'84-#716-12957
7/85

PRELIMINARY REPORT

ON THE

THEL AND SUN CLAIMS

NICOLA MINING DIVISION, BRITISH COLUMBIA

50° 04′ 120° 34′ 92I/2E

FOR

SXT RESOURCES LTD.

809 - 837 WEST HASTINGS STREET

VANCOUVER, BRITISH COLUMBIA

BY

R.T. HEARD, P.ENG.

April 5, 1984

R.T. Heard & Associates Ltd.
818 Clements Avenue
North Vancouver, British Columbia

CONTENTS

LIST OF FIGURES

R.T. Heard & Associates Ltd.
818 Clements Ave., North Vancouver, British Columbia, Canada V7R 2K7 (604) 988-0730

President and Directors
SXT Resources Ltd.
809 - 837 W. Hastings St.
Vancouver, B.C. V6C 2V9

Gentlemen:

RE: Thel and Sun Claims
Nicola Mining Division, B.C.

In 1983, I accompanied the original locator of this property, Mr. A.W. McGuire of Merritt, B.C., to the claim site area. Several mineralized showings were mapped and sampled and Mr. McGuire was most helpful by providing the history of mining activities on both his claims and the immediate area. Results of this work, supplemented by a literature search, Mr. McGuire's and comments by others have been used to prepare this preliminary report which is herewith submitted for your consideration.

SUMMARY

The Thel and Sun claims are readily accessible from Merritt, B.C. They cover an area with several mineralized showings that yield assays in percent copper that are considered anomalous and worthy of further definative examination.

In an effort to establish the existence of economic mineralization, an exploration program consisting of three phases, each succeeding one being contingent on favourable results from the previous one, is recommended at an estimated total cost of $84,000.

INTRODUCTION

SXT Resources Ltd. ownes the Thel and Sun claims which form a contiguous group of 24 units.

Copper mineralization with lesser amounts of silver and molybdenum are exposed in several old adits, open cuts and bulldozer trenches over an aerial extent of 500 meters.

Results from cursory mapping and selective sampling of the open cuts and trenches forms the basis for this report.

LOCATION AND ACCESS

The claims are located on the west side of Quilchena Creek between Indian Reserve Number Seven and Lundbon Lake, 18 kilometers east-southeast of Merritt, B.C.

Geographical co-ordinates of the property are 50° 04' north latitude and 120° 34' west longitude.

Access from Merritt is via Highway Five approximately 14.5 km south to the gate at the north end of Corbett Lake, then for 9.7 km northeast along logging roads. Logging and ranch roads provide access to most parts of the property.

See Figure 1, Property Location Map, page 4.

PROPERTY

The property is comprised of the following 24 contiguous claim units:

CLAIM NAME	NO. OF UNITS	RECORD NO.	EXPIRY DATE
Thel #1	1-2 post M.C.	1263	July 14, 1984
Thel #2	1-2 post M.C.	1264	July 14, 1984
Thel #3	1-2 post M.C.	1265	July 14, 1984
Thel #4	1-2 post M.C.	1266	July 14, 1984
Sun #1	20	1424	July 12, 1984;

all recorded on National Topographic Series Staking Sheet 92I/2E, Nicola Mining Division, British Columbia.

See Figure 2, Claim Map, page 5.

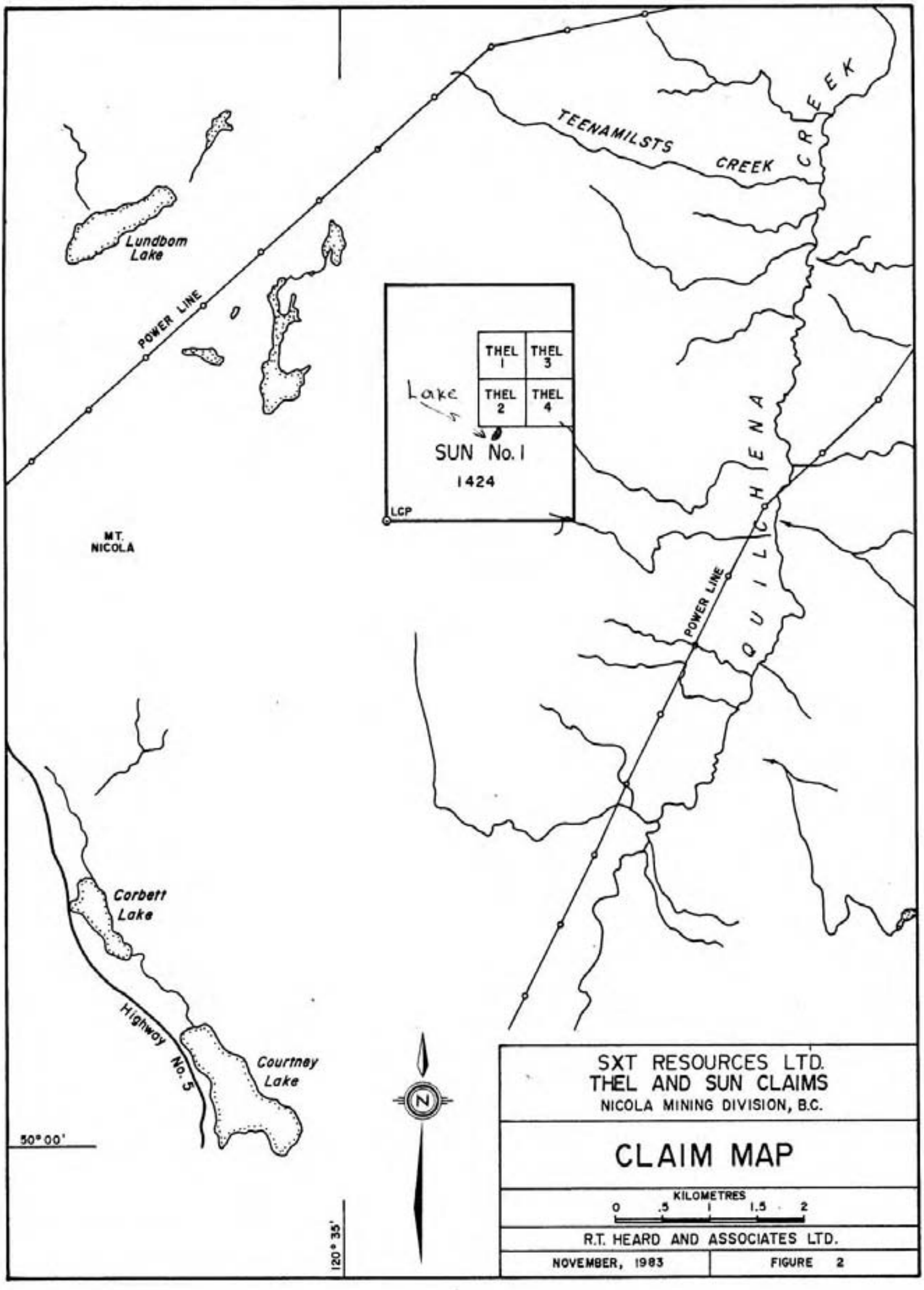
SXT RESOURCES LTD.
THEL AND SUN CLAIMS
NICOLA MINING DIVISION, B.C.

LOCATION MAP

KILOMETRES
0 100 200 300

R.T. HEARD AND ASSOCIATES LTD.

NOVEMBER, 1983 | FIGURE 1


TEENAMILSTS CREEK
CREEK
Lundbom Lake
POWER LINE
THEL 1
THEL 3
THEL 2
THEL 4
Lake
SUN No. 1
1424
LCP
MT. NICOLA
QUILCHENA
POWER LINE
Corbett Lake
Highway No. 5
Courtney Lake
50° 00'
120° 35'
N
SXT RESOURCES LTD.
THEL AND SUN CLAIMS
NICOLA MINING DIVISION, B.C.
CLAIM MAP
KILOMETRES
0 .5 1 1.5 2
R.T. HEARD AND ASSOCIATES LTD.
NOVEMBER, 1983
FIGURE 2

PHYSIOGRAPHY

Relief on the property is 150 meters between 1070 meters to 1220 meters above sea level. Topography is relatively gentle rolling upland with local steep areas that are mainly grass covered with light timber cover that increases to the west.

Precipitation is light throughout this area, snow cover is sparse and temperatures are mild. Water for exploration purposes is available from a small lake adjacent to the showings.

HISTORY

No reference to the discovery date of the mineralized showings was found in the literature; the first date of work being performed on the mineralized showings is the early 1950's. At this time, several prospecting pits and a short inclined shaft was excavated.

In the 1960's, Carolin Mines Ltd. acquired the property. They conducted a geochemical survey, which was followed by some limited trenching and drilling. Results of these programs have been lost.

In 1972, Toronado Development Corporation Ltd. optioned the property from Carolin Mines Ltd.. Toronado performed a geochemical survey over the entire property, geologically mapped the area and prepared recommendations for additional exploration programs which were apparently never carried out.

GEOLOGY

The geology of the area is reported on in Geological Survey of Canada Memoir 249, and is depicted on Map 886A, Nicola, at a scale of 1:253,440. The property is underlain by Upper Triassic Nicola Group Volcanics. Intermediate to acidic intrusives of Jurassic-Cretaceous age have been mapped just to the north of the property and approximately five kilometers to the south. An outcrop of Mesozoic - Lower Tertiary intrusive rocks has been mapped about three kilometers to the southeast. Several outcrops of Tertiary volcanics were seen on the property.

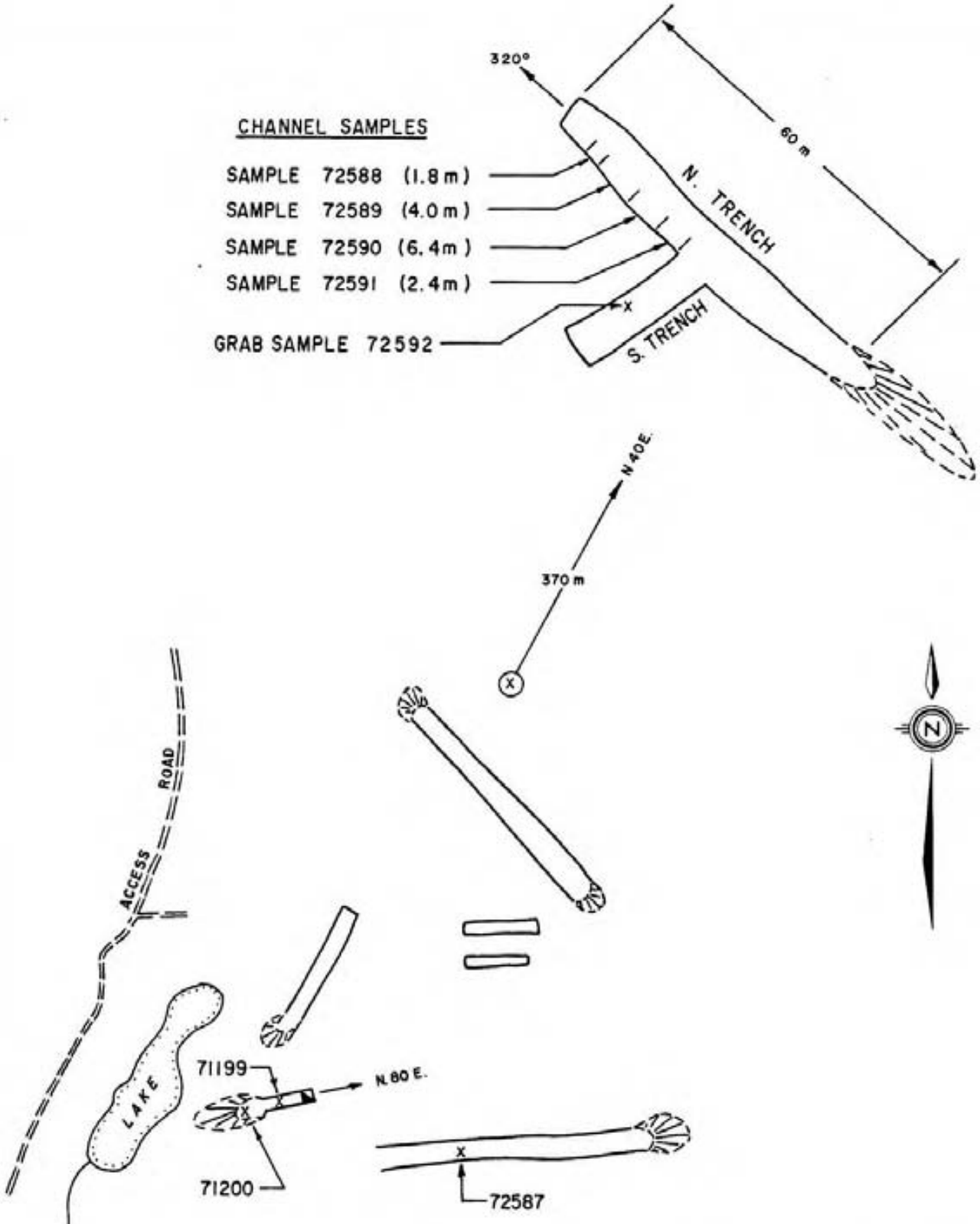
MINERALIZATION

Two distinct areas of mineralization were observed. See Figure 3, Surface Sketch Showing Sample Locations, page 8.

An old adit was observed at the south edge of the lake which now, because of sloughing, appears as a trench. A shaft was sunk about three meters at the end of this cut. Dump material carried heavy malachite, chalcopyrite and azurite mineralization. Several bulldozer trenches in the same general area contained copper stained rocks.

Approximately 350 meters N40E of the above area is another set of trenches that were mapped and sampled. Copper mineralization was observed in several of these northerly trenches.

Assay results for this author's samples are detailed below:



SXT RESOURCES LTD.
THEL AND SUN CLAIMS
NICOLA MINING DIVISION, B.C.

SURFACE SKETCH SHOWING SAMPLE LOCATIONS

NOT TO SCALE

R.T. HEARD AND ASSOCIATES LTD.

NOVEMBER, 1983 | FIGURE 3

Sample No.	Location and Description	Assay Results Au o/t	Ag o/t	Cu %	MoS_2 %
71199	Adit dump, S of lake.	.002	0.22	2.44	0.003
71200	Adit dump a/a. Grab.	.002	0.21	5.43	0.003
72587	Trench s. of adit. Grab.	.002	0.65	4.60	0.003
72588	N. Trench. 1.8 m rep. chip	.002	0.02	0.19	0.002
72589	N. Trench. 4.0 m rep. chip	.002	0.02	0.29	0.003
72590	N. Trench. 6.4 m rep. chip	.002	0.04	0.07	0.002
72591	N. Trench. 2.4 m rep. chip	.002	0.02	0.03	0.003
72592	S. Trench. Grab Sample	0.002	0.75	2.34	0.003

CONCLUSIONS AND RECOMMENDATIONS

The field examination indicates that mineral exploration on this property has been limited. Some of the copper mineralization found assayed quite high. Two areas of mineralization were found separated by a small intrusive block probably related to the Quilchena batholith. Shearing and alteration is intense in some places and the whole claim group warrants an exploration program to try to determine if any economic mineralization exists within its boundaries.

It is recommended that the known areas of mineralization be tied together by a line grid. Geological mapping at a relatively close scale should be performed in an attempt to tie the mineralized zones to the intrusives observed on the claims in an attempt to ascertain the source of the mineralization. The grid should be sampled for geochem analyses.

If results from this program are sufficiently encouraging, then a magnetometer survey and an induced polarization survey should be conducted over the areas of interest. Electrode spacings should be set at 90, 180 and 270 meter separations to gain a profile of structural and mineralogical expression.

Anomalies should be drilled to determine their economic signficance.

COST ESTIMATES

Phase I

1.	Line Grid; base line 1800 m, crosslines @ 90 m intervals, 19.8 km x $125/km + materials	$2,500
2.	Geological Mapping: 5 days x $200/day	1,000
3.	Geochemical Surveying; samples @ 25 m intervals - 790 samples, collection - 5 days x $150/day + analyses (Cu, Ag, MoS_2) x $3.70/sample + freight	4,000
	Sub Total	$7,500
	Contingency	1,000
	TOTAL PHASE I	$8,500

Phase II - contingent upon favourable results from Phase I

1.	Magnetometer survey; 19.8 km x $100/km	$ 2,000
2.	I.P. Survey; 10 km x $250/km	2,500
3.	Accommodation; 4 men x $50/day x 10 days	4,000
4.	Transportation; 1 vehicle x 1/2 month x $1,200/month	2,400
5.	Fuel, oil, etc.	600
6.	Professional Fees: including supervision and reporting	4,000
	Sub Total	$15,500
	Contingency	2,000
	TOTAL PHASE II	$17,500

Phase III - Contingent upon favourable results from Phases I & II

1.	Project Supervision	$ 3,000
2.	Diamond Drilling; 500 m x $75/m	37,500
3.	Sampling and Assaying; 50 samples x $38.50/sample plus freight	2,000
4.	Accommodation; 6 men x $50/day x 15 days	4,500
5.	Transportation; 2 vehicles x 1/2 month x $1,200/month	1,200
6.	Professional Fees; including supervision and reporting	3,000
	Sub Total	$51,200
	Contingency	6,800
	TOTAL PHASE III	$58,000

Grand Totals

	Cost	Cumulative Cost
Phase I	$ 8,500	$ 8,500
Phase II	17,500	26,000
Phase III	58,000	84,000

Respectfully Submitted,

R.T. Heard., P.Eng.

Vancouver, B.C.
April 5, 1983

REFERENCES

Cockfield, W.E. (1961): Geology and Mineral Deposits of Nicola Map Area, British Columbia, G.S.C. Memoir 249.

Rice, H.M.A. (1960): Geology and Mineral Deposits of the Princeton Map Area, British Columbia, G.S.C. Memoir 243.

CERTIFICATE

I, RICHARD TERRENCE HEARD, with business and residence address at 818 Clements Avenue in North Vancouver, British Columbia, do hereby certify that:

1. I am a registered Professional Engineer in good standing in the Association of Professional Engineers of Yukon Territory, a registered Professional Engineer in good standing in the Association of Professional Engineers, Geologists and Geophysicists of Alberta, and a registered Professional Engineer in good standing in the Association of Professional Engineers of the Province of British Columbia.

2. I am a graduate of Haileybury School of Mines, Haileybury, Ontario, 1958 and of the Montana College of Mineral Science and Technology, Butte, Montana (Bachelor of Science in Geological Engineering in 1971).

3. I have been practicing my profession as an Exploration Geologist for 24 years and as a Professional Engineer for the past 10 years.

4. I have not, directly or indirectly, received or expect to receive any interest, direct or indirect, in the property of SXT Resources Ltd. or any affiliate, nor do I beneficially own, directly or indirectly, any securities of SXT Resources Ltd. or any of its affiliates.

5. I have conducted a completely independent analysis of all data available for this property and have visited the property on the dates shown within the body of this report.

6. I hereby grant my permission for SXT Resources Ltd. to use this report for filing with the Vancouver Stock Exchange as partial requirement of a Statement of Material Facts or for any legal purposes normal to the business of SXT Resources Ltd.

Dated at Vancouver, British Columbia this 5th day of April, 1984.

R.T. Heard, P.Eng.