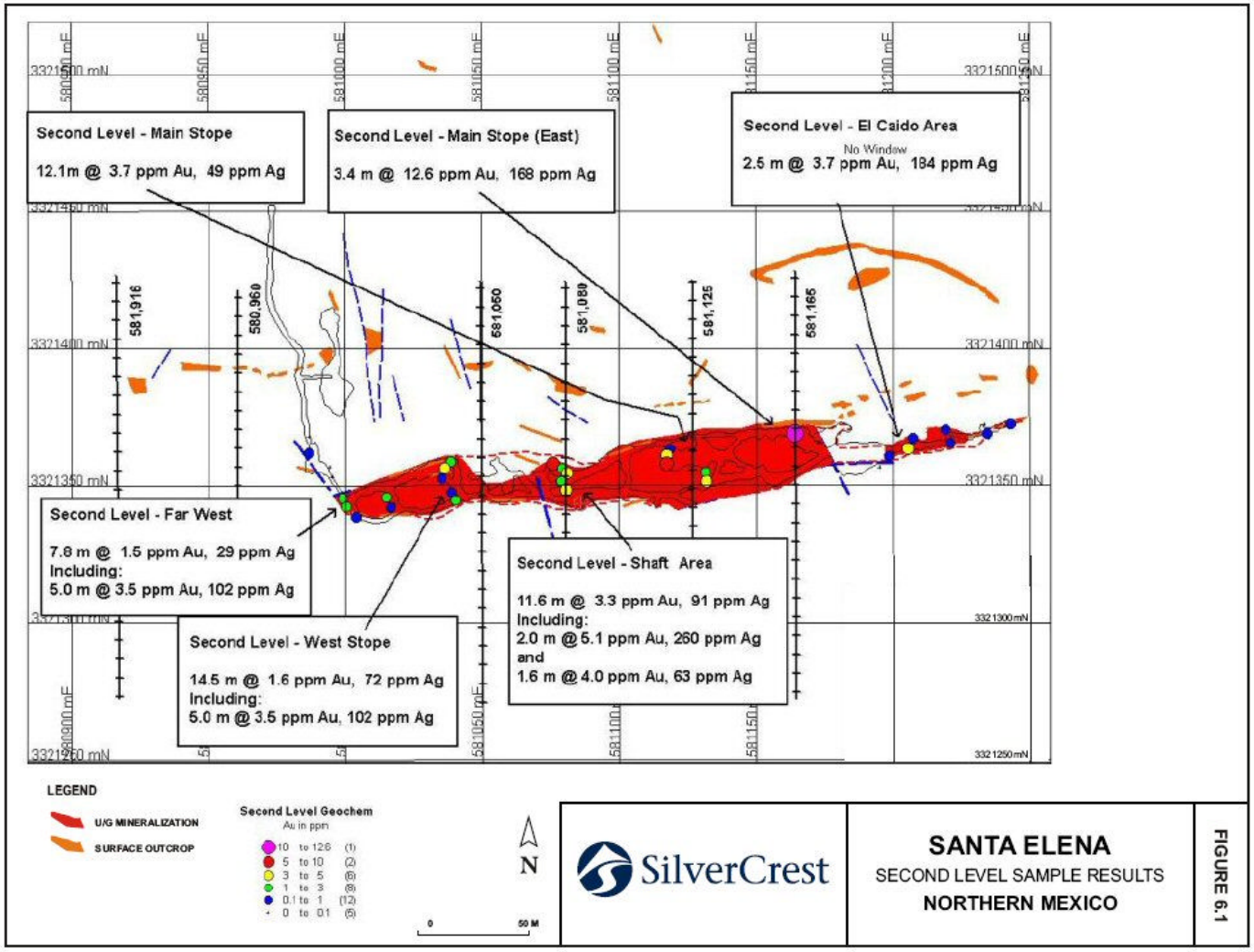


FIGURE 6-2 THIRD LEVEL SAMPLE RESULTS

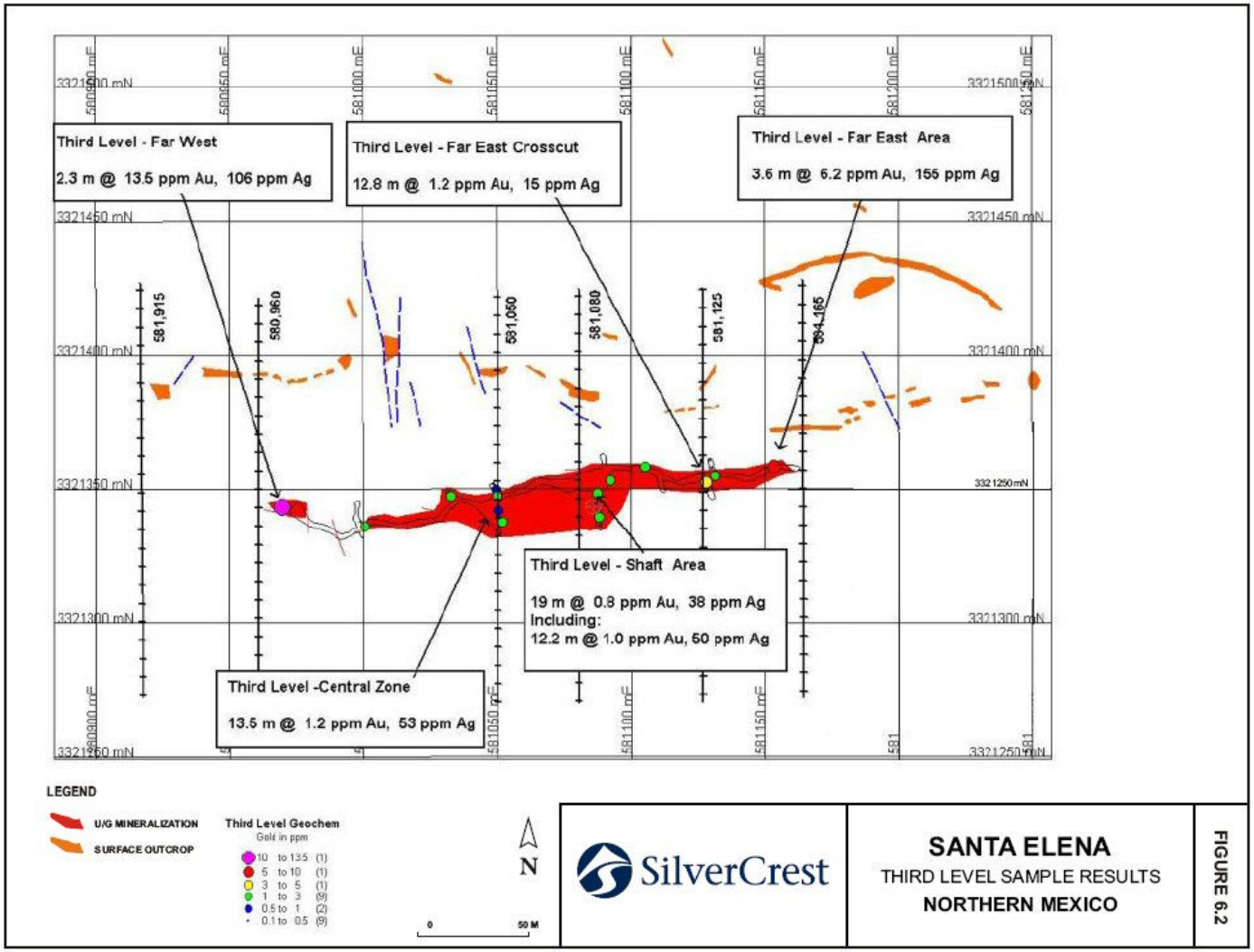
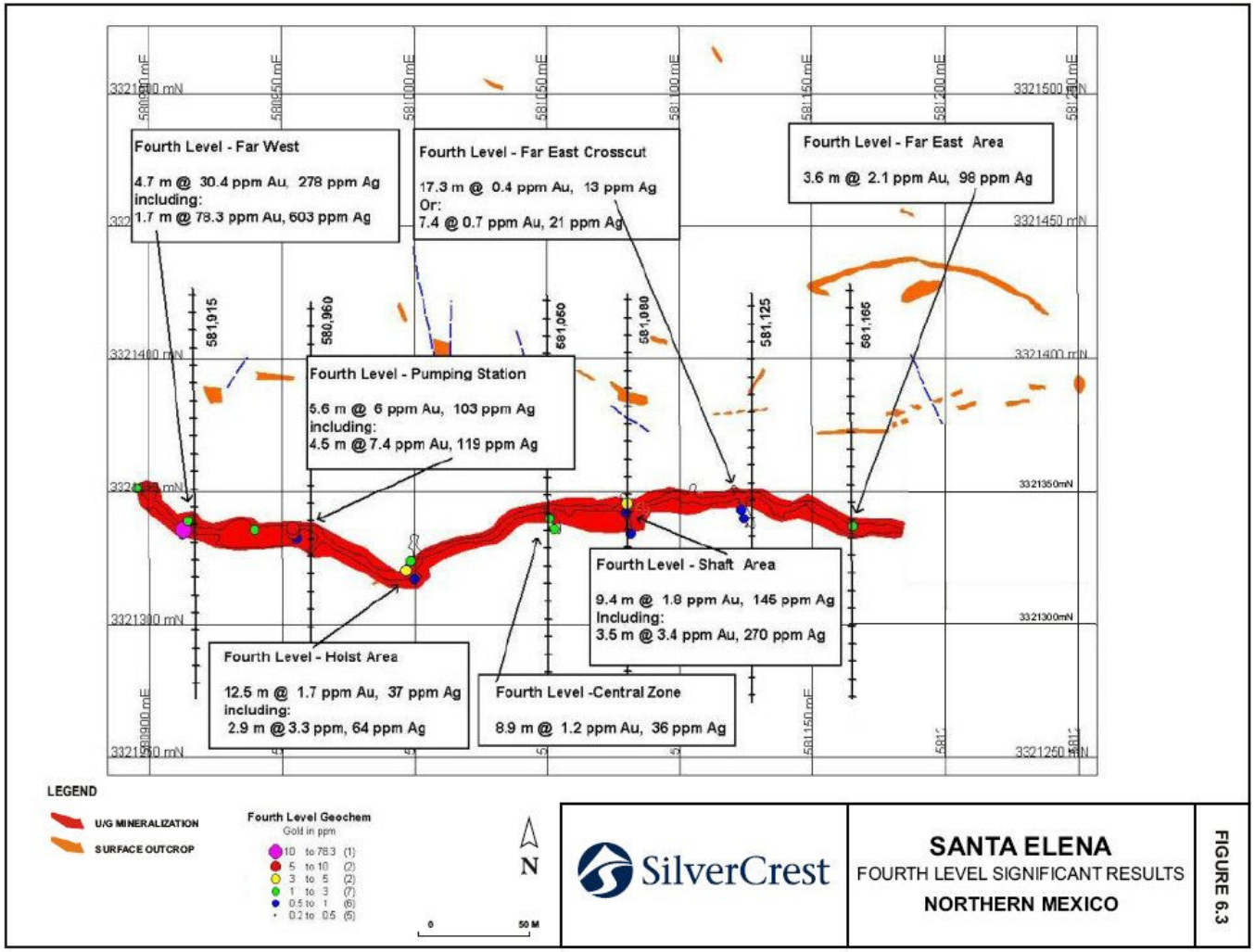


FIGURE 6-3 FOURTH LEVEL SAMPLE RESULTS



7 GEOLOGICAL SETTING

REGIONAL GEOLOGY

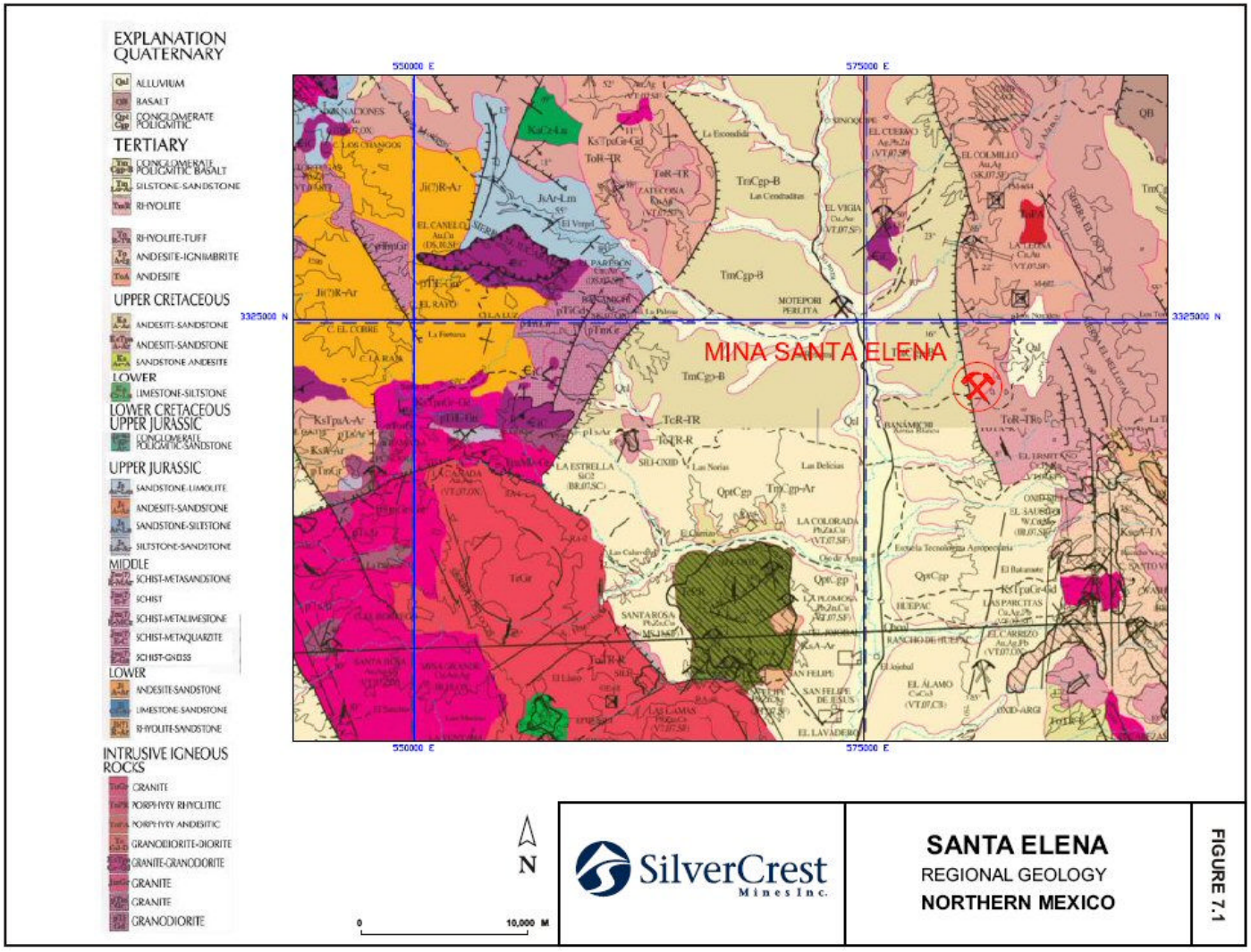
The State of Sonora is dominated by three physiographic provinces, which trend north-south and parallel the Sierra Madre Occidental. The property is located in the Basin and Range Province, which is part of the Sonora Desert subprovince, while the other two provinces consist of the Transitional Zone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

FIGURE 7-1 REGIONAL GEOLOGY



LOCAL AND PROPERTY GEOLOGY

The primary rock types observed on the property are the Tertiary andesite and rhyolite flows (Figure 7-2 and 7-3). 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 1.2 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 drill-tested to a down-dip depth of approximately 600 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.

In late 2007, a geophysical induced polarization (IP), resistivity and magnetometer survey was completed by Pacific Geophysical Ltd. of Vancouver B.C. Compilation of this data was being completed at the time of this report. Initial results show that the Main Zone is a resistivity high (silica) and IP low (minor sulphides) which can to traced for approximately 1.2 km along strike of the zone. Several parallel to near-parallel zones appear to be present and are considered future exploration targets.

Figure 7-2 Property Geology

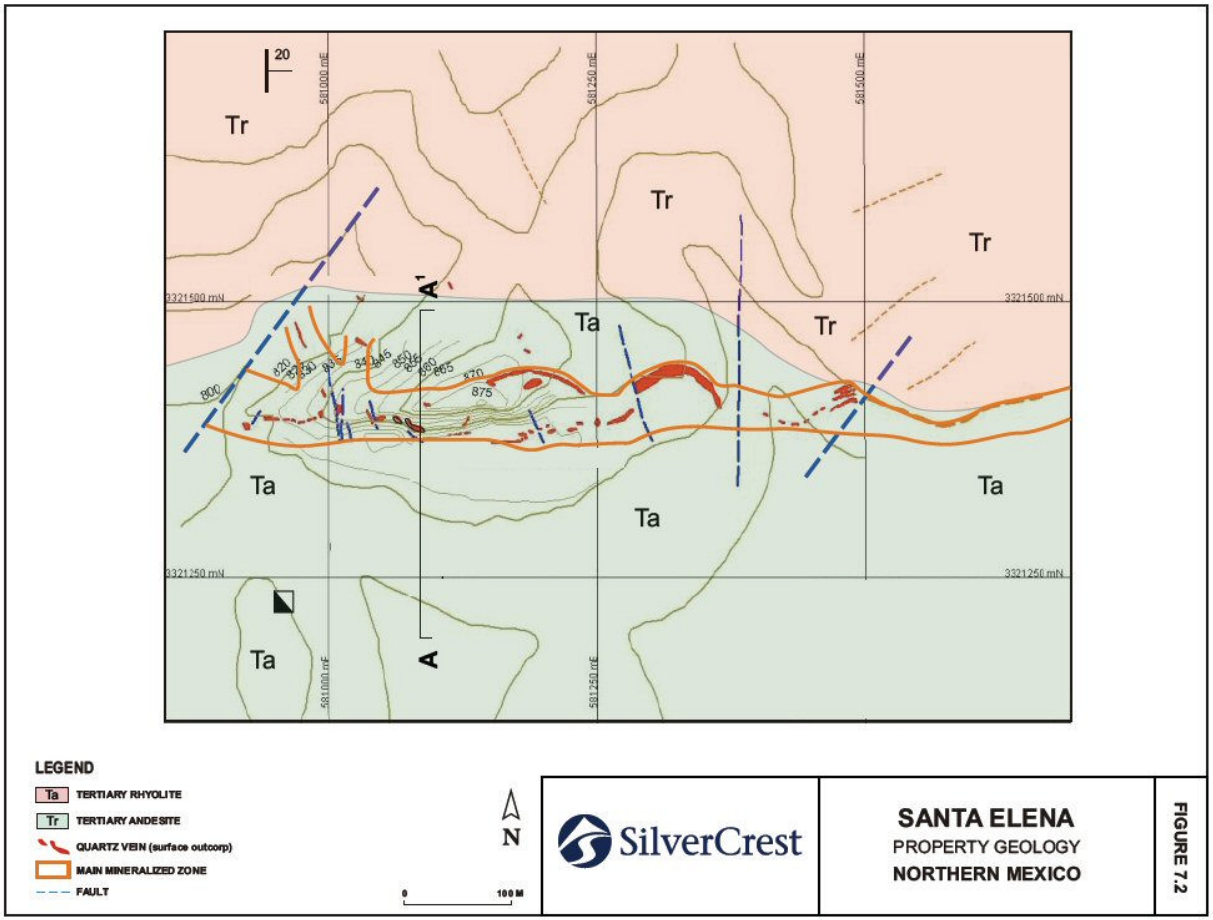
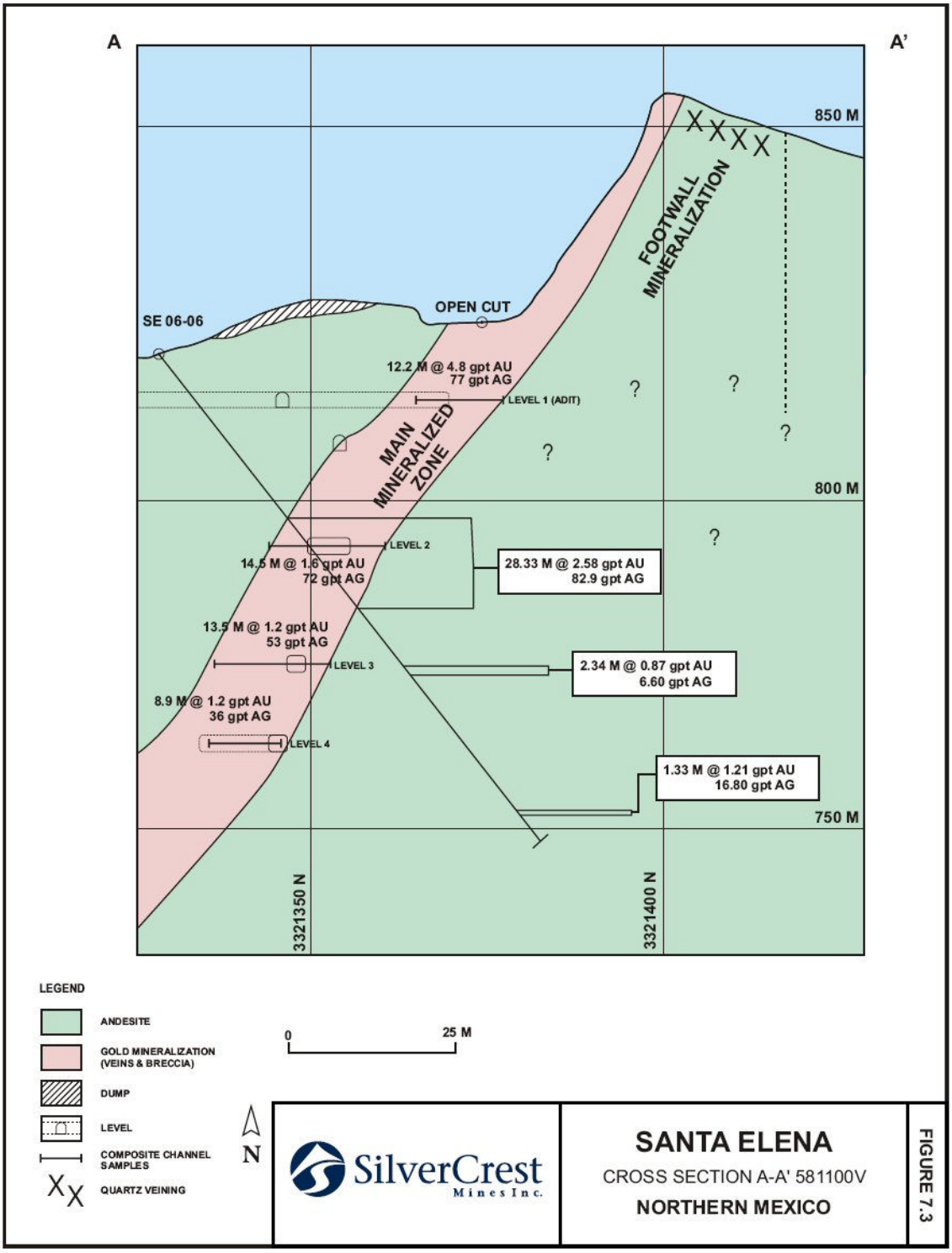


FIGURE 7-3 CROSS SECTION A-A' 581100



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 sub-aerial 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 1.2 km with a true width of 1 m to 35 m, averaging 15 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 400 m below the surface. The deepest core hole intersected the mineralized zone at approximately 400 vertical metres and shows minor disseminated sulphides and rhodonite suggesting possible primary sulphides with oxidation.

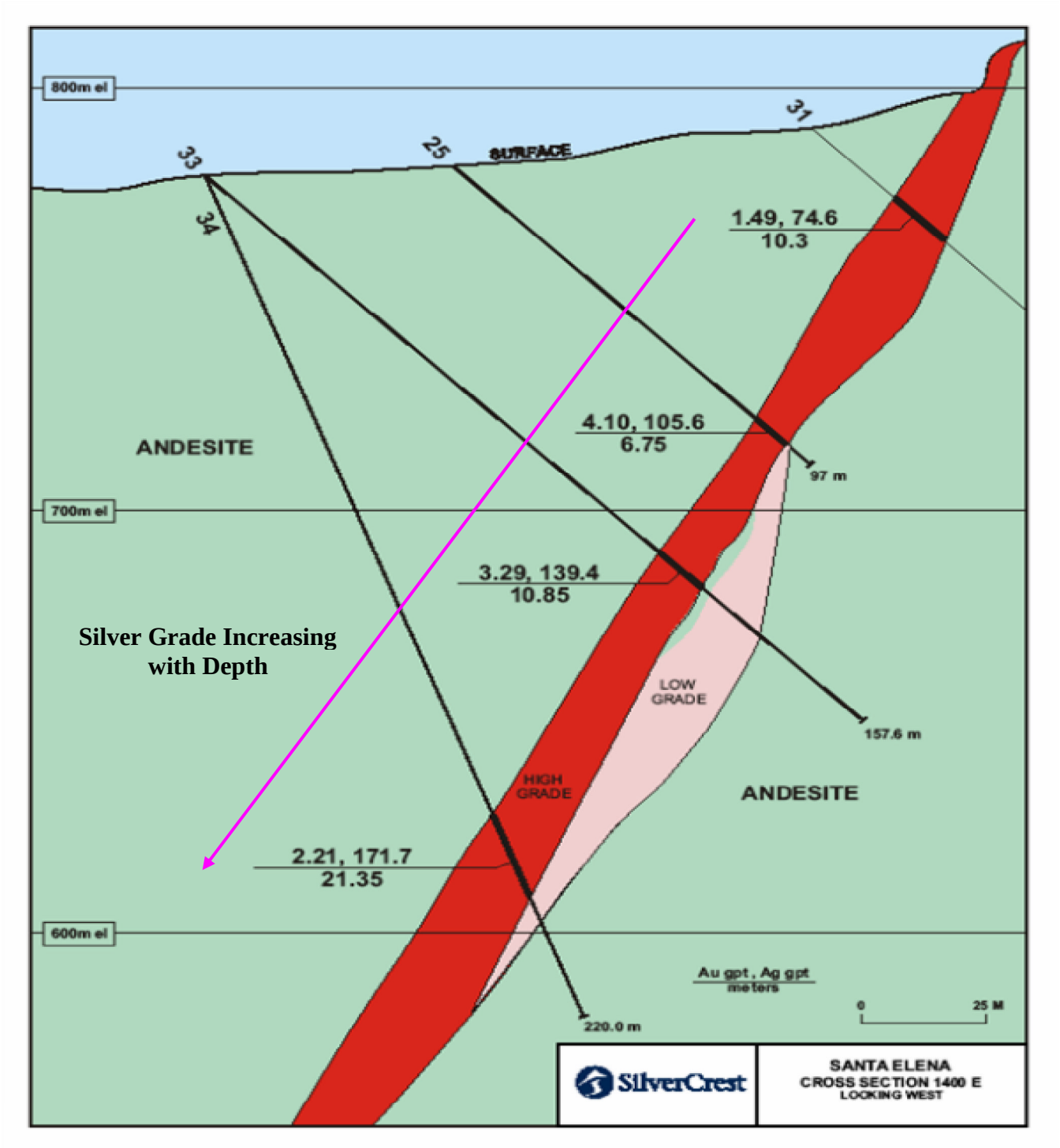
Metal zonation appears to exist with higher grades and thicker mineralized widths near the epithermal boiling zone which daylights in the open cut area and plunges approximately 15° to the east (Figure 7-4) coinciding with volcanic bedding dips. Zonation also appears to correspond to northwest-trending crosscutting structures that intersect the Main Zone and forms high grade shoots. Vertical zonation shows gold content decreasing with depth and silver content increasing (Figure 8-1).

Minor sulphides have been observed only in a few locations within the mineralized zone. The andesite in the hanging wall shows disseminated pyrite averaging 5%. Calcite is found in close proximity to pyrite and averages about the same. Some select locations in the hanging wall shows +30% of finely disseminated pyrite with +30% of disseminated and veinlets of calcite. Significant hydrothermal breccias exist in the hanging wall andesites proximal to the Main Zone with drill hole (SE 07-20 and 21) intercepting up to 200 m of breccia with a pyrite/calcite matrix. Selective sampling shows some anomalous lead, zinc and copper suggesting a possible mineralized intrusive (porphyry) at depth. Initial results from the 2007 geophysical program indicate deep-seated IP highs.

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, adularia, chlorite and fluorite. Black calcite can be a significant gauge mineral found within the main mineralized zone. Analysis shows calcite up to approximately 15%.

FIGURE 9-1 CROSS-SECTION 1400E



10 EXPLORATION

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

In 2006 and 2007, 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.

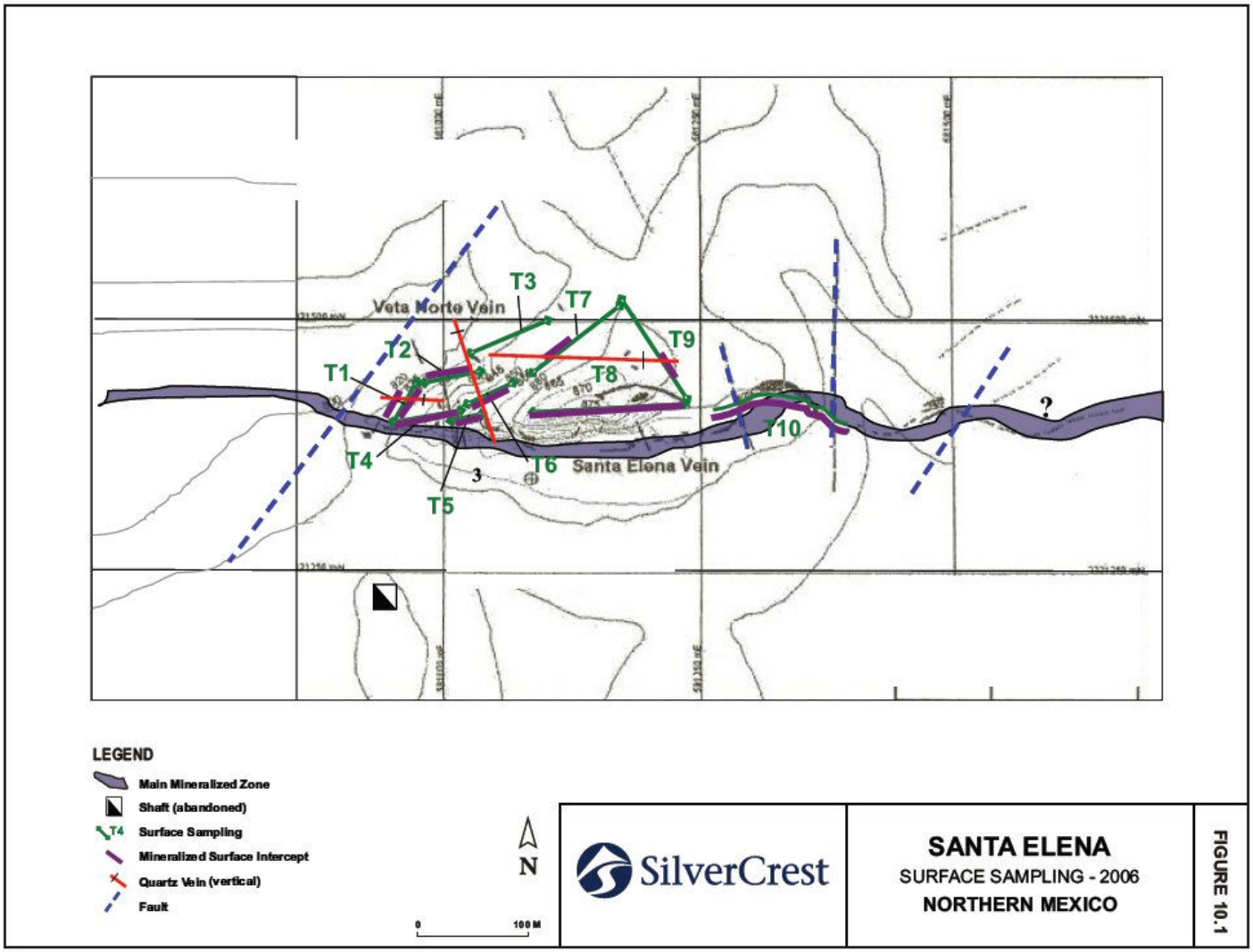
SURFACE SAMPLING

The SVL surface program was conducted in May 2006 under the direction of N. Eric Fier, CPG, P.Eng. and 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 Inc. Santa Elena Property, Mexico

Trench	From (m)	To (m)	Length (m)	Aug/t	Au oz/t	Ag g/t	Ag oz/t
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

FIGURE 10-1 SILVERCREST SURFACE SAMPLING – 2006



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 hole but two were drilled north at angles from -45º to -70º. Periodic down hole 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 45 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 averaged 75%.

TABLE 11-2 DRILL INTERCEPTED UNDERGROUND WORKINGS

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.

SVL completed a core drill program in 2007 (July to November) consisting of 21 additional holes totalling 1,951.4 m (Figure 11-1). Drilling was completed by Cabo

Drilling de Mexico, a subsidiary of Cabo Drilling Corporation of North Vancouver B.C. using a Longyear 38 drill and associated support equipment. This program is considered the Phase II drill program and will continue into 2008. The purpose of the Phase II program is to better define to resource, convert inferred resources to indicated (measured included) and expand resources.

Core holes (HQ and NQ size) were drilled on an estimated 40 to 100 m sections along the east-west trending strike of the mineralized zone. All hole were drilled north at angles from -45^{o} to -70º. Periodic down hole surveys were completed to test hole deviation. Most of the holes were short and showed little to no change in orientation.

Of the 21 core holes, all were drilled perpendicular to the mineralized structure at 45 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.

SVL completed a drilling program in 2008 consisting of an additional 48 core holes (9,939 metres), 4 geotechnical core holes (1,163 metres) and 21 reverse circulation drill holes (4,308 metres). A total of 15,791 m of core drilling has been completed as of December 2008. (Figure 11-1). Drilling was completed by Cabo Drilling de Mexico, a subsidiary of Cabo Drilling Corporation of North Vancouver B.C and Intercore Drilling de Mexico of Guadalajara using a Longyear 38 drill and associated support equipment. This program is considered the extended Phase II drill program. The purpose of the Phase II program was to better define to resource, convert inferred resources to indicated, expand resources and declare a reserve.

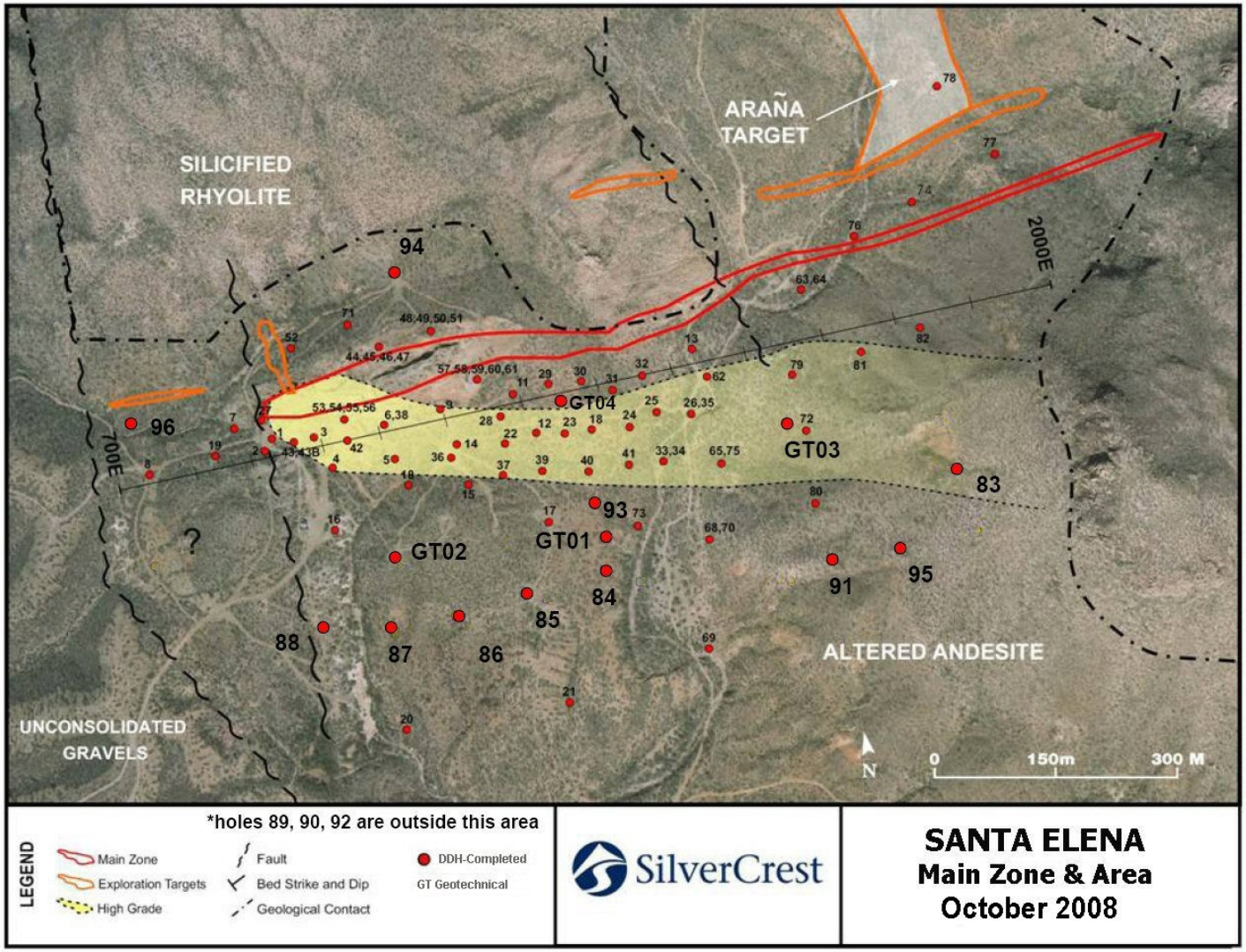
Core holes (HQ and NQ size) were drilled on an estimated 40 to 100 m sections along the east-west trending strike of the mineralized zone. All hole were drilled north at angles from -45^{o} to -70º. Periodic down hole surveys were completed to test hole deviation. Most of the holes were short and showed little to no change in orientation.

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

Reverse circulation drilling was completed as pre-collars for coring and condemnation drilling in the proposed waste dump and leach pad areas.

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.

FIGURE 11-1 DRILL PLAN – MAIN ZONE AREA



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, 2007 and 2008 core drilling programs 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.

The 2008 RC drilling program consisted of collection of chips and placed in plastic chip boxes at 2 m intervals and labelled for interval and hole identification.

All surveying, including drill hole collars was completed by GPS or a registered surveyor. Eagle Mapping of Vancouver B.C. completed an aerial flight in 2007 with detailed (1 to 2m) contouring of the project. All drill pads and holes were validated using the new surface topography. The drill collars are marked in the field with a concrete cap.

N. Eric Fier 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 gram fire-AA finish for gold and ICP for multiple geochemical 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 during analysis of Santa Elena samples. SVL did not insert standards or blanks in the field. Duplicate samples were analysed as discussed in Section 14 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.

N. Eric Fier 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 on 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-gram 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-gram-fire assay with an aqua rega finish. Results are shown in Table 14-1.

TABLE 14-1 SCOTT WILSON SAMPLING

SilverCrest Mines Inc. 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		

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.

Thompson Howarth plots are attached as Appendix 1. Based on the limited 2006 data, the SVL silver assays show a bias of up to 60% lower than the corresponding Fronteer assays below assays of 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 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 the SVL silver fire with AA finish results. This result

lends support to the higher values. The fire assay with AA results is used in the resource estimate as they are more similar to the Fronteer results which are also used.

TABLE 14-2 SILVERCREST SAMPLING
SilverCrest Mines Inc. 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

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 (Figure 24-3). Results of this study show an overall 20.3 % increase in silver grade using silver gravimetric assays. AA silver results were used in the resource estimation and are considered conservative for grade estimation. . Further work is required on silver gravimetric (or 4 acid digest) verses fire-AA finish values to help define the actual silver grade.

For quality assurance and control, duplicate analysis on 16 of the above 298 samples were completed at ACME Laboratories in Vancouver on ALS-Chemex pulps from core sampling and preparation (Table 14-3). Both analyses are based on fire assay with AA finish.

TABLE 14-3 SILVERCREST SAMPLING
SilverCrest Mines Inc. 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.

During Phase II drilling (2008) approximately every 20th sample was duplicated in a different laboratory for QA/QC purposes. The results of these analysis are presented in Table 14-4.

Table 14-4 SilverCrest Sampling
SilverCrest Mines Inc. Santa Elena Property, Mexico

	ALS – Chemex		Inspectorate			
Sample Number	Au g/t	Ag g/t	Au g/t	Au, dupl. g/t	Ag g/t	Ag, dupl. g/t
314214	2.72	90.6	2.77	2.76	98.7	--
314311	10.15	55.3	9.44	9.48	56.9	--
314379	0.13	42.2	0.12	--	36.9	--
314463	0.56	34.3	0.72	--	37.4	--
314538	5.20	91.4	5.36	5.42	86.5	--
314581	2.00	45.1	1.89	1.92	41.4	--
314675	3.04	73.6	3.14	2.84	89.2	--
482123	0.01	<0.2	<0.01	--	<0.1	--
482194	0.01	<0.2	<0.01	--	<0.1	--
482440	0.21	19.8	0.22	--	20.0	--

	ALS – Chemex		Inspectorate			
Sample Number	**Au g/t**	**Ag g/t**	**Au g/t**	**Au, dupl. g/t**	**Ag g/t**	**Ag, dupl. g/t**
482626	0.02	1.8	0.02	--	<0.1	--
482824	0.03	6.4	0.04	--	6.7	--
449463	3.91	650.0	3.87	3.88	135.0	141.6
449595	0.01	0.3	<0.01	--	<0.1	--
449794	0.02	1.4	0.02	--	1.3	--
449834	1.07	141.0	1.15	1.19	130.9	136.8
449895	0.08	30.3	0.19	--	<0.1	--
449945	0.02	1.8	0.02	--	1.2	--
450683	0.26	18.8	0.24	--	17.8	--
450347	0.51	22.0	0.60	--	23.9	--
450224	0.62	98.2	0.83	--	89.1	--
Average	**1.45**	**61.0**	**1.45**		**41.5**	

The comparison for 2008 drill sample results show average gold and silver results to be the similar and within acceptable limits for QA/QC.

N. Eric Fier 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 at and 36.5% for silver with a cyanide consumption of 3.13 kg/tonne and lime consumption of 4.0 kg/tonne.

In September of 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 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 t0 144 hours indicated an increasing gold recovery of 61% to 68% and a silver recovery of 21% to 31%. Column tests were carried out at a crush size of -35 mesh indicated a gold recovery of 62% after 10 days. A further test at -1/4 in crush indicated a gold recovery of 53 % and a silver recovery of 13% after 13 days. Cyanidation of a flotation concentrate over 72 hr from the same composite sample indicated a recovery of 71% for gold and 32% for silver.

In February of 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. 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 2006 BOTTLE ROLL RESULTS

SilverCrest Mines Inc. Santa Elena Property, Mexico

Sample no.	Calculated head Au (g/t)	Calculated head Ag (g/t)	% Au Recovery	% Ag Recovery	Consumption NaCN kg/mt
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 CN 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 of 2006, ten core samples were collected by SVL and sent to ACME Laboratories in Vancouver BC 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.

In 2007, an extensive metallurgical study was completed on Santa Elena which included a series of fine and coarse bottle roll tests and 7 column-percolation tests (columns). All laboratory metallurgical test work was completed at the SGS Group lab (certified and qualified) in Durango Mexico.

Samples for bottle roll tests came from surface, underground and core. Material for the column-percolation tests came from 3 bulk samples with an average weight of 350 kilograms. Bulk samples were received from 3 main locations; surface, second level underground and fourth level underground. Continuous channel samples and core were used to composite materials for column-percolation test work. Six columns were completed using crushed material to -3/8" and one column using -1/4". Duplicate columns were completed for main location. Columns were tested over a period of 90 days. Results for the columns are presented in Table 16-2.

TABLE 16-2 SVL 2007 COLUMN-PERCOLATION RESULTS

SilverCrest Mines Inc. Santa Elena Property, Mexico

Sample no.	Calculated head Au (g/t)	Calculated head Ag (g/t)	% Au Recovery	% Ag Recovery	Consumption NaCN kg/mt
Surface #1	1.40	83.55	69	39	0.8
Surface #2	1.40	83.55	71	36	0.6
Second Level #1	2.23	74.23	67	32	0.6
Second Level #2	2.23	74.23	69	30	0.6
Fourth Level #1	3.15	117.55	61	34	0.7
Fourth Level #2	3.15	117.55	58	33	0.6
Surface -1/4"	1.40	83.55	72	37	0.6

The results from the -3/8" versus -1/4" material shows only a minor increase in recoveries with a finer crush size, therefore, the -3/8" material is the preferable size for crushing with respect to optimization.

In 2008, Metcon Inc. of Tucson, Arizona initiated a series of bottle roll tests and 11, six metre high columns for column-percolation test work over a period of approximately 150 days. Bulk sample materials were collected from the same areas as the previous SGS

column test material just in larger volumes. Materials were crushed to -3/8” and placed in designated columns. Leaching is being completed to test sensitivities of solution flow, CN consumption, and lime consumption. Preliminary results show metal recoveries sensitive to size with high solution flow rates preferred. CN consumption is comparable to previous SGS testing at 0.3 to 0.6 kg/t and lime consumption is very low <0.2 kg/t reflecting the high Ca content of the ore.

N. Eric Fier is of the opinion that results show Santa Elena mineralization to be amenable to standard heap leaching methodologies.

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 Inc. 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
SE07 20 to 40	21	173	1,951.4
SE08 41 to 98	48	980	9,939.2
GT08 01 to 04	4	36	1,163.0
RC08 01 to 21	21	25	4,308.0
TOTAL	146	2,106	20,970.4

Scott Wilson RPA's due diligence for the initial (November 2006) resource estimation included a review of all surface, underground and drill hole data, the use of surface topography and location of underground workings. Further due diligence was completed by N. Eric Fier in 2007 on all surface and core drill samples. Scott Wilson RPA assisted with the new December 2008 resource estimation but has not qualified the resource for the purposes of this report.

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 Inc. 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 06-10	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
SE 07-20	476.0	481.3	5.3	0.45	34.75
SE 07-22	81.15	94.0	12.85	4.92	205.2
SE 07-23	71.90	82.00	10.10	6.53	218.7
SE 07-24	67.00	76.00	9.00	4.90	147.4
SE 07-25	64.85	71.60	6.75	4.10	105.6
SE 07-27	7.00	16.00	9.00	0.50	43.6
SE 07-28	60.40	68.45	7.10	0.59	76.4
SE 07-29	28.00	32.05	4.05	0.69	28.6
SE 07-30	16.00	23.86	7.86	2.90	45.0
SE 07-31	9.00	19.29	10.29	1.11	19.1
SE 07-32	26.70	32.70	6.00	1.59	46.8
SE 07-33	128.55	139.40	10.85	3.29	139.4
SE 07-34	160.65	182.00	21.35	2.21	171.7
SE 07-35	97.00	118.20	21.20	2.84	79.5
SE 07-37	125.05	140.5	15.45	0.51	59.8
SE 07-38	51.80	92.2	42.9	0.85	61.9
SE07-39	105.6	139.5	33.9	1.15	94.4
SE 07-40	108.0	159.45	51.45	1.53	126.9
SE07-41	114.05	146.95	32.9	3	187.2
SE07-42	28.85	49	20.15	2.42	73
SE07-42a	30	60	30	1.5	47.6
SE07-43	36.58	47.8	11.22	2.73	28.2
SE07-43a	43.05	56	12.95	3.54	55.9
SE07-44	3	17.5	14.5	0.77	28.7
SE07-45	2	15.9	13.3	0.51	20.1
SE07-46	2	11	9	0.9	42
SE07-47	4.5	23.2	18.7	0.63	74.6
SE07-48	7	16	9	0.2	27.3
SE07-50	10	16	6	0.36	29.06
SE07-51	8.2	16	7.8	0.3	35.88
SE07-53	7.6	23.9	16.3	2.6	73.41

DDH	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t
SE07-54	19	29.7	10.7	5.29	106.75
SE07-55	15.8	22.3	6.6	5.14	226.43
SE07-56	25	61	36	2.46	49.28
SE07-57	23	30.6	7.6	0.89	31.54
SE07-58	28.5	32.3	3.8	1.58	49.33
SE07-59	38.8	40	1.2	1.91	15.9
SE07-60	25.5	37.5	12	0.73	22.45
SE07-61	47.3	54.7	7.4	0.22	15.18
SE07-62	85	106	21	1.71	83.62
SE07-64	55.5	61.4	5.9	0.41	26.18
SE07-65	167	179	12	1.37	108.07
SE08-68	308.4	329	20.6	0.26	23.23
SE08-70	257	278	21	1.41	109.53
SE08-72	263.9	284.6	20.7	1.08	123.15
SE08-73	226.3	240.6	14.3	1.6	151.74
SE08-75	202.4	213.8	11.4	2.83	150.15
SE08-79	187.2	203.1	15.9	1.63	161
SE08-80	333.4	344.6	11.2	3.47	167.1
SE08-81	223.3	225.2	1.9	8.38	260
SE08-82	264.2	264.9	0.7	0.14	15
SE08-84	327.2	332.6	5.4	1.5	78.6
SE08-85	295.4	320.2	24.8	0.15	17.7
SE08-86	318.4	388.2	69.8	0.2	29.1
SE08-88	340.8	358.4	17.6	0.35	18.6
SE08-91	395.9	398.9	3	0.49	54.8
SE08-94	48.2	55.8	7.6	0.27	5.52
SE08-95	428.5	438.1	9.6	2.32	73.9
GT08-01	224.5	252.1	27.6	1.84	72.9
GT08-02	227.5	240.4	12.9	0.65	56.7
GT08-03	219.9	230.3	10.4	1.52	108.5
Weighted uncut Average			15.33	1.60	78.91

TABLE 17-3 SIGNIFICANT UNDERGROUND INTERCEPTS
SilverCrest Mines Inc. 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 N. Eric Fier'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 3 m lengths, starting at the point where the sample string entered the wireframe solid and progressing at 3 m intervals to the exit point. Composite statistics are provided in the table below:

TABLE 17-4 DECLUSTERED COMPOSITE STATISTICS

SilverCrest Mines Inc. Santa Elena Property, Mexico

	Au	Ag
Num	452	452
Mean	2.00	82.40
St Dev	4.12	94.71
CV	2.05	1.15
Median	0.916	48.56
Max	73.69	702.6
Min	0.019	1.30

The composite data for both Au and Ag are observed to be moderately to strongly positively skewed, and so in N. Eric Fier opinion, it is appropriate to cap high grades to a predetermined value. The composites were capped at 20 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. These are the same parameters used for the November 2006 resource estimation.

TABLE 17-5 KRIGING PARAMETERS

SilverCrest Mines Inc. Santa Elena Property, Mexico

	Nugget	Tot. Sill	% Nug.	Ranges			Orientations		
				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 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 Au are less than for Ag and so the search was configured to use the Au (i.e. more conservative) ranges. Estimates were limited to a minimum of 3 and a maximum of 12 composites with no more than 3 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. N. Eric Fier notes that not all blocks within the wireframe model were estimated. Several blocks on the east and lower extremities were left unfilled due to the lack of sample data available.

CLASSIFICATION

Blocks estimated in the first pass were assigned an integer code of 2, and blocks estimated in the second pass were assigned 3. On inspection of the block model, it was found that most of the code 2 blocks (i.e. 1st 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.

N. Eric Fier estimated the block grades using both Inverse Distance to the Third Power (ID3) and Inverse Distance to the Fifth Power (ID5) weighting. The results were virtually the same as for the OK model. The OK model yielded slightly lower grades than the other two methods, and for this reason was used because it is the more conservative estimate.

In N. Eric Fier'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 of 2006. The extracted tonnage and grade is estimated at 57,000 tonnes grading 6 g/t gold and 80 g/t silver above the 4th level. This material has been subtracted from the Indicated resource estimation, which is mostly 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 stated in Section 16.

Table 17-6 shows the resource estimate for Santa Elena based on a cut-off grade of 0.5 g/t Au equivalent, a 64:1 silver to gold ratio, and assuming 100% metallurgical recovery.

Table 17-6 Mineral Resources
(Excludes Reserve) – January 2009
SilverCrest Mines Inc. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag
Indicated	2,161,240	2.75	170.2	190,666	11,815,600
Inferred	3,258,800	1.11	76.2	116,235	7,977,000

Notes:
1. CIM definitions were followed for Mineral Resources.
2. Composites capped at 12 g/t Au and 300 g/t Ag.
3. Cut-off grade of 0.5 g/t Au equivalent.
4. Mineral Resources are exclusive of Mineral Reserves.

A reserve was declared on the property in August 2008 (see SWRPA Technical Report on SEDAR dated August 11, 2008). This reserve is stated below and remains unchanged from previous report.

TABLE 17-7 MINERAL RESERVES – AUGUST 2008

SilverCrest Mines Inc. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag
Probable	6,542,000	1.61	56.7	339,600	11,927,000

Notes:

1. CIM definitions were followed for Mineral Reserves.
2. Mineral Reserves are estimated at a cut-off grade of 0.5 g/t Au.
3. Mineral Reserves are estimated using a long-term gold price of US$765 per ounce, a silver price of US$11.95 per ounce, and a US$/peso exchange rate of 1:10.58.

The potential underground resources were segregated by utilizing a conceptual, ultimate Whittle pit shell based on a gold price of US$850 per ounce and silver price of US$12 per ounce based on projected market conditions. A cut off grade of 1.75 g/t gold equivalent and a minimum width of 2 metres was applied to all resources located outside this conceptual ultimate pit. These cut-off parameters reflect the higher cost of underground mining and are generally considered standard for establishing current underground resources in Mexico. The results of this analysis are shown in the table below.

TABLE 17-8 UNDERGROUND MINERAL RESOURCE JANUARY 2009

SilverCrest Mines Inc. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag
Indicated	1,084,390	2.10	127.6	73,235	4,448,800
Inferred	1,350,080	1.94	121.5	84,057	5,276,300

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are estimated at a cut-off grade of 1.75 g/t Au equivalent at a ratio of 83:1 (Ag:Au) using a 94% Au recovery and 80% Ag recovery.
3. Mineral Resources are estimated using a long-term gold price of US$850 per ounce, a silver price of US$12 per ounce, and a US$/peso exchange rate of 1:10.58.
4. Minimum mining width of 2 metres.

In N. Eric Fier'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.

18 OTHER RELEVANT DATA AND INFORMATION

ENVIRONMENTAL CONSIDERATIONS

No visual evidence of any environmental problems was observed during the site visit. There is evidence of prior treatment (Merrill Crowe and agglomeration) of the ores on the property and the infrastructure is limited to two shafts, an adit and several buildings. Approximate 25,000 tonnes of old tailings will be removed (cleaned up) from site and placed on the leach pad. These tonnes are currently located within the footprint of the proposed leach pad and will be stockpiled for mixing with crushed ore.

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 gold and silver resource that based on the configuration of the deposit and favourable topography could potentially be partially mined by open pit methods. The resource and reserve estimates are stated in Table 19-1 and 2.

Table 19-1 Mineral Resources
(Excludes Reserve) – January 2009
SilverCrest Mines Inc. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag
Indicated	2,161,240	2.75	170.2	190,666	11,815,600
Inferred	3,258,800	1.11	76.2	116,235	7,977,000

A reserve was declared on the property in August 2008 (see Technical Report on SEDAR dated August 11, 2008). This reserve is stated below and remains unchanged from previous report.

TABLE 19-2 MINERAL RESERVES – AUGUST 2008
SilverCrest Mines Inc. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag
Probable	6,542,000	1.61	56.7	339,600	11,927,000

The potential underground resources were segregated with results of this analysis shown in the table below.

TABLE 19-3 UNDERGROUND MINERAL RESOURCE
JANUARY 2009
SilverCrest Mines Inc. - Santa Elena Property, Mexico

Classification	Tonnes	g/t Au	g/t Ag	Contained Ounces Au	Contained Ounces Ag
Indicated	1,084,390	2.10	127.6	73,235	4,448,800
Inferred	1,350,080	1.94	121.5	84,057	5,276,300

In N. Eric Fier'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, down dip 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 pre-feasibility stage of development. The following proposed Phase III budget (Table 20-1) for Santa Elena is based on further defining and expanding the current resource and 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 Feasibility Study and economic feasibility of the project. In addition to the drilling, specific detailed work is required as follows:

- investigate deposit mineralogy and petrography
- do further specific gravity measurements
- test geophysical targets

TABLE 20-1 BUDGET
SilverCrest Mines Inc. Santa Elena Property, Mexico

Task	Cost per unit	Cost $
Core Drilling	2000 m @ $150	300,000
Underground Sampling & Assays	2000 samples @ $30	60,000
Site preparation		60,000
Environmental base line studies		50,000
Resource Modelling	20 days @ $1,000	20,000
Geologist	120 man days @$500	60,000
Labour	150 man days @ $20	30,000
Expenses, accommodation,	200 days @ $100	20,000
Contingency		50,000
TOTAL		650,000

N. Eric Fier, CPG, P.Eng. 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

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

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Scott Wilson RPA., Technical Report on the Santa Elena Property, Sonora Mexico, November 26, 2006.

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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 February 15, 2009, was prepared and signed by the following author:

Dated at Vancouver, BC
February 15, 2009

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, Sonora Mexico”, prepared for SilverCrest Mines Inc., and dated February 15, 2009, 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 25 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
        - Technical Report on the Santa Elena Project, Mexico
        - Technical Report on the Cruz de Mayo Project, Mexico

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 between January 2005 to present including numerous times within the last 12 months (December 2007 to December 2008).

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 43-101F1, 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 the 15th day of February, 2009

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

24 APPENDIX 1

FIGURE 24-1 THOMPSON HOWARTH PLOT SILVER

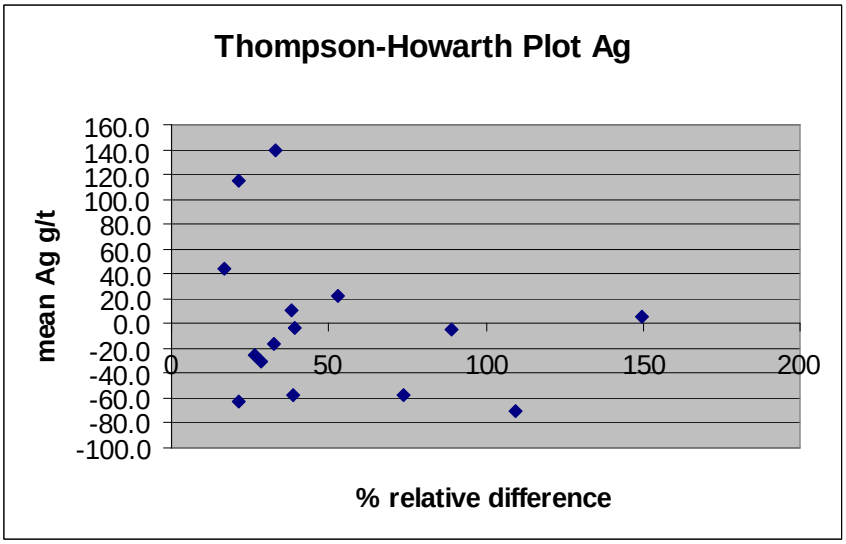

FIGURE 24-2 THOMPSON HOWARTH PLOT GOLD

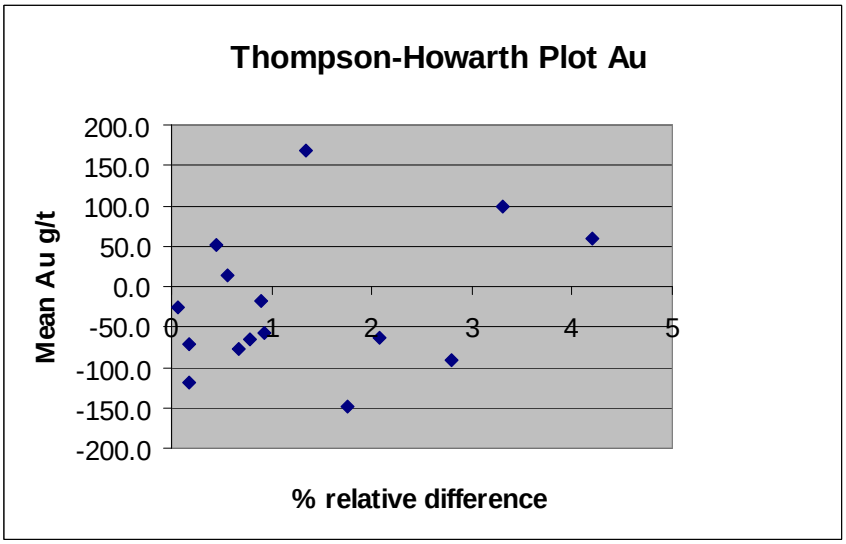

FIGURE 24-3 SCATTER PLOT OF UNDERGROUND SILVER F/AA VS GRAVIMETRIC

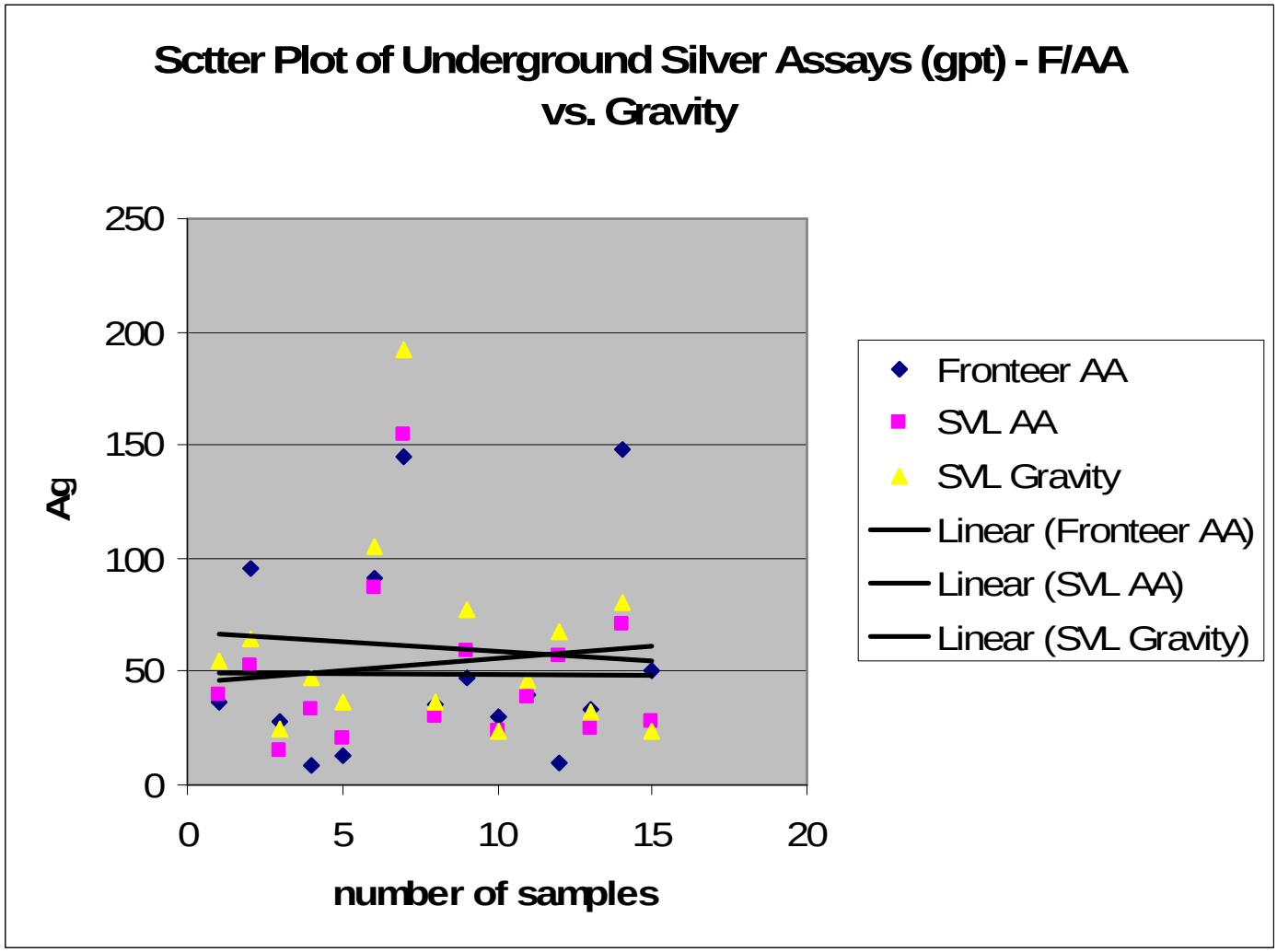

FIGURE 24-4 SCATTER PLOT OF SURFACE SILVER F/AA VS GRAVIMETRIC