

REPORT
ON
MAGNETOMETER SURVEY
SEARCHLIGHT PROPERTY
NEW BEGINNINGS RESOURCES INC.
CLARK COUNTY, NEVADA, U.S.A.

by

PROSPECTING GEOPHYSICS LTD.

Toronto, Ont.

July 17, 1981.

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INTRODUCTION

A magnetometer survey has recently been completed on the property of New Beginnings Resources Inc. in the Searchlight Mining District of Nevada. This is a gold-silver-copper-lead producing district and the object of the magnetic survey is to help outline geological contacts and structural features beneath the alluvial cover. It is expected that the interpretation of the magnetic data correlated with known geological information will be of assistance in laying out a diamond drilling program.

The following report and accompanying map describe the results of the survey and provide an interpretation.

PROPERTY AND LOCATION

The property originally consisted of 30 contiguous claims located in Townships 28 S and 29S of Range 63 E making a total of approximately 508 acres. An additional 21 claims were recently staked referred to as the F.S. claims and the survey covers most of the 51 claims as shown on the accompanying Key Map.

The property is situated approximately 50 miles south of Las Vegas and is readily accessible by road.

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GEOLOGY

The immediate property is almost entirely covered with alluvium which has hampered exploration in the past. As a result, the geology has been interpolated from data to the west where outcrops occur and mineral discoveries have been developed.

From this limited data, it appears that the northern part of the property is underlain by quartz monzonite which is part of a fairly extensive body that has intruded the volcanics and a body of gneissic rocks. These latter two rock types are believed to underlie the southern part of the property in Township 29 S. The contact between the quartz-monzonite on the north and the volcanics to the south is believed to be approximately in the centre of the property and strikes about 080° . Two east-west faults have been inferred in the southern half of the property.

The mineral discoveries in the Searchlight district have been found in the volcanic lavas, andesite porphyry and the gneisses but very few veins occur in the quartz monzonite. The veins generally strike between 080° and 123° and vary considerably in both length and widths. The major production in the district has come from mines to the west of the New Beginnings property in both the volcanics and the gneissic rocks. The discoveries were all made from outcrop indications.

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SURVEY METHODS AND INSTRUMENT DATA

The magnetic survey has been carried out over a network of north-south lines that have been picketed and chained as shown on the accompanying map. The lines on the southern part of the property are at 200 foot intervals while those on the northern portion are at 400 foot intervals and stations are at 100 foot spacing along the lines.

The survey was conducted using a Geometrics Proton MG-826 magnetometer measuring the earth's total magnetic field. The readings are in gammas and have been plotted on the accompanying map after correction for diurnal variation. The actual readings are 50,000 gammas higher than those plotted on the map as the lower readings made easier plotting. The results have been contoured to facilitate the interpretation.

RESULTS OF THE MAGNETOMETER SURVEY

An examination of the magnetic map shows that a good portion of the property contains fairly uniform readings. The north part of the map shows uniform but slightly lower readings and these probably represent the quartz monzonite intrusive that underlies a fairly large area to the north and west of the map area.

There are some irregularities in the readings, some of which may be due to variations in the thickness of the

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alluvium. The contact of the quartz monzonite is interpreted as being about 060° and the intrusive would appear to underlie the following claims.

Fond Hope 4, 5, 6 & 7

New Era 1, 2, 4, 5, 6 & 7

Hope 3, 4, 9 & 10

There is a series of irregular high readings along line 16 W and these apparently are due to a buried pipe line and have no relation to the underlying rocks.

The most significant feature on the map is an irregular magnetic anomaly in the southeast corner of the property. This consists of both high and low magnetic values which suggests the presence of magnetite and this area is interpreted as being underlain by volcanic rocks. The anomalous area continues off the surveyed area to the east and south and it covers some of the recently staked F S claims. The west contact of the anomaly is characterized by a halo of lower readings suggesting an altered zone or fault with a strike of approximately 030° .

The southwest portion of the map shows fairly uniform readings that are just slightly higher than those in the north part of the property. These readings possibly represent the gneissic rocks which are found in the area to the west of the volcanics.

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CONCLUSIONS AND RECOMMENDATIONS

On the basis of the magnetic readings, it has been possible to postulate the geological contacts of the three main formations which are almost entirely covered by alluvial deposits. The most favourable area appears to be in the south-east corner of the survey area where there is a prominent magnetic anomaly. The readings are erratic suggesting some structural features that could be favourable for gold-bearing mineralization.

It is recommended that any geological or other data available in this area be correlated with the geophysical data prior to laying out a drilling program.

Respectfully submitted,

PROSPECTING GEOPHYSICS LTD.

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