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822825

SUMMARY REPORT

on the

GREAT WESTERN PROPERTY

NELSON MINING DIVISION

BRITISH COLUMBIA

for

LECTUS DEVELOPMENTS LTD

530-355 Burrard Street,
Vancouver, B.C.
V6C 2G8

Latitude: 49°26'N

Longitude: 117°20'W

N.T.S. 82F/6W

by

PETER G. DASLER, M.Sc., F.G.A.C.

December 2, 1987

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SUMMARY

The Great Western Property of Lectus Developments Ltd. is located within the Nelson-Ymir mining camp, six kilometres to the southwest of Nelson B.C. It has a long history of mining exploration, but as yet no significant production. The silver King copper-silver mine, the Athabaska gold mine and the Granite-Poorman gold mine are the significant producers adjacent to the property. The latter two have similar mineralization to the high grade mineralization found on the Great Western property.

The exploration programme by Lectus on the "Discovery Zone" has found and defined high grade quartz vein gold mineralization within a large northwesterly trending shear system. The zone of mineralization is open to depth and along strike. Elsewhere on the property similar targets have been identified, but not explored.

Drilling has also confirmed more disseminated gold mineralization away from the veins. This lower grade mineralization was recognized as early as 1896, and at that time was considered a potential mining operation.

Lectus' 1986 drill holes 86-1, 86-2 and 86-3, on the northwestern strike extension of the mineralization found in Asarco explorations drill holes 80-1 and 80-2, defined the present main exploration target. These drill holes intersected a quartz-carbonate breccia zone, which near surface assayed to 0.860 ounces per ton gold over 2.3 feet.

The 1987 drilling has confirmed, and extended the mineralization with further +1 ounce per ton gold intercepts on the postulated NW and SE extensions of this veining. In drill hole 87-3 the zone assayed 1.303 opt over 2.82 feet. This, with other assays of 0.228 opt, 0.142 opt, and 0.502 opt, was averaged to give 38 feet (11.58 metres) of 0.148 opt gold. The mineralization is now indicated over 880 feet (270 metres). The average gold value for the zone is not known, but drilling is continuing.

The present drilling programme is concentrating on the high grade veins at the Discovery Zone. At the same time the potential for a low grade, large tonnage open pit deposit is being evaluated. Further exploration is required to assess the mineralization and soil anomalies on the other areas of the property. This report summarizes the Discovery Zone mineralization only. A budget for the continuation of this exploration totalling \$210,000 is detailed in this report.

INTRODUCTION

At the request of Mr. S. R. Ford., P. Eng., Director of Lectus Developments Ltd, the author has prepared the following summary of the exploration of the Great Western property, Nelson Mining Division.

The property has a long history of mining exploration, but no significant development. The exploration currently undertaken by Lectus has found and defined gold mineralization which has the characteristics of high grade quartz vein mineralization, but also appears to show more disseminated mineralization away from the veins. This report describes the two styles of target.

Exploration is progressing on the property with the continued drilling of the main mineralization on Giveout Creek, and assay results are still being forwarded.

This report is a summary of the information and reports provided by Lectus, and was completed with the assistance of Mr. Guillermo Salazar S., P. Eng., the manager of the project.

LOCATION AND ACCESS

The property is about six kilometres to the southwest of Nelson B.C. It is 1 mile (1.6 kilometres) north of the old Silver King mine, (+ 220,000 tons, copper/silver, minor gold)

Access is by good forestry road off the Nelson-Salmo highway approximately 2.5 miles (4 kilometres) south of Nelson. A secondary forest access track along the west side of Giveout Creek gives access to the centre of the property, and the current drilling areas.

PHYSIOGRAPHY AND VEGETATION

The topography is moderately steep, with elevations from 5000 feet., to a maximum of 7000 feet. Giveout Creek is the main drainage, but is readily traversed via foot or small bridges which allow 4X4 access. Drill water supply is available for most of the year.

Mature forest covers the area of current drilling, but there are areas of clear-fell within the claim holdings. The company has approval from the Ministry for the construction of drill sites and drill access roads.



LECTUS DEVELOPMENTS LTD.		
GREAT WESTERN PROPERTY		
NELSON MINING DIVISION, B. C.		
LOCATION MAP		
SEARCHLIGHT RESOURCES INC.		
DATE: NOVEMBER, 1987	SCALE: 1:8,000,000	FIGURE No. 1

PROPERTY

The land holding as at December 2, 1987, was 64 units, with a combination of crown grants, modified grid and two post staking. This claim group was recently extended by 16 units through the option of the AG, Whisker, Black Witch, North Star, and Tough Nut claims and crown grants. Further negotiations are underway for the optioning of more land.

The property listing as at December 2, 1987 has been provided by Lectus and is as follows:

Claim	Units*	Record No	Record Date	Expiry*
Asarco Option				
Birdseye	CG	L3278	-	-
Princeton Fr	CG	L3938	-	-
Gold Eagle	4	1302	Oct. 16 1979	1990
Gold Eagle #1Fr	1	1531	Mar. 5 1980	1992
Gold Eagle #2	2	1532	Mar. 5 1980	1990
Gold Eagle #3	9	1533	Mar. 5 1980	1990
Gold Eagle #4	6	1841	Aug. 5 1980	1989
Gold Eagle #5 Fr	1	1856	Aug. 13 1980	1990
Gold Eagle #6 Fr	1	1857	Aug. 13 1980	1990
Lady Aberdeen	RCG	919	Jan. 22 1979	1992
Minto Fr.	RCG	920	Jan. 22 1979	1992
Inverness	RCG	918	Jan. 22 1979	1992
Haddo Fr.	RCG	921	Jan. 22 1979	1992
Horseshoe	RCG	1307	Oct. 22 1979	1992
Red Fr.	RCG	1308	Oct. 22 1979	1990
Tregarden Fr.	RCG	1309	Oct. 22 1979	1990
Bourdon Option				
Hillside	6	3512	Sept. 13 1983	1997
Hilltop Fr.	1	3511	Sept. 13 1984	1997
Great Western	RCG	1551	Feb. 19 1980	1998
Irene	RCG	1552	Feb. 19 1980	1998
Great Eastern	RCG	1553	Feb. 19 1980	1998

Claim Information ...

Claim	Units*	Record No	Record Date	Expiry*
Weir Option				
Thistle	CG	L 2238	-	-
White Witch	CG	L 3595	-	-
Great West Fr.	CG	L 4773	-	-
Labelle Option				
North Star	CG	L4149	-	-
Addie, Addie, Palmer Option				
Black Witch	CG	L4146	-	-
Tough Nut	CG	L199	-	-
AG	1	4248	-	9 Oct. 1990
AG 1	1	3827	-	27 July 1989
AG 2	1	3830	-	27 July 1989
AG 3	1	3831	-	27 July 1989
AG 4	1	3832	-	27 July 1989
AG 5	1	3833	-	27 July 1989
AG 6	1	3834	-	27 July 1989
Crow	1	4355	-	16 June 1988
Whiskers 1	1	3926	-	9 Oct. 1989
Whiskers 2	1	3927	-	9 Oct. 1990
Whiskers 3	1	3928	-	9 Oct. 1989
Whiskers 4	1	3929	-	9 Oct. 1989
Whiskers 5 Fr.	1	3930	-	9 Oct. 1989
Palmer Option				
Starlight	CG	684	-	-
Golden Bell	CG	4155	-	-

* CG = Crown Granted Claim, held by payment of annual taxes.

RCG = Reverted Crown Grant. AG & Whisker are 2 post claims

HISTORY

The property is within the Ymir-Nelson mining camp, and has been prospected since before the turn of the century. This camp has been known for a variety of mineral deposits; gold/quartz fissure veins; silver-copper-lead lodes and veins; copper and copper-gold-silver replacements in limestone; and scheelite veining.

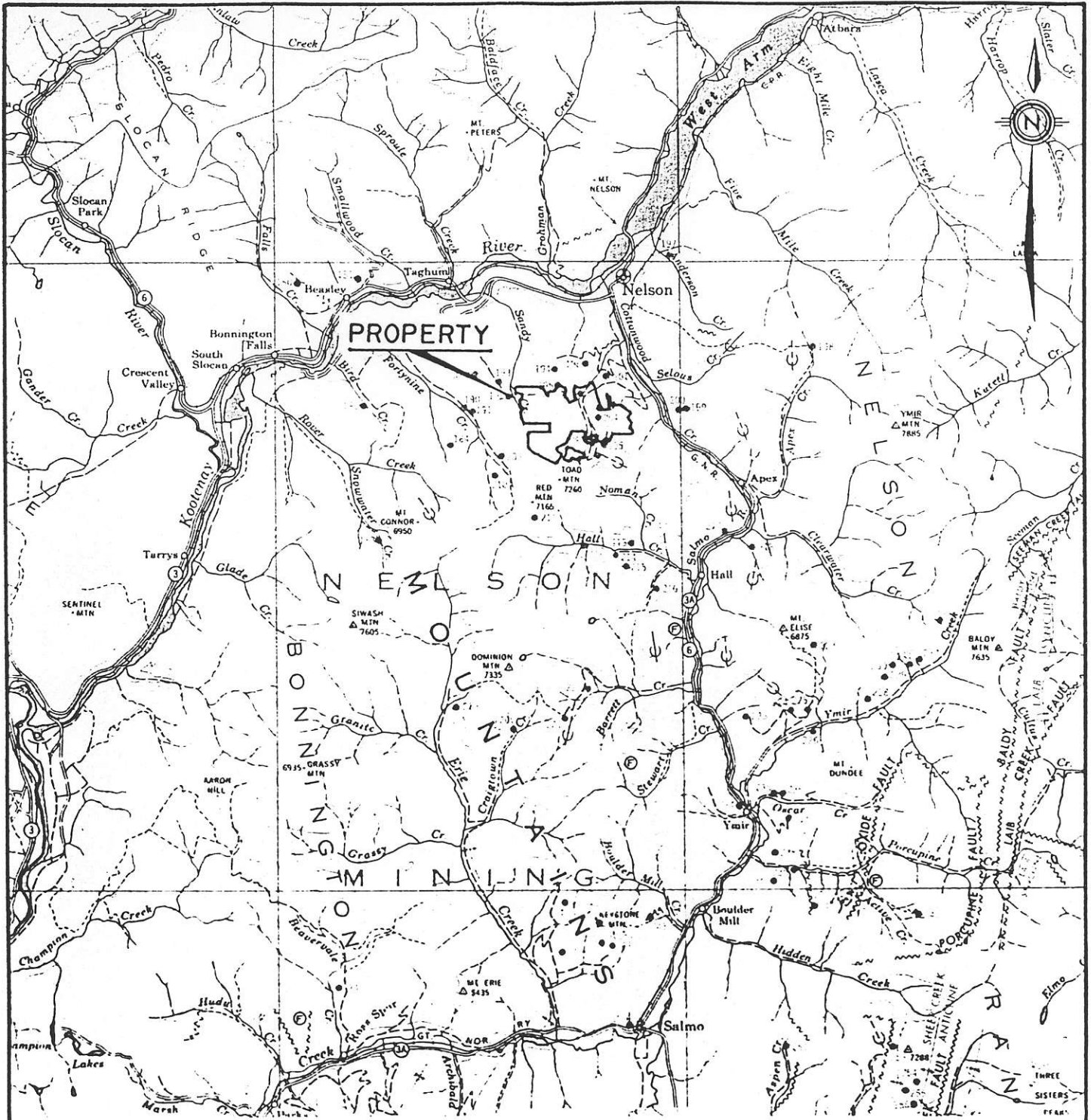
The Great Western property is in the centre of the district, and is bounded on the northeast by the gold/quartz veining of the Athabaska, and California mining prospects. It is bounded to the north by the Venus and Juno vein deposits, and to the northwest by the Eureka vein/replacement copper gold property. Further to the northwest (2 kilometres) is the Granite-Poorman mine, the largest quartz vein gold producer in the area. Production from this mine was 174,300 tons for 65,081 oz gold (0.37 opt).

Immediately to the south of the property is the Silver King mine, one of the earliest copper producers in B.C. Production from this "lode" deposit was over 200,000 tons of copper-silver ore (3.4% copper, 20 opt silver). Gold was a minor component of the ore (0.001 opt).

On the Great Western property there are small tunnels and pits dating back to the early 1900's, but no significant tonnages were mined from them. The Starlight adit produced 23 tons of 0.8 opt (27 grams/tonne). The Victoria-Jessie claim, on the southern edge of the property, near the Silver King mine, produced 3580 tons of 0.03 opt gold (1.16 grams/tonne) and 0.85 opt silver (29 gram/ton). Further production records are tabulated in Appendix 1.

There is some information available for the Starlight claim group from the 1896 BCDM file, p86. It is significant to the present exploration targets, and is reproduced below:

"This group of claims... has been attracting attention by reason of the existence of two auriferous schistose bands, one of which, running through the Starlight, Golden Star and Kootenay Star, has been exploited by a tunnel 209 feet long."



LEGEND

- Roads, hard surface, all weather
- Roads, loose surface, all weather
- Roads, loose surface, dry weather
- Trail and disused road
- Horizontal control point
- International boundary
- District boundary
- Park boundary
- Boundary monument
- Intermittent stream
- Glacier
- Contours (interval 500 feet)
- Contours (position approximate)

- Mining Division boundary
- Mining Recording Office Sub-Office
- Mining property
- Fault
- Anticline, syncline

- Anticline, syncline (overturned)
- Glacial Striae
- Glacial Striae selected from previous published maps
- Fossil locality



LECTUS DEVELOPMENTS LTD.		
GREAT WESTERN PROPERTY		
NELSON MINING DIVISION, B. C.		
REGIONAL MINERALIZATION		
SEARCHLIGHT RESOURCES INC.		
DATE: NOVEMBER, 1987	SCALE: 1: 253, 440	FIGURE No. 4

"This tunnel, crossing the band at right angles, discloses a width of 148 feet of schistose rock between two porphyry dykes, and the results of careful sampling of this width of rock by Mr. G. Grant Ferris, M.E. of London, England, have given the assay value in gold of this rock to be \$3.00 per ton,...[at \$20.17 per ounce this is 0.145 opt, PGD.]...of which 35% was recoverable by amalgamation, and the remainder in the pyrites that amount to 2.5% to 3% of the whole rock."

This reporting of mineralization in the schist is not an uncommon statement of the early reports, however these are certainly the highest values to be stated.

The property again received attention between 1979 and 1982 when Asarco Exploration completed grid soil sampling, magnetometer surveying and IP, and geological mapping over the Aberdeen Group claims. These claims form the central and western part of the Great Western property. This orientation work was followed up by diamond drilling of the Giveout Creek area, (holes 80-1, 80-2, 80-3), and also drilling under the extension of the Venus and Juno vein systems (Birdseye property, holes 81-6, 81-7, 81-8). The Giveout Creek drilling outlined anomalous gold values in the schist. The best result was 110 feet (33.5 metres) assaying 0.025 opt gold (0.86 gram/tonne) from hole 80-1. This result was supported by hole 80-2 which was drilled to the southwest.

In 1984, Lindex Explorations Ltd., (now Lectus), optioned the property from Asarco, and acquired further surrounding ground. A programme of airborne VLF-EM was carried out that year. In 1985, the Asarco grid work was resurveyed, and check sampling was carried out.

Lectus then commenced a ground magnetometer survey, soil sampling and Multipole IP surveying on the property. Four drill holes were targeted to test coincident geophysical and geochemical anomalies defined by the previous programmes. Drill holes 86-1, 86-2 and 86-3 on the northwestern strike extension of the mineralization found in drill holes 80-1 and 80-2, defined the present main exploration target.

REGIONAL GEOLOGY

The area near Morning Mountain consists of rocks of the Lower Jurassic Rossland Group. This is a series of andesite flows, agglomerates and tuffs with minor shales. These are intruded by the Silver King Stock, a porphyritic syenite of Jurassic-Cretaceous age. To the north and northwest the geology is dominated by the rocks of the Nelson Batholith.

Mulligan in GSC paper 52-13¹, identified the Elise and Beaver Mountain Formations, both subdivisions within the Rossland Volcanic Group. These Formations are dominantly volcanic with aphanitic to porphyritic andesite flows and pyroclastic rocks predominating in the Elise Formation. The Beaver Mountain Formation, which overlies the Elise Formation, consists mainly of dark green augite porphyry flows and intrusions.

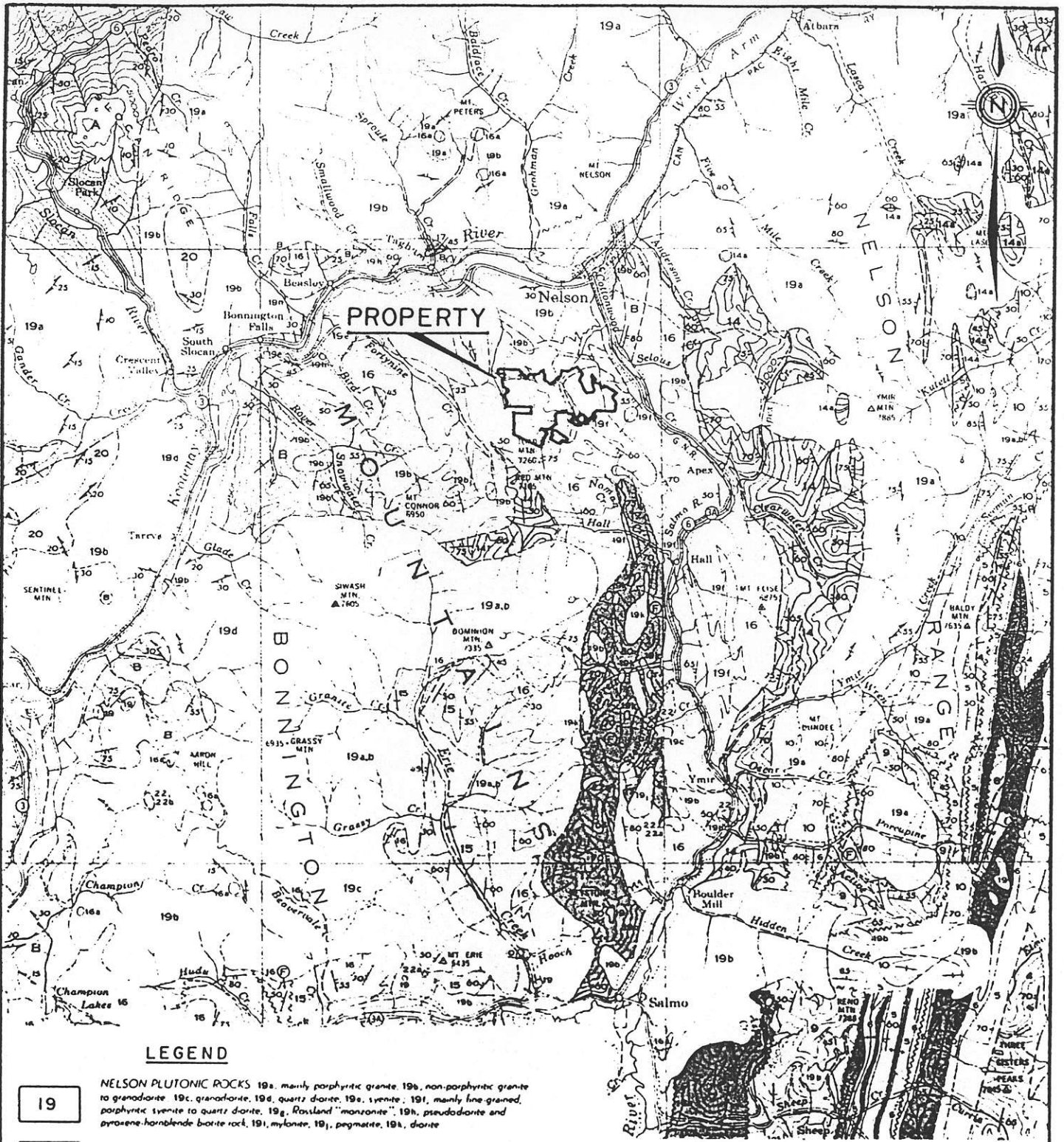
PROPERTY GEOLOGY

Outcrop within the area is practically limited to exposures in Giveout Creek, roadcuts and the summit of Morning Mountain.

Along Giveout Creek, and adjacent to the Silver King Stock, strongly schistose andesite tuffs with abundant pyrite outcrop. These rocks grade easterly into massive augite porphyry near the summit of Morning Mountain. Bedding is not apparent in the metamorphosed tuffs, but foliation strikes northwest dipping 60° to 70° southwest.

The Silver King Syenite appears to be a hybrid intrusive along the front of the Nelson Batholith. It intrudes the Rossland Group on the Eastern half of the property, and forms fingers embayments along its margins.

Scattered quartz-carbonate veins and veinlets occur in the schistose tuffaceous rocks. These veins appear to be mesothermal fracture fillings within the host rocks. They were the targets of the early mining operations, and in some areas eg Granite-Poorman² were developed over strike lengths in excess 1100 feet.

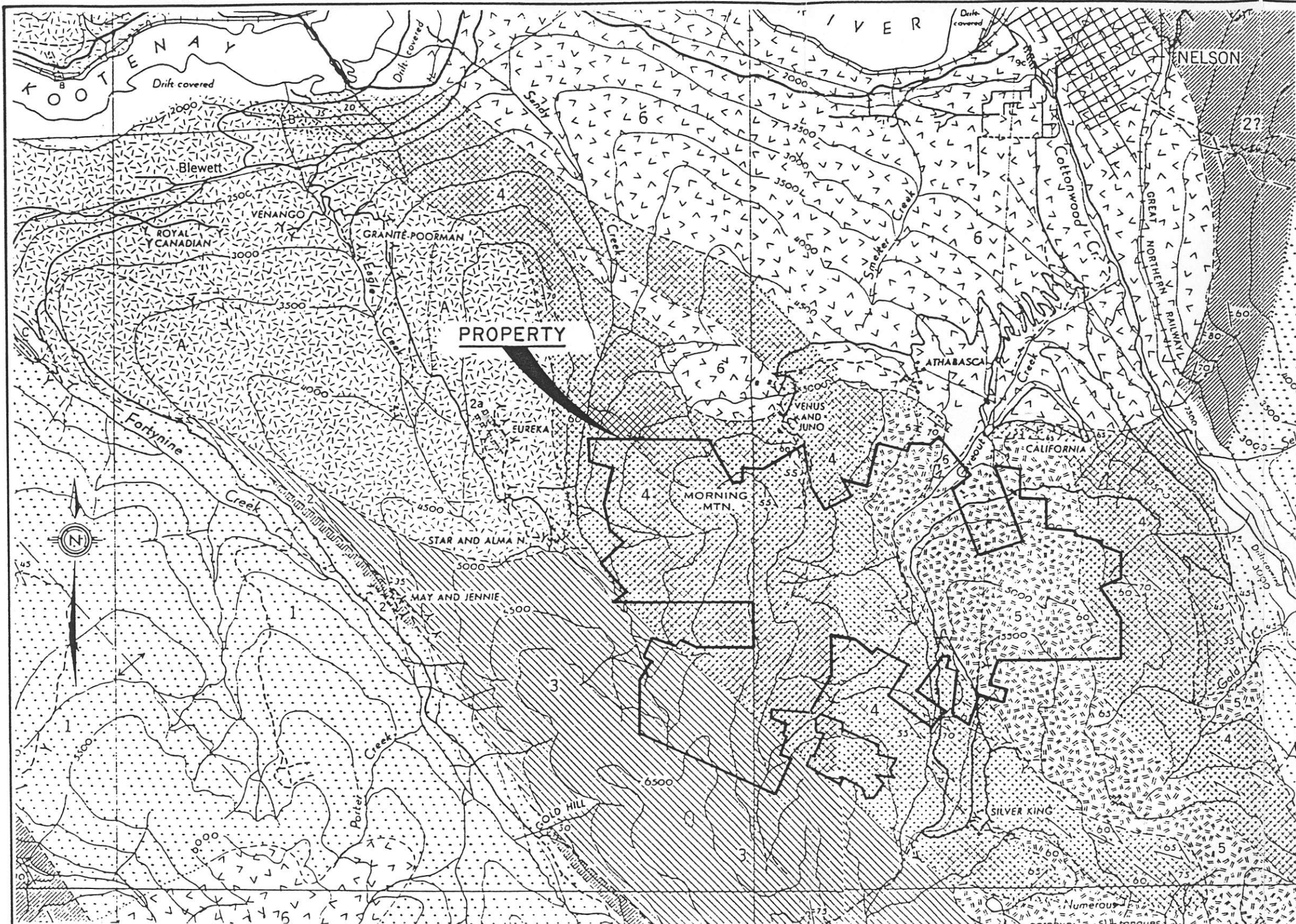


LEGEND

- 19 **NELSON PLUTONIC ROCKS** 19a, mainly porphyritic granite, 19b, non-porphyritic granite to granodiorite, 19c, granodiorite, 19d, quartz diorite, 19e, syenite, 19f, mainly fine grained, porphyritic syenite to quartz diorite, 19g, Rossland "monzonite", 19h, pseudotachite and pyroxene-hornblende biotite rock, 19i, mylonite, 19j, pegmatite, 19k, diorite
- 17 **HALL FORMATION** argillite, sandstone, and conglomerate, 17a, may not be Hall
- 16 **ROSSLAND FORMATION** andesite, laite, basalt, flow breccia, augite porphyry, agglomerate, tuff, minor shale, 16a, metamorphosed greenstone (may not be Rossland)
- 15 **SINEMURIAN BEDS** argillite, argillaceous quartzite, slate, minor flows and pyroclastic rocks. May be equivalent to upper parts of 13 and 14
- PERMIAN (?), TRIASSIC (?) AND LOWER JURASSIC (?)
- 14 **YMIR GROUP** Argillite, slate, argillaceous quartzite, minor limestone, 14a, paragneiss
- B Argillite, argillaceous quartzite, greywacke, locally conglomerate, minor flows and pyroclastic rocks. Probably not older than Carboniferous, but in part may be Jurassic



LECTUS DEVELOPMENTS LTD.		
GREAT WESTERN PROPERTY		
NELSON MINING DIVISION, B. C.		
REGIONAL GEOLOGY		
SEARCHLIGHT RESOURCES INC.		
DATE: NOVEMBER, 1987	SCALE: 1: 253,440	FIGURE No. 3



LEGEND

MESOZOIC OR CENOZOIC

CRETACEOUS OR TERTIARY

9a, 14th str. quartz-sugre porphyry dikes, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 9k, 9l, 9m, 9n, 9o, 9p, 9q, 9r, 9s, 9t, 9u, 9v, 9w, 9x, 9y, 9z, 9aa, 9ab, 9ac, 9ad, 9ae, 9af, 9ag, 9ah, 9ai, 9aj, 9ak, 9al, 9am, 9an, 9ao, 9ap, 9aq, 9ar, 9as, 9at, 9au, 9av, 9aw, 9ax, 9ay, 9az, 9ba, 9bb, 9bc, 9bd, 9be, 9bf, 9bg, 9bh, 9bi, 9bj, 9bk, 9bl, 9bm, 9bn, 9bo, 9bp, 9bq, 9br, 9bs, 9bt, 9bu, 9bv, 9bw, 9bx, 9by, 9bz, 9ca, 9cb, 9cc, 9cd, 9ce, 9cf, 9cg, 9ch, 9ci, 9cj, 9ck, 9cl, 9cm, 9cn, 9co, 9cp, 9cq, 9cr, 9cs, 9ct, 9cu, 9cv, 9cw, 9cx, 9cy, 9cz, 9da, 9db, 9dc, 9dd, 9de, 9df, 9dg, 9dh, 9di, 9dj, 9dk, 9dl, 9dm, 9dn, 9do, 9dp, 9dq, 9dr, 9ds, 9dt, 9du, 9dv, 9dw, 9dx, 9dy, 9dz, 9ea, 9eb, 9ec, 9ed, 9ee, 9ef, 9eg, 9eh, 9ei, 9ej, 9ek, 9el, 9em, 9en, 9eo, 9ep, 9eq, 9er, 9es, 9et, 9eu, 9ev, 9ew, 9ex, 9ey, 9ez, 9fa, 9fb, 9fc, 9fd, 9fe, 9ff, 9fg, 9fh, 9fi, 9fj, 9fk, 9fl, 9fm, 9fn, 9fo, 9fp, 9fq, 9fr, 9fs, 9ft, 9fu, 9fv, 9fw, 9fx, 9fy, 9fz, 9ga, 9gb, 9gc, 9gd, 9ge, 9gf, 9gg, 9gh, 9gi, 9gj, 9gk, 9gl, 9gm, 9gn, 9go, 9gp, 9gq, 9gr, 9gs, 9gt, 9gu, 9gv, 9gw, 9gx, 9gy, 9gz, 9ha, 9hb, 9hc, 9hd, 9he, 9hf, 9hg, 9hh, 9hi, 9hj, 9hk, 9hl, 9hm, 9hn, 9ho, 9hp, 9hq, 9hr, 9hs, 9ht, 9hu, 9hv, 9hw, 9hx, 9hy, 9hz, 9ia, 9ib, 9ic, 9id, 9ie, 9if, 9ig, 9ih, 9ii, 9ij, 9ik, 9il, 9im, 9in, 9io, 9ip, 9iq, 9ir, 9is, 9it, 9iu, 9iv, 9iw, 9ix, 9iy, 9iz, 9ja, 9jb, 9jc, 9jd, 9je, 9jf, 9jg, 9jh, 9ji, 9jj, 9jk, 9jl, 9jm, 9jn, 9jo, 9jp, 9jq, 9jr, 9js, 9jt, 9ju, 9jv, 9jw, 9jx, 9jy, 9jz, 9ka, 9kb, 9kc, 9kd, 9ke, 9kf, 9kg, 9kh, 9ki, 9kj, 9kk, 9kl, 9km, 9kn, 9ko, 9kp, 9kq, 9kr, 9ks, 9kt, 9ku, 9kv, 9kw, 9kx, 9ky, 9kz, 9la, 9lb, 9lc, 9ld, 9le, 9lf, 9lg, 9lh, 9li, 9lj, 9lk, 9ll, 9lm, 9ln, 9lo, 9lp, 9lq, 9lr, 9ls, 9lt, 9lu, 9lv, 9lw, 9lx, 9ly, 9lz, 9ma, 9mb, 9mc, 9md, 9me, 9mf, 9mg, 9mh, 9mi, 9mj, 9mk, 9ml, 9mm, 9mn, 9mo, 9mp, 9mq, 9mr, 9ms, 9mt, 9mu, 9mv, 9mw, 9mx, 9my, 9mz, 9na, 9nb, 9nc, 9nd, 9ne, 9nf, 9ng, 9nh, 9ni, 9nj, 9nk, 9nl, 9nm, 9nn, 9no, 9np, 9nq, 9nr, 9ns, 9nt, 9nu, 9nv, 9nw, 9nx, 9ny, 9nz, 9oa, 9ob, 9oc, 9od, 9oe, 9of, 9og, 9oh, 9oi, 9oj, 9ok, 9ol, 9om, 9on, 9oo, 9op, 9oq, 9or, 9os, 9ot, 9ou, 9ov, 9ow, 9ox, 9oy, 9oz, 9pa, 9pb, 9pc, 9pd, 9pe, 9pf, 9pg, 9ph, 9pi, 9pj, 9pk, 9pl, 9pm, 9pn, 9po, 9pp, 9pq, 9pr, 9ps, 9pt, 9pu, 9pv, 9pw, 9px, 9py, 9pz, 9qa, 9qb, 9qc, 9qd, 9qe, 9qf, 9qg, 9qh, 9qi, 9qj, 9qk, 9ql, 9qm, 9qn, 9qo, 9qp, 9qq, 9qr, 9qs, 9qt, 9qu, 9qv, 9qw, 9qx, 9qy, 9qz, 9ra, 9rb, 9rc, 9rd, 9re, 9rf, 9rg, 9rh, 9ri, 9rj, 9rk, 9rl, 9rm, 9rn, 9ro, 9rp, 9rq, 9rr, 9rs, 9rt, 9ru, 9rv, 9rw, 9rx, 9ry, 9rz, 9sa, 9sb, 9sc, 9sd, 9se, 9sf, 9sg, 9sh, 9si, 9sj, 9sk, 9sl, 9sm, 9sn, 9so, 9sp, 9sq, 9sr, 9ss, 9st, 9su, 9sv, 9sw, 9sx, 9sy, 9sz, 9ta, 9tb, 9tc, 9td, 9te, 9tf, 9tg, 9th, 9ti, 9tj, 9tk, 9tl, 9tm, 9tn, 9to, 9tp, 9tq, 9tr, 9ts, 9tt, 9tu, 9tv, 9tw, 9tx, 9ty, 9tz, 9ua, 9ub, 9uc, 9ud, 9ue, 9uf, 9ug, 9uh, 9ui, 9uj, 9uk, 9ul, 9um, 9un, 9uo, 9up, 9uq, 9ur, 9us, 9ut, 9uu, 9uv, 9uw, 9ux, 9uy, 9uz, 9va, 9vb, 9vc, 9vd, 9ve, 9vf, 9vg, 9vh, 9vi, 9vj, 9vk, 9vl, 9vm, 9vn, 9vo, 9vp, 9vq, 9vr, 9vs, 9vt, 9vu, 9vv, 9vw, 9vx, 9vy, 9vz, 9wa, 9wb, 9wc, 9wd, 9we, 9wf, 9wg, 9wh, 9wi, 9wj, 9wk, 9wl, 9wm, 9wn, 9wo, 9wp, 9wq, 9wr, 9ws, 9wt, 9wu, 9wv, 9ww, 9wx, 9wy, 9wz, 9xa, 9xb, 9xc, 9xd, 9xe, 9xf, 9xg, 9xh, 9xi, 9xj, 9xk, 9xl, 9xm, 9xn, 9xo, 9xp, 9xq, 9xr, 9xs, 9xt, 9xu, 9xv, 9xw, 9xx, 9xy, 9xz, 9ya, 9yb, 9yc, 9yd, 9ye, 9yf, 9yg, 9yh, 9yi, 9yj, 9yk, 9yl, 9ym, 9yn, 9yo, 9yp, 9yq, 9yr, 9ys, 9yt, 9yu, 9yv, 9yw, 9yx, 9yy, 9yz, 9za, 9zb, 9zc, 9zd, 9ze, 9zf, 9zg, 9zh, 9zi, 9zj, 9zk, 9zl, 9zm, 9zn, 9zo, 9zp, 9zq, 9zr, 9zs, 9zt, 9zu, 9zv, 9zw, 9zx, 9zy, 9zz

CRETACEOUS INTRUSIONS

Granodiorite, granite, diorite, G2, diorite porphyry satellite bodies

SILVER KING PORPHYRY, quartz diorite

JURASSIC OR CRETACEOUS

BEAVER MOUNTAIN FORMATION: andesite, quartz porphyry flows, breccia, agglomerate, minor conglomerate, argillite limestone

JURASSIC AND (?) CRETACEOUS

HALL FORMATION: shiashone, greywacke, conglomerate, argillite, quartz, basalt, quartzite, minor flows and pyroclastic rocks, 2a, limestone

ELISE AND BEAVER MOUNTAIN FORMATIONS, undivided, Hall formation unrecognizable or absent

TRIASSIC AND (?) JURASSIC

ELISE FORMATION: andesite, quartz porphyry flows, breccia, agglomerate, minor flows and pyroclastic rocks

BONNINGTON COMPLEX

Syncline, age relation to Nelson not known, in part post-orogenic, in part pre-orogenic

Pre-Nelson in age

A. Pseudotachite
B. Pyroxene-hornblende-basalt rock

Bedding (inclined, vertical, overturned)

Bedding (upper side of bed overturned)

Schistosity (inclined, vertical)

Fault (dashed)

Anticline axis

Syncline axis

Glacial striae

Fossil localities

Adit

Blank areas are drift covered

Geology by R. Mulligan, 1980

Main highway

Other roads

Trail

Building

Electric power line

Stream (position approximate)

Contours (interval 500 feet)

Height in feet above mean sea-level

Base-map surveyed by the Topographical Survey, in 1938 and 1939

LECTUS DEVELOPMENTS LTD.
GREAT WESTERN PROPERTY
NELSON MINING DIVISION, B. C.

PROPERTY GEOLOGY

SEARCHLIGHT RESOURCES INC.

DATE: DECEMBER, 1987	SCALE: 1:40,000	FIGURE No. 5
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CURRENT EXPLORATION

Since 1984, the property exploration has been under the direction of Mr. Gui Salazar S., P. Eng. The soil anomalies determined by Asarco were first reviewed, then confirmed and replotted. The summary of this information is shown on figure 6. The large zone of linear anomalies, trending northwesterly within the schist belt and the Silver King intrusive, became the target of further drilling.

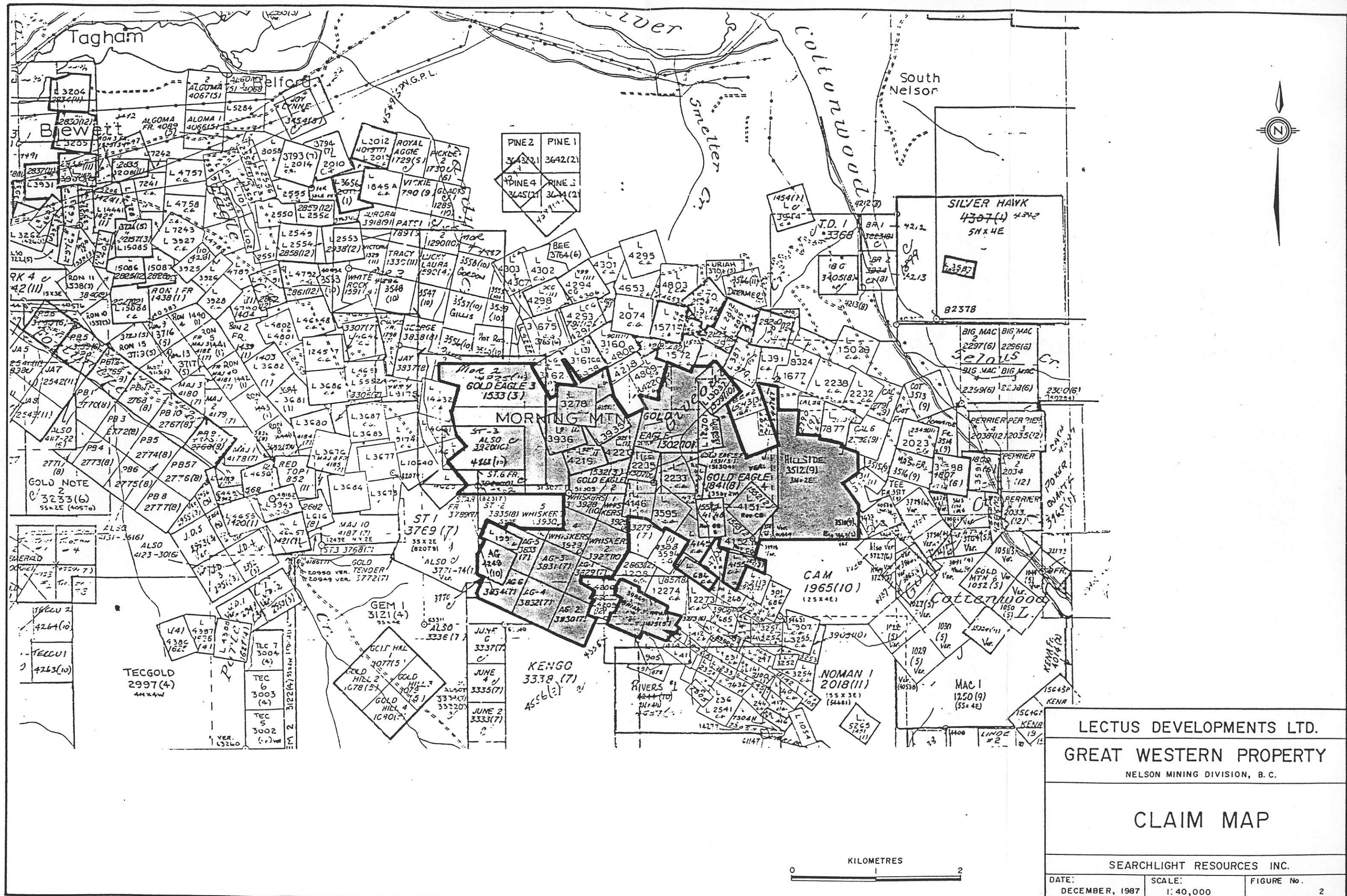
The first drilling, in 1986, near the Asarco holes 80-1 and 80-2 intersected a quartz-carbonate breccia zone, which near surface assayed to 0.860 opt gold (29.48 grams/tonne) over 2.3 feet (0.70 metres). Several other drill intercepts were mineralized, including the last two core intervals (4.49 feet @ 0.099 opt and 1.71 feet @ 0.248 opt gold). There was also a continuation of gold mineralization averaging 200-300 pbb gold in the altered volcanics between the high grade mineralization at the top and bottom of the hole. This therefore set the scene for two discrete mineralization targets.

The first target is the high grade shear zone veins, and the second a low grade, large tonnage open pit deposit.

Several phases of drilling have been carried out in 1987. The first, from August 4 to August 19, was a series of seven holes along strike of the high grade mineralization in the top of drill hole 86-1, and across the zone encountered in the bottom of drill hole 86-1. This drilling was particularly successful in drill hole 87-3 with 2.82 feet (0.86 metres) of 1.303 opt gold (44.67 gram/tonne). This, with other assays of 0.228 opt, 0.142 opt, and 0.502 opt, was averaged by Mr. Salazar to give 38 feet (11.58 metres) of 0.148 opt gold.

The most recent drilling has continued to produce excellent results from the quartz vein systems; the results are tabulated in Appendix 2. The drill plan with drill sections from the earlier drilling are reproduced on the following pages.

The high grade mineralization is characterized by veins and silicified breccia with quartz-calcite fill and blotches, blebs, veinlets and stringers of pyrite, pyrrhotite, chalcopyrite, sphalerite and galena. Rock alteration in the walls of the breccias and veins is mainly feldspathization and manganese rich carbonitization. Locally strong chlorite, and in places epidote alteration are observed. Foliation, schistosity, minor faulting and fracturing are all present in the mineralized zones.

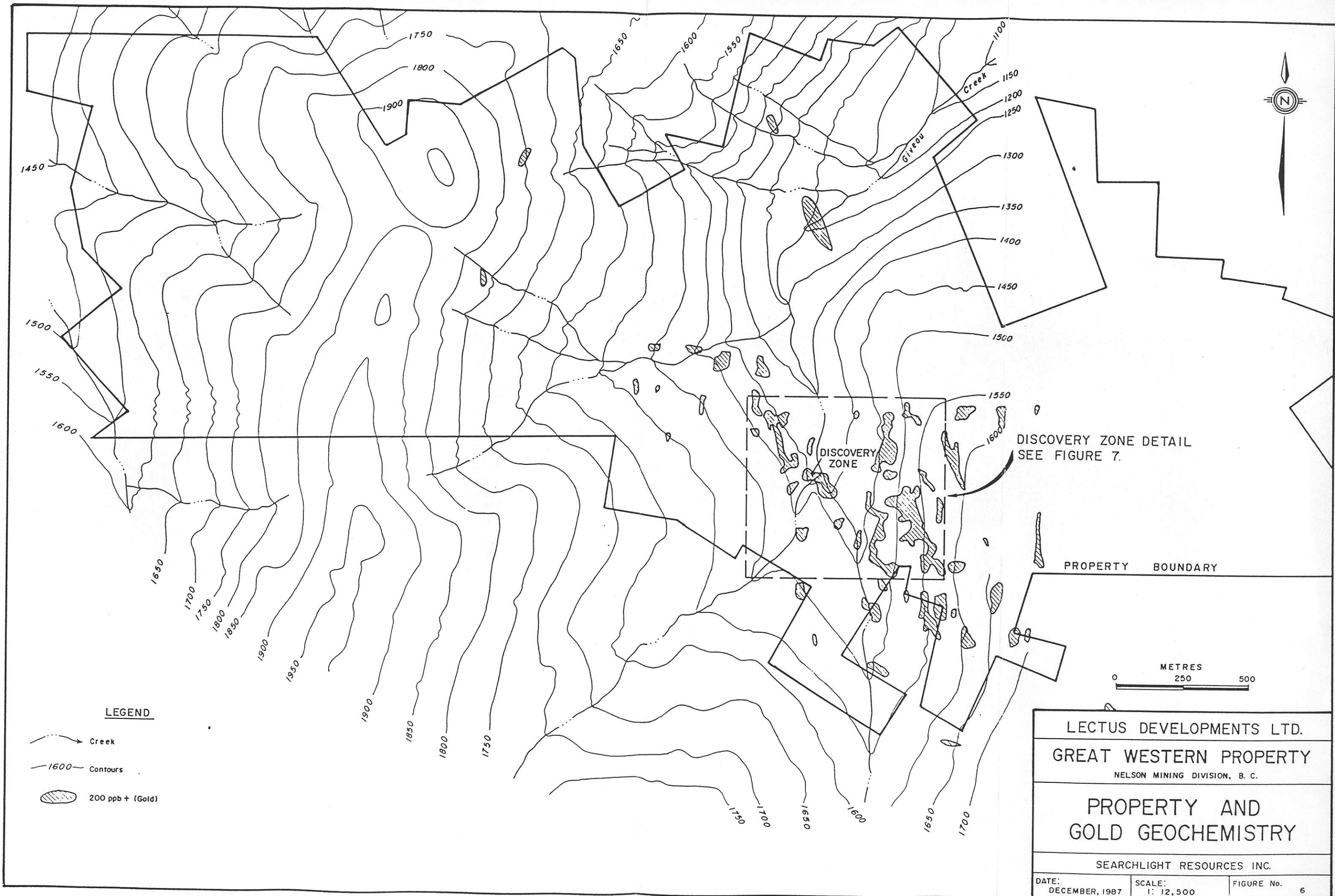


LECTUS DEVELOPMENTS LTD.
 GREAT WESTERN PROPERTY
 NELSON MINING DIVISION, B. C.

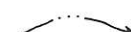
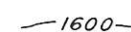

CLAIM MAP

SEARCHLIGHT RESOURCES INC.

DATE: DECEMBER, 1987	SCALE: 1:40,000	FIGURE No. 2
-------------------------	--------------------	-----------------



LEGEND

-  Creek
-  1600 Contours
-  200 ppb + (Gold)

DISCOVERY ZONE DETAIL
SEE FIGURE 7.

PROPERTY BOUNDARY



LECTUS DEVELOPMENTS LTD.		
GREAT WESTERN PROPERTY		
NELSON MINING DIVISION, B. C.		
PROPERTY AND GOLD GEOCHEMISTRY		
SEARCHLIGHT RESOURCES INC.		
DATE: DECEMBER, 1987	SCALE: 1: 12,500	FIGURE No. 6

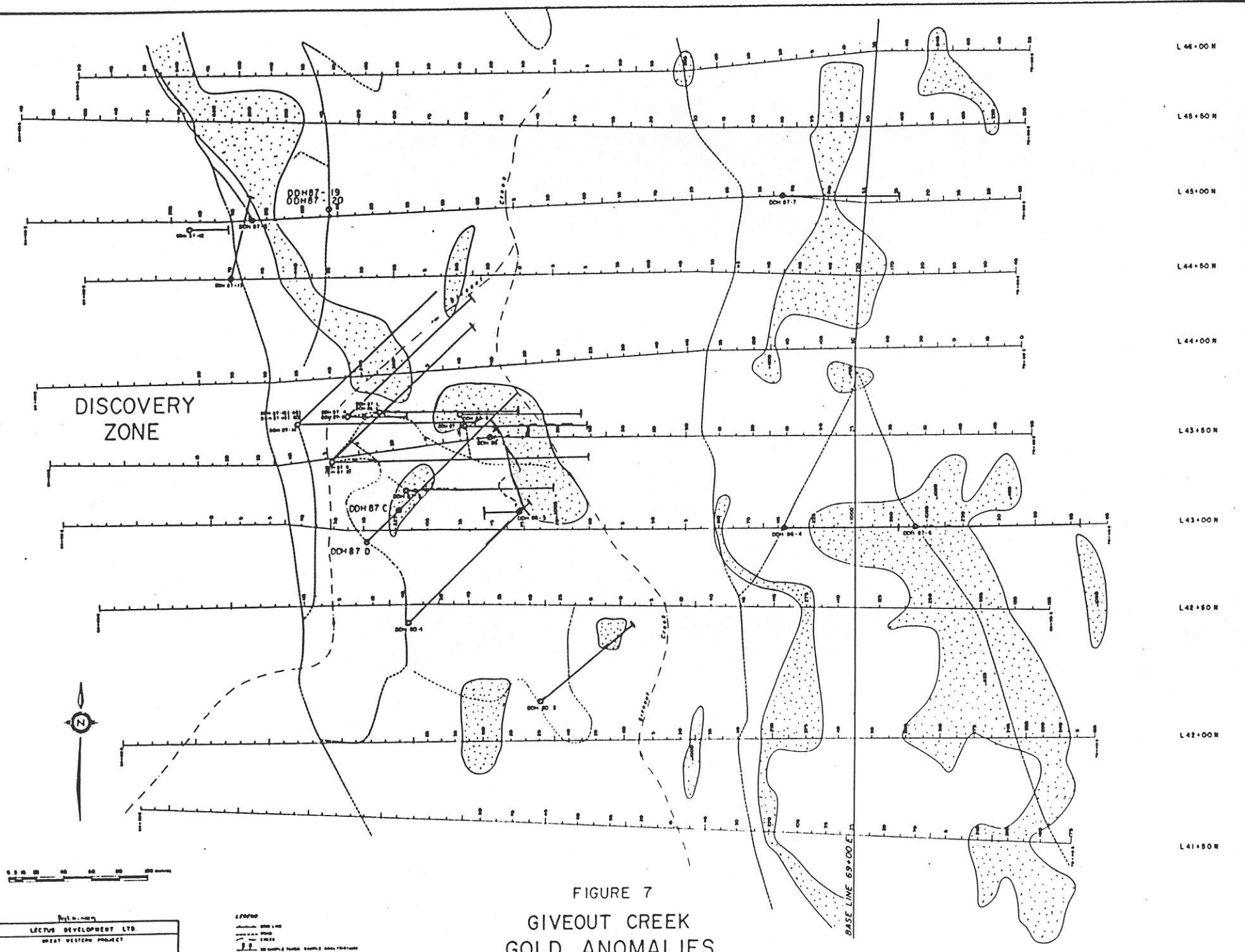


FIGURE 7
 GIVEOUT CREEK
 GOLD ANOMALIES
 AND DDH LOCATIONS

PREPARED FOR SEARCHLIGHT RESOURCES INC.,
 SUMMARY REPORT, DECEMBER, 1987

DATE	BY	DESCRIPTION

SALAZAR & ASSOC. LTD.
 INTERNATIONAL
 GEOLOGICAL CONSULTANTS
 11 Sandhurst Street & B
 Calgary Alberta

1:50,000
 1" = 1000'
 DDH 87C, 87D PROPOSED

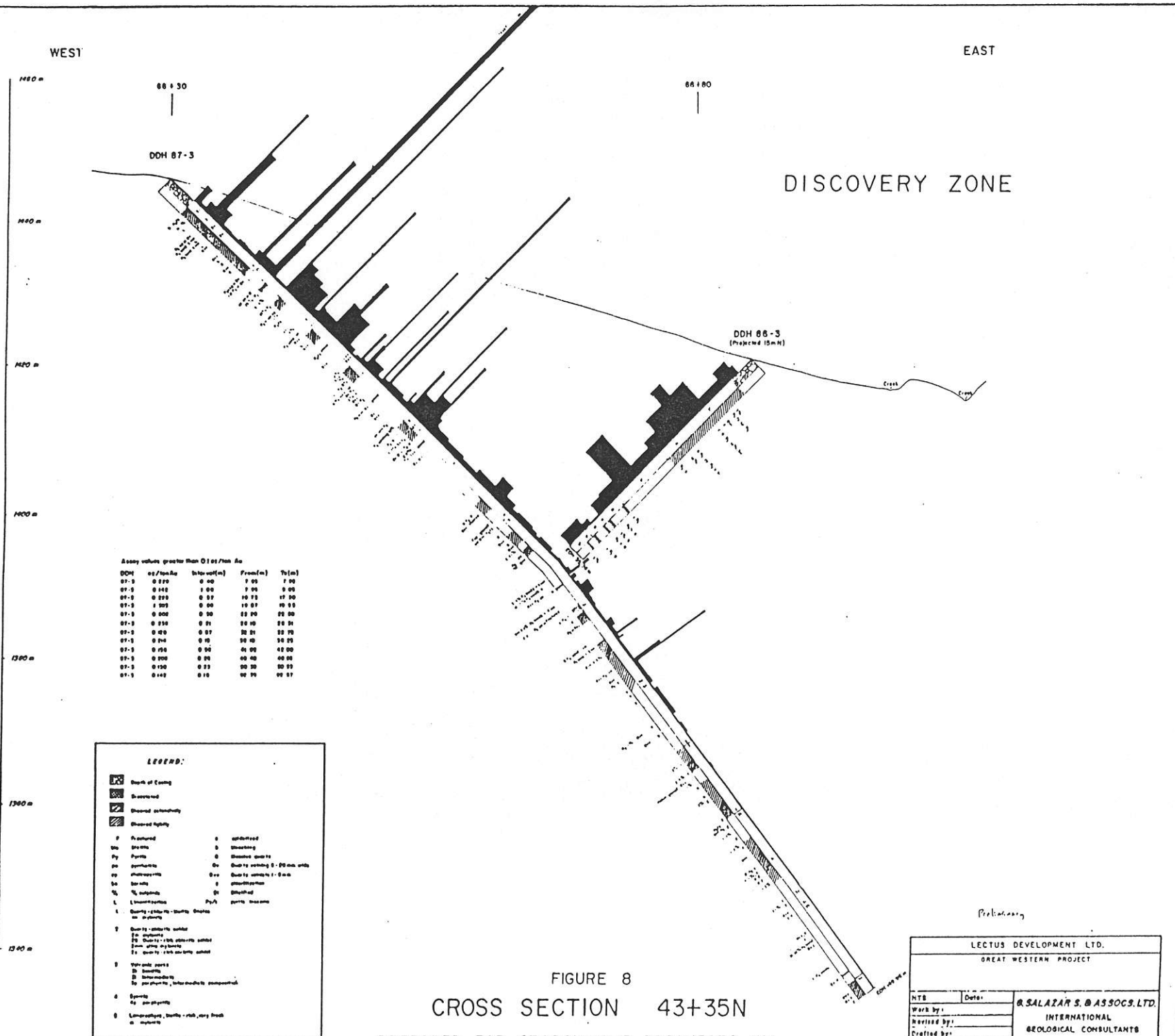


FIGURE 8
 CROSS SECTION 43+35N
 PREPARED FOR SEARCHLIGHT RESOURCES INC.
 SUMMARY REPORT, DECEMBER, 1987

Preliminary

LECTUS DEVELOPMENT LTD.	
GREAT WESTERN PROJECT	
NTB	Date:
Work by:	R. SALAZAR S. & ASSOCS. LTD.
Revised by:	INTERNATIONAL
Drafted by:	GEOLOGICAL CONSULTANTS
Figure No.	25 Brookside Meadows S.W.
SCALE	Calgary Alberta

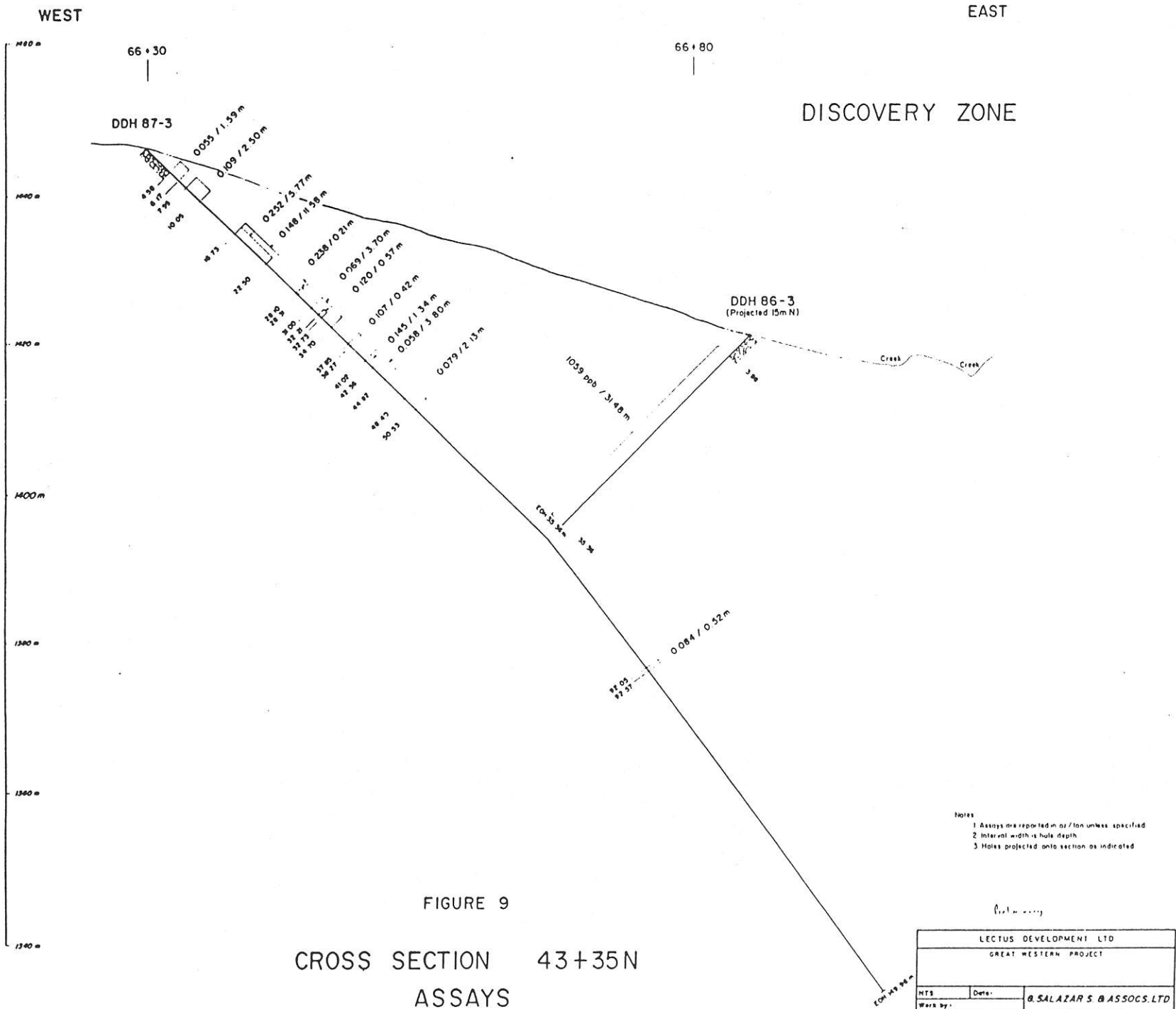


FIGURE 9

CROSS SECTION 43+35N
ASSAYS

PREPARED FOR SEARCHLIGHT RESOURCES INC.,

LECTUS DEVELOPMENT LTD		GREAT WESTERN PROJECT	
MTS	Date:	G. SALAZAR & ASSOCS. LTD	
Work by:		INTERNATIONAL	
Revised by:		GEOLOGICAL CONSULTANTS	
Drafted by:		23 Brebourne West SW	
Figure No.		Calgary Alberta	
SCALE			

SW

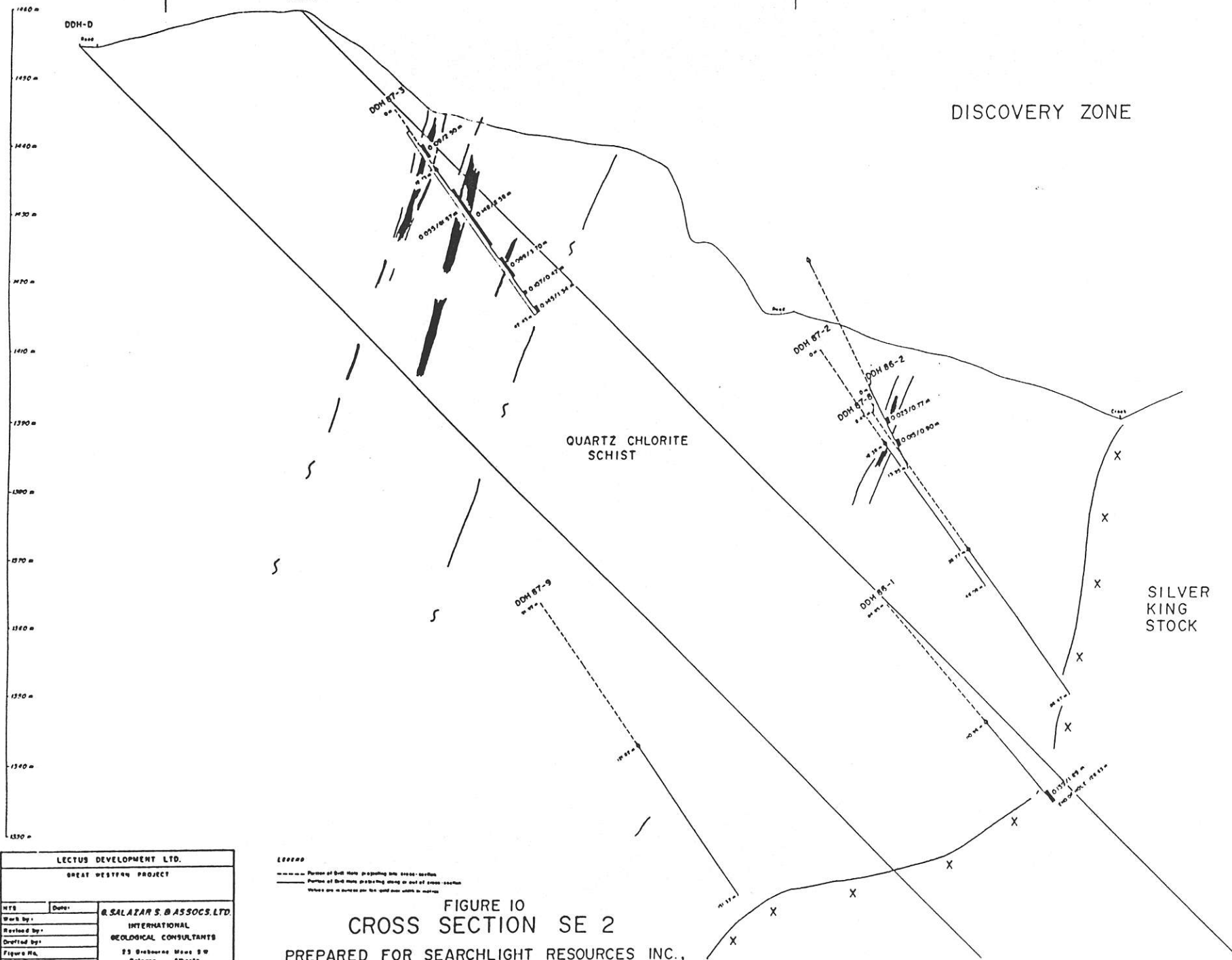
L 43 + DDH
86 + 09 E

NORTHAR OPTION | WEIR OPTION

L 43 + 50 N
86 + 68 E

WEIR OPTION | BOURDON OPTION

NE



LECTUS DEVELOPMENT LTD.	
GREAT WESTERN PROJECT	
HTS	Date: & SALAZAR S. & ASSOCS. LTD.
Work By:	INTERNATIONAL
Revised By:	GEOLOGICAL CONSULTANTS
Checked By:	
Figure No.	23 Brounne Meas SW
SCALE 1:250	Calgary Alberta

FIGURE 10
 CROSS SECTION SE 2
 PREPARED FOR SEARCHLIGHT RESOURCES INC.,
 SUMMARY REPORT, DECEMBER, 1987

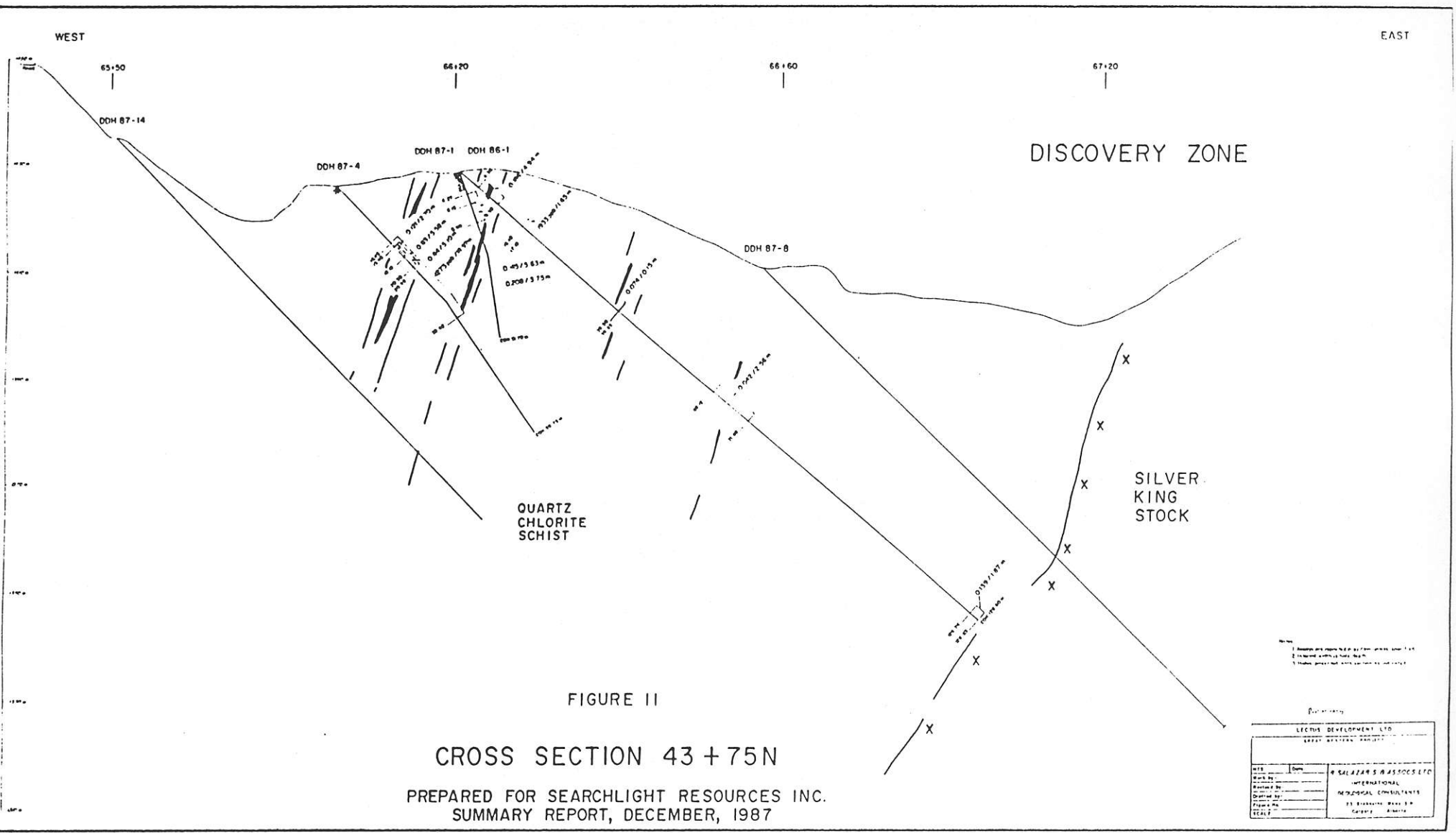


FIGURE II

CROSS SECTION 43 + 75N
 PREPARED FOR SEARCHLIGHT RESOURCES INC.
 SUMMARY REPORT, DECEMBER, 1987

LECTUS DEVELOPMENT LTD.
 2500 BAYVIEW AVENUE
 SCARBOROUGH, ONTARIO M1S 5V7

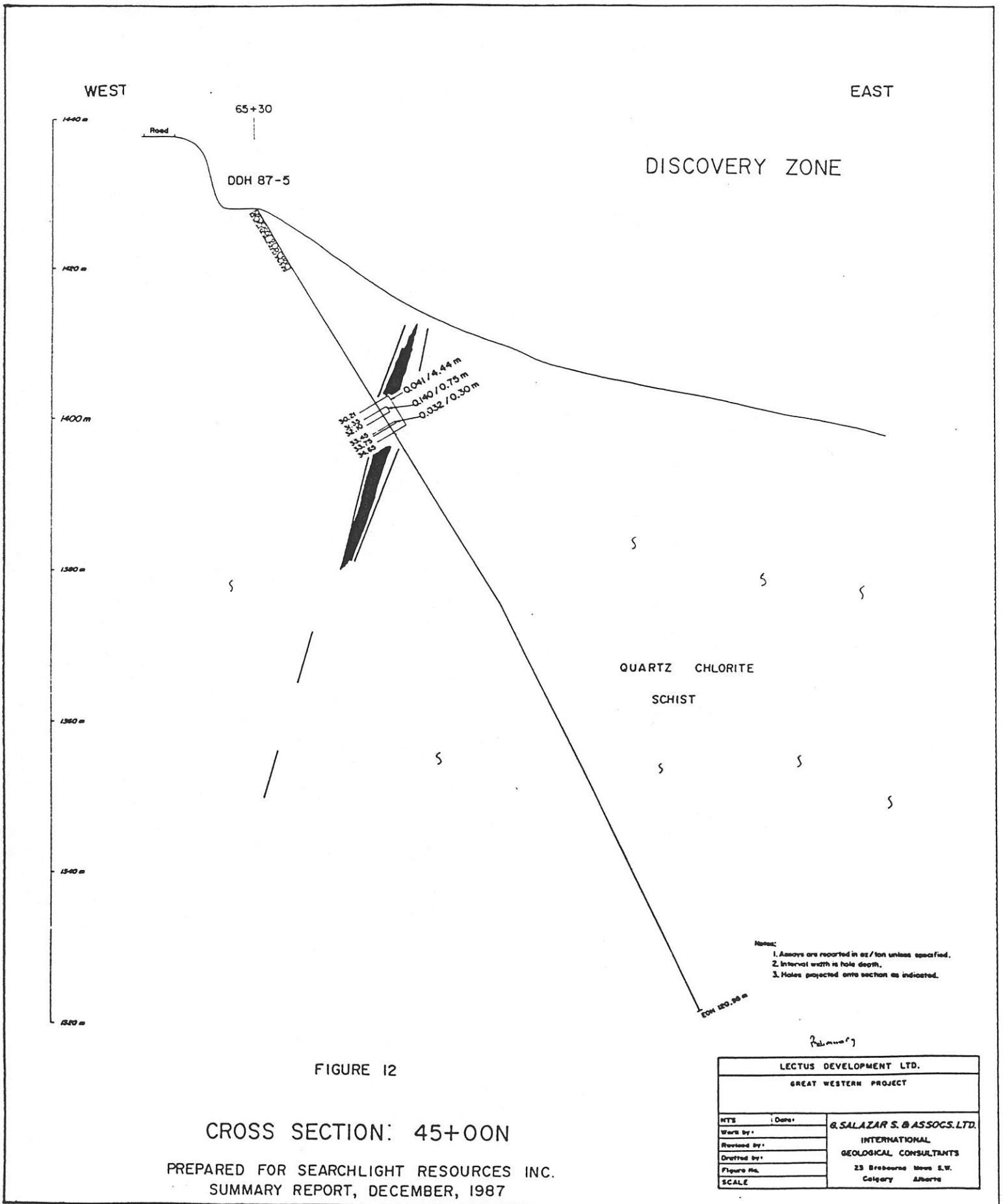
Prepared by: SEARCHLIGHT RESOURCES INC.

Drawn by: SEARCHLIGHT RESOURCES INC.

Checked by: SEARCHLIGHT RESOURCES INC.

Scale: AS SHOWN

DATE: DEC 1987



The lower grade mineralization is within the schist, and to date has not been defined. Gold values from 300-500 ppb are still continuing to be defined over large intervals in all holes.

The 1987 drilling (holes 87-1 to 87-19) is continuing to test both styles of mineralization.

A 60 metre long silicified vein zone between holes 86-1 and 87-3 is indicated to be 1-10 metres in width. This mineralized body appears to be the extension of the Northstar veining, and probably can be extended for some distance along strike. (Drill holes 80-1, 80-2, 87-1, 87-9, 87-10, 87-11 and 87-15 also drilled this veining, effectively giving it a strike length over 880 feet).

The average gold value for the zone is not known at this stage, but there are already drill values in excess of 1 opt within the zone. The high grade zones are found on the present surface as quartz-carbonate veins. One of these outcrops uphill of the 86-1 and 87-1 drill sites. It has a series of deep trenches along its outcrop. There is evidence downhill of further old trenching on similar veining. These vein zones have been cut by the present road building.

GEOLOGICAL INTERPRETATION

The model of the mineralization is proposed by Salazar to be a skarn assemblage in the altered hornblende andesites directly related to the Silver King porphyry, with a superimposed hydrothermal alteration system which is directly related to the shear zone.

This is in concordant with the author's observations of slight skarn development within the volcanoclastic sequence adjacent to the Silver King stock (epidote +/- garnet mineralization, and biotite halo), overprinted by a well developed quartz-chlorite mineralized shear system.

There is ample evidence of silicification within the sheared volcanics, although quartz veins are not common in the core. This silicification along the shear zones appears to be a mesothermal mineralizing event, as there is no evidence of epithermal style boiling alteration. This is supported by the higher temperature pyrrhotite mineralization in the sulphide mineralized sections. Typically this type of mesothermal mineralization has gold mineralization over vertical intervals of 500-1000 feet.

The high gold values obtained to date (+10pt gold) have all come from massive pyrite-pyrrhotite-chalcopyrite vein style mineralization and silicified breccia in the drill core. A sample of surface mineralization obtained during the construction of drill sites showed open space quartz crystal growth in a quartz-sulphide vein. This vein would have been formed in a dilatancy caused by movement of the enclosing shear system.

The recent drilling has shown that the Silver King Stock east of drill hole 87-2 is offset to the east. This offset may be the result of fault movement. If so, then the main zone mineralization will be near the junction of NW-SE and E-W fault activity.

The linear soil anomalies within the Silver King Stock probably come from quartz-sulphide veins in further shear zone dilatancies. These zones indicate the mineralization post-dates the intrusion of the Stock, and is a regional event.

There are a very large number of further significant linear gold anomalies across the property. In the intrusive the mineralization is probably very tightly defined to the vein, but in the volcanics there appears to be a large amount of replacement alongside the veins (silicified zones). This replacement could form the basis of a larger, low-grade gold deposit.

The two old underground workings on the property, each show quartz-carbonate dilatant fill veins. This type of mineralization was one of the more significant style targets for early mining operations. The mineralization within these veins is found as pods (shoots) of high grade (up to several ounces gold/ton) separated by barren quartz-pyrite mineralization. The veins are best developed in competent rocks (intrusives, hornfels, or pre-silicified zones), and shoots may vary in size up to 30,000 tons. The close association of this veining within the present area of interest indicates that the high grade mineralization drilled to date will be found to be lensoidal in shape, and be controlled by geological structures.

CONCLUSIONS

1.0 The Great Western Property of Lectus Developments Ltd. hosts significant gold mineralization with values in excess of 1 ounce per ton within a shear zone vein system. This mineralization is closely defined over a 200 foot (60 metre) interval, and drill indicated over an interval in excess of 880 feet (270 metres).

2.0 Drilling across the shear zone has also indicated gold values from a background of about 50 ppb to values over 1000 ppb. There are extended intervals of 300 - 500 ppb gold in core which does not show quartz vein development.

3.0 Gold values are found in breccias and silicified zones adjacent and along strike of quartz veining. There is potential to significantly increase the tonnages of gold mineralization by lowering the average grade requirements.

4.0 The main vein mineralization appears to be an extension of the North Star veining, and old prospect to the south of the present area. This property has recently been optioned to Lectus, allowing work to progress on the southern extension of the current targets.

5.0 Further drilling of the high grade zone is required to allow mining tonnage estimates. The veining has mesothermal characteristics and as such should be expected to show similar high grade values over vertical intervals of 500 - 1000 feet (150 - 300 metres.) The mineralization will be in shoots, but the shape of these has to be defined before mineable reserves can be calculated.

6.0 The lower grade mineralization (<1000 ppb gold) found to date requires metallurgical investigation to determine its potential for development.

RECOMMENDATIONS

- 1.0 The quartz-carbonate veins partially exposed on the surface within the Giveout Creek drill area should be stripped with an excavator and sampled to determine the shape of the mineralized shoots.
- 2.0 Drilling should continue on the high grade vein mineralization to determine the vertical and lateral extent of the shoots.
- 3.0 Further detailed sampling of the wall rock in the old adits should be used to assist the modelling of the lower grade mineralization. Drill samples and bulk samples from the adits should be used for the metallurgical investigation.
- 4.0 The large gold soil anomalies within the granite indicate the regional nature of this proposed shear zone style mineralization, and veining in this area could make a significant addition to reserves. Geological mapping of the intrusive and its contact with the volcanics is recommended. Particular attention should be made to any late structural features.
- 5.0 The Silver King intrusive, because of its strange appearance and chemistry, appears to be granitization hybrid. It may have produced significant auriferous skarn mineralization along its edges in response to absorbing weakly auriferous volcanics. Such mineralization would predate the shear zone fillings. These are secondary drill targets.
- 6.0 The budget proposed in this report will establish the tenor of the mineralization within the Discovery Zone on Giveout Creek. Further expenditure of \$300- \$500,000 would be required to evaluate the other known targets within the property.

BUDGET


The following is a budget to carry out the programme of fill-in drilling and sampling on the Giveout Creek discovery Zone. This programme can be completed before February 28 1988. The expenditure total is guided by weather, funding constraints and available manpower.

Phase I

Geophysical Survey, (IP) -----	\$12,000
Geology-----	\$10,000
Trenching -----	\$25,000
Drilling-----	\$100,000
Assays -----	\$7,500
Metallurgical Review -----	\$10,000
Room and Board-----	\$7,500
Travel -----	\$3,500
Vehicles-----	\$3,000
Salaries-----	\$9,000
Support and Supervision -----	<u>\$12,000</u>
Sub Total-----	\$199,500
Contingencies -----	<u>\$10,500</u>
Total Phase I -----	\$210,000

Phase II exploration on the Discovery Zone would consist of further drilling, trenching, and probable bulk testing. A budget for this exploration can be prepared following satisfactory results during the work programme budgeted above.

Exploration of the remainder of the claim area will require significantly more expenditure. A budget for this work is in preparation.



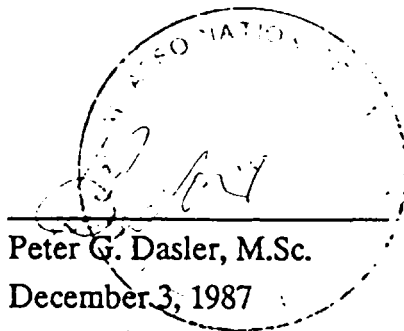
 Peter G. Dasler, M.Sc., F.G.A.C.

December 3, 1987.

CERTIFICATE OF QUALIFICATIONS

I, Peter G. Dasler, do hereby certify that:

1. I am a contract geologist for Searchlight Resources Inc. with offices at 218-744 West Hastings Street, Vancouver, British Columbia.
2. I am a graduate at the University of Canterbury, Christchurch, New Zealand with a degree of M.Sc., Geology.
3. I am an Associate Member in good standing of the Australasian Institute of Mining and Metallurgy, a Member of the Geological Society of New Zealand, and a Fellow of the Geological Association of Canada.
4. I have practiced my profession continuously since 1975.
5. This report is based on information received from field surveys and drill reports by Lectus Developments Geologists, a personal field inspection November 4, 1987, and reports by Professional Engineers and others working for the previous owners and operators of the property.
6. I have no interest in the property or shares of Lectus Developments Ltd., nor in any of the companies with contiguous property to the Great Western Project claims.



Peter G. Dasler, M.Sc.
December 3, 1987

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- 1 Mulligan R. 1952: Bonnington Map Area British Columbia. GSC paper 52-13
- 2 Cockfield W.E. 1936: Lode Gold Deposits of the Ymir-Nelson Area, British Columbia. GSC Memoir 191.
- 3 Gale R.E. 1980: Report on the Magnetometer and Geochemical Survey on the Aberdeen Group. Asarco Exploration BCDM Assessment Report # 8614
- 4 BCDM Report 1896
- 5 Salazar S G. Sept 27 1985: Assessment Report on the Great Western Group Of Claims for Lindex Explorations Ltd.
- 6 Salazar S G. February 28 1987: Report on the Great Western Project (Gold) for Lectus Developments Ltd.
- 7 Salazar S G. July 14 1987: Report on the Great Western Project (Gold) for Lectus Developments Ltd.
- 8 Salazar S G. Oct. 28 1987: Letter report to Roy W. Robinson, Lectus Developments Ltd. Discussion of 1987 Field Season Results.

APPENDIX 1

PRODUCTION RECORDS

TABLE N.2: PRODUCTION HISTORY

GREAT WESTERN GROUP OF CLAIMS AND VICINITY

NAME	MIN. No.	TONNES	AU (gr)	AG (gr)	CU (kg)	PB (kg)	ZN (kg)	YEAR LAST PRODUCED
Venus, Juno	166	5411.	107120.	95486.	-	432.	-	1941
Birdseye	167	4.	62.	9611.	-	-	-	1940
Athabasca	168	41779.	631826.	201798.	-	9333.	13947.	1943
California	169	1462.	70231.	123602.	-	8526.	19524.	1949
Shamrock	170	8.	31.	1213.	-	280.	354.	1948
Irene(2)	171	15.	249.	373.	-	-	-	1939
Great Eastern(2)	172	34.	1276.	1774.	-	-	-	1939
Victoria, Jessie	173	3255.	3793.	94119.	83577.	-	-	1949
Starlight	174	21.	583.	2936.	440.	-	-	1981
Daylight, Berlin	175	327.	8832.	4977.	-	70.	-	1949
Silver King(2)	176	202049.	8896.	138214.k	6789700.	15234.	4071.	1958
Silver King(3)	176	80000.	N.R.	+290.gr/t	+2.1%	N.R.	N.R.	RES/81
North Star(4)	276	N.R.	N.R.	N.R.	N.R.	N.R.	N.R.	NONE

NOTES: 1. All MINFILE numbers are preceded by 82FSW.

2. Silver King also includes claims called American Flag, Dandy and Ollie.

3. Reserves grade are reported at cut off levels only.

4. Although without production, this claim is reported to have a 12.0 m. wide pyritized and silicified zone of shearing with "quite low" gold values.

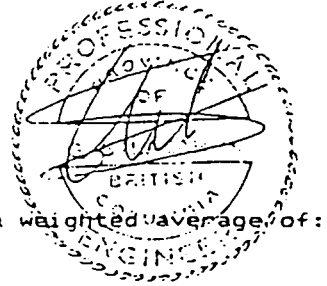
5. SOURCE: B.C. Min. of Energy, Mines and Petroleum Resources' MINFILE.

Mineral Intersections Found In

1986 Diamond Drilling Program

GREAT WESTERN PROJECT

DDH No	HOLE DEPTH		WIDTH M.	GOLD (1)		REMARKS	
	FROM	TO		OZ/TON	PPB		
86-1	4.36	4.97	0.61	0.044			
	5.76	6.40	0.64	0.070			
	6.40	7.10	0.70	0.860		coarse gold assay	
	7.10	8.11	1.01	0.198		"	
	8.11	8.87	0.76	(0.012)	415		
	8.87	9.30	0.43	(0.017)	580	for a weighted average of:	
	4.36	9.30	4.94	0.182			
	or	6.40	8.11	1.71	0.469		North Star Vein ?
		15.45	15.85	0.40	(0.026)	880	
		15.85	16.79	0.94	0.074		
		16.79	17.10	0.31	0.044		for a weighted average of:
		15.45	17.10	1.65	0.057		
		39.50	39.65	0.15	0.074		
		51.91	53.00	1.09	0.046		
	69.13	71.69	2.56	0.042			
	114.33	114.91	0.58	0.058			
	126.74	128.11	1.37	0.096			
	128.11	128.63	0.52	0.248		for a weighted average of:	
	126.74	128.63	1.89	0.138		Starlight vein ?	
86-2	5.18	5.95	0.77		785		
	8.95	9.85	0.90		505		
	20.76	23.47	2.71		590		
86-3	4.53	6.80	2.27		795		
	10.60	13.00	2.40	0.046			
	13.00	14.70	1.70	0.066			
	14.70	17.74	3.04	0.044		for a weighted average of:	
	10.60	17.74	7.14	0.047			
	17.74	20.12	2.38		740		
	23.17	26.21	3.04	0.084			
	26.21	29.00	2.79		795		
	29.00	30.80	1.80		780		
	33.20	35.36	2.16		750		
86-4	21.30	21.56	0.26	0.050		Great Western Vein ?	
	33.90	34.90	1.00		555		
	64.52	66.86	2.39	0.030			
	66.86	67.58	0.72	0.082		for a weighted average of:	
	64.52	67.58	3.06	0.042			
	86.10	87.48	1.38	0.088			



(1): <Gold assays> in brackets are converted from geochemical analytical reports.

The "coarse gold" procedure used by Loring Labs: takes into account the possible presence of nugget gold by grinding the whole sample to (-10) mesh and splitting a 300gr. sample. The sample is then put through a disk pulverizer until the (+150) mesh portion is less than 20% of the sample by weight. Once this is accomplished, the coarse portion is fire assayed in its entirety and the fines are assayed following normal procedures. This method measures the coarse portion's contribution to the overall assay of the sample.

APPENDIX 2

DRILL ASSAY RESULTS

The following is a listing of mineralized zones in the Giveout Creek drill area assaying greater than 0.1 opt gold. Core samples for drill holes 87-10 to 87-18 are still being processed

Drill hole	Metres	Width (m)	Gold Assay (opt)
87-1	5.26 - 6.15	0.88	0.020
	6.15 - 6.50	0.35	0.058
	6.50 - 6.85	0.35	0.058
	6.85 - 7.05	0.20	0.252, 0.346
	7.05 - 7.32	0.27	0.106, 0.107
	7.32 - 7.85	0.53	0.008
	7.85 - 9.90	2.05	0.302, 0.300
	9.90 - 11.40	1.50	0.120
	87-3	7.55 - 7.95	0.40
7.95 - 9.03		1.08	0.142
9.03 - 10.05		1.02	0.028
16.73 - 17.30		0.57	0.225
17.30 - 18.45		1.15	0.017
18.45 - 19.07		0.62	0.017
19.07 - 19.93		0.86	1.303
19.93 - 20.13		0.20	0.076
20.13 - 22.20		2.07	0.005
22.20 - 22.50		0.30	0.502
22.50 - 23.90		1.40	0.060
28.10 - 28.31		0.21	0.238
32.21 - 32.71		0.52	0.120
38.10 - 38.25		0.15	0.214
41.02 - 41.25		0.23	0.158

Drill Results cont.

Drill hole	Metres	Width (m)	Gold Assay (opt)
87-3 cont.			
	41.25 - 42.00	0.75	0.007
	42.00 - 42.36	0.36	0.426
	48.40 - 48.66	0.26	0.206
	50.30 - 50.53	0.23	0.130
	92.39 - 92.57	0.18	0.142
87-4			
	15.40 - 17.66	2.26	0.128
	17.66 - 18.10	0.44	0.082
	18.10 - 18.45	0.35	0.020
	18.45 - 20.40	1.95	0.016
	20.40 - 20.50	0.10	0.650, 0.642
	20.50 - 20.77	0.27	0.076
	20.77 - 20.93	0.21	0.058
	20.93 - 21.45	0.47	0.040
87-5			
	30.21 - 31.35	1.14	0.204
	31.35 - 32.10	0.75	0.140
87-6			
	6.40 - 6.45	0.05	0.594
	6.45 - 8.73	2.28	0.030
87-9			
	36.89 - 38.22	1.33	0.004
	38.22 - 39.94	1.72	0.174
	39.94 - 40.73	0.79	0.004
	40.73 - 41.30	0.57	1.154
	41.30 - 42.29	0.99	0.024
87-10			
	33.83 - 35.80	1.97	0.106
	35.80 - 38.05	2.25	0.094
	38.05 - 39.93	1.88	0.730
	39.93 - 40.28	0.35	0.084