Searchlight Resources Completes Due Diligence on Cobalt Vanadium Property in Saskatchewan

written by Raj Shah | January 30, 2019

January 29, 2019 (Source) – Searchlight Resources Inc. ("Searchlight" or the "Company") (TSX-V: SRCH) is pleased to announce that Searchlight has completed the 60 day due diligence and will acquire a 100% interest in the Duddridge Lake Cobalt-Vanadium-Uranium Project ("Duddridge" or the "Property") located approximately 75 kilometers northwest of La Ronge and 400km north of Saskatoon, Saskatchewan.

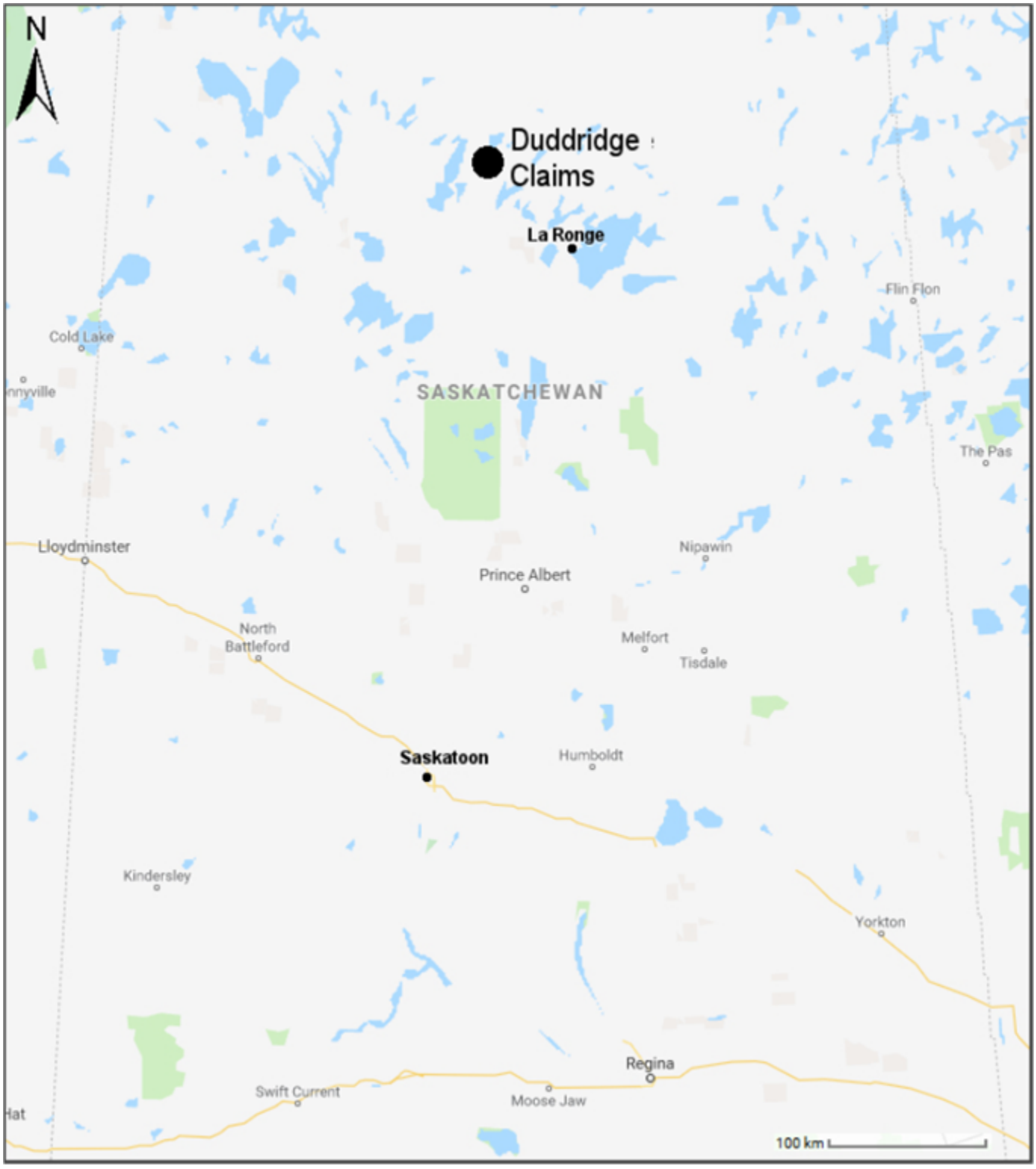
Searchlight has completed the 60-day diligence period during which the Company reviewed and confirmed the historical data and has begun utilizing the data for 2019 exploration planning.

"Searchlight sees significant opportunity with the Duddridge Lake project exploring for battery minerals in Saskatchewan, one of the best Mining Jurisdiction's in the world. This combination provides our shareholders a low risk, high quality investment." notes Stephen Wallace, CEO and President of Searchlight. Mr. Wallace further noted "With the completion of the due diligence, the company looks forward to conducting field work on project in the 2019 field season"

The Duddridge Cobalt-Vanadium-Uranium Project consists of 4 mineral claims totaling 3,051.6 hectares accessible by an all-

season gravel road (Highway 910) to within 12 km of the project and with direct access to the project by winter road and ATV trail in summer. Duddridge Lake fits the company focus of quality projects in Saskatchewan with access by road.

To date, no exploration has ever focused on the cobalt or vanadium in this region of Saskatchewan. In 2007, Fission Energy Corporation (“Fission”) announced a historical inferred resource estimate of 227,880 tonnes with a grade of 2.14 lbs/tonne U3O8 (see details below). Subsequently, during uranium exploration by Fission in 2012, a total of 39 boulder samples were collected and analyzed for a wide package of elements. The results of boulder analysis showed highly anomalous results for cobalt and vanadium, two elements that were not of widespread exploration interest in 2012. In addition, the sample results show anomalous copper, lead and uranium levels. At that time of exploration, the focus was primarily for uranium. Of note, sample DD12-HW-029 assayed 1,310 ppm Co and 1,560 V; sample DD12-SH-012 assayed 1,460 Co and 746 ppm V; sample DD12-WM-002 assayed 567 ppm Co and 5,550 ppm V plus 4,440 ppm Pb and 15,100 ppm U.



Location of Duddridge Lake claims in Northern Saskatchewan

Table 1 below shows the cobalt, vanadium, copper, lead and uranium assays of the 39 boulder samples collected by Fission in 2012. The data was derived from Appendix 3 of the Saskatchewan

Mineral Assessment report MAW00145 submitted on March 29th, 2013 by Fission Energy Corp. Titled “2012 AIRBORNE GEOPHYSICAL SURVEYING and OUTCROP, BOULDER & SOIL SAMPLING ON THE DUDDRIDGE LAKE PROPERTY”.

These boulder sample results are historical in nature and Searchlight has not undertaken any independent investigation of the sampling nor has it independently analyzed the results of the previous exploration work in order to verify the results. Searchlight considers these sample results relevant as the Company uses historical reports to evaluate and historic sample results as a guide to plan future exploration programs.

Table 1: Boulder Sample Assay Results

0	Boulder Sample No.	Co ppm	Cu ppm	Pb ppm	U ppm	V ppm
1	DD12-AC-001	910	276	1110	1870	1580
2	DD12-AC-002	4	13	42	8	59
3	DD12-AC-003	382	415	2190	10700	1160
4	DD12-AC-004	42	244	236	564	1330
5	DD12-AC-005	7	1480	3060	9700	728
6	DD12-AC-006	58	592	726	58	485
7	DD12-AC-007	34	220	290	1730	353
8	DD12-AC-008	5	438	476	1370	482
9	DD12-AC-010	4	89	5550	16500	375
10	DD12-AC-011	156	301	239	710	422
11	DD12-AC-016	5	143	1290	3870	804
12	DD12-AC-030	13	6950	31	10	15
13	DD12-AC-154	3	5	33	<2	25
14	DD12-HW-025	2	<1	15	4	42
15	DD12-HW-029	1310	377	1200	3330	1560
16	DD12-HW-031	1	165	1330	3880	125
17	DD12-HW-073	<1	1	67	3	3
18	DD12-HW-076	8	24	192	422	70
19	DD12-JL-001	3	316	40	87	52

20	DD12-JL-002	2	6290	506	1390	35
21	DD12-JL-003	6	928	696	1950	63
22	DD12-PR-001	73	130	41	35	105
23	DD12-PR-002	79	184	52	19	26
24	DD12-PR-004	10	133	221	918	2750
25	DD12-PR-007	<1	6	76	16	2
26	DD12-PR-008	2	336	118	502	202
27	DD12-PR-011	3	815	4650	9970	245
28	DD12-PR-012	418	575	561	6200	685
29	DD12-PR-018	151	813	1510	4080	1960
30	DD12-SH-012	1460	348	2160	6360	746
31	DD12-SH-013	75	1230	7110	19100	2990
32	DD12-SH-014	1	117	1180	4920	3240
33	DD12-SH-015	173	156	318	831	793
34	DD12-WM-001	2	10	11	<2	42
35	DD12-WM-002	567	511	4440	15100	5500
36	DD12-WM-003	250	336	1380	3070	1480
37	DD12-WM-035	13	76	134	138	86
38	DD12-PR-012	5	1520	5080	10400	476
39	DD12-PR-001	602	43	182	135	139
	Highlighted	> 500 ppm	> 1,000 ppm	> 4,000 ppm	> 10,000 ppm	> 1,000 ppm

Terms of the Acquisition Agreement

The Duddridge Project is being acquired from two arms-length individuals with the following terms of acquisition;

- Payment of $4,000 in two payments
- Payment of $2,000 on signing of agreement
- Second payment of $2,000 on completion of Due Diligence
- Issuance of 500,000 shares of Searchlight Resources Inc. to vendors on closing

Under the terms of the Agreement, Searchlight will pay a 1.0 % Net Smelter Return royalty (the “NSR”) to the Vendors on

commencement of commercial production. Searchlight has the right, at any time prior to six months after completion of a feasibility study to purchase the first 0.5 % of the 1.0% NSR for $1,000,000 and the second 0.5 % of the 1.0% NSR for $1,500,000 for a total buyout of $2,500,000.

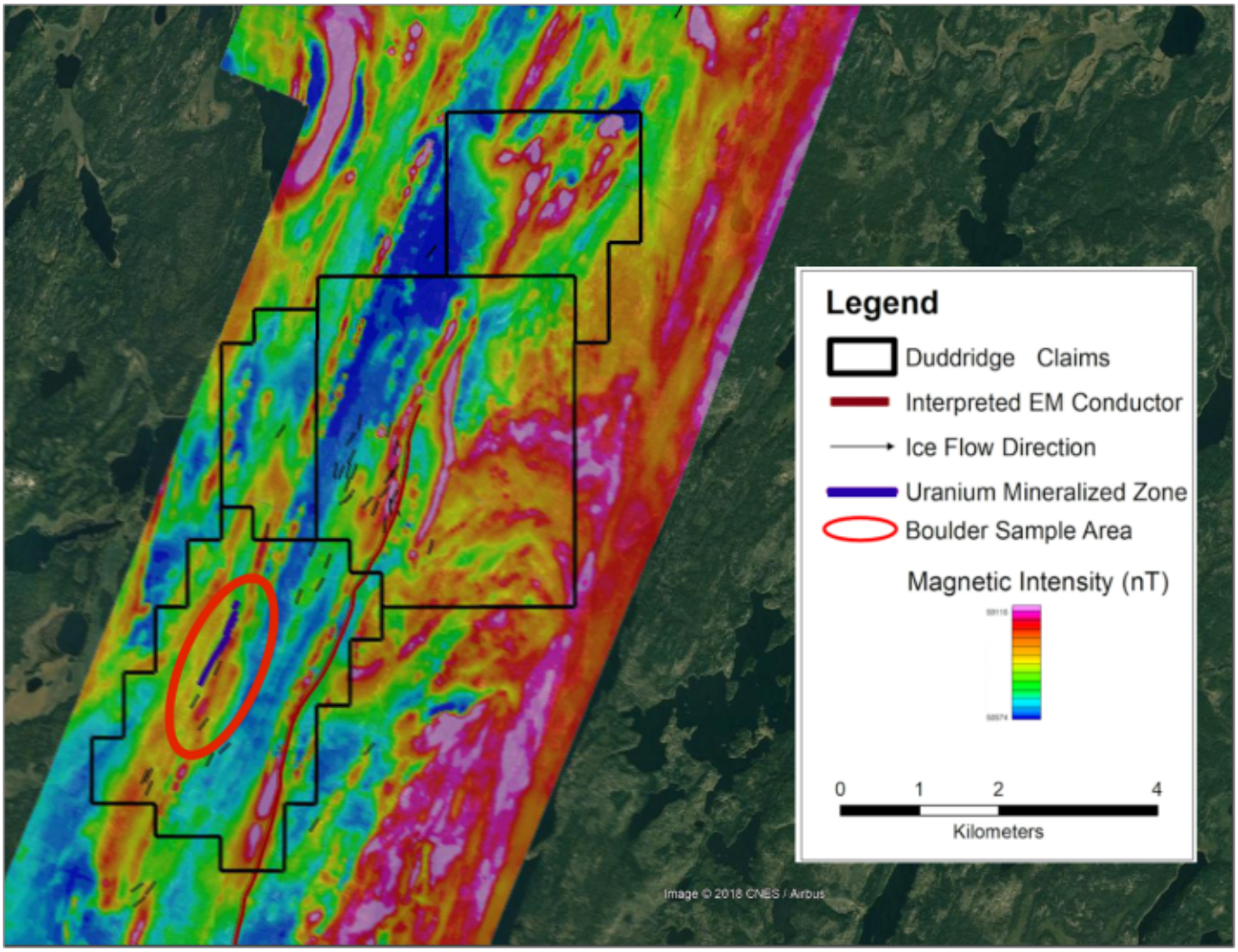
This Agreement is subject to approval by the TSXV and a 60-day due diligence period by Searchlight.

Geology/ Exploration.

This region of Saskatchewan has been a target of uranium exploration since the late 1960's with a series of surface sampling, geophysics and drilling programs by companies including Noranda, SMDC and Fission.

The Duddridge Lake Property is described as stratabound uranium and copper mineralization with abundant polymetallic mineral occurrences associated with basal quartz conglomerate and carbonaceous- bearing lenses in red bed (hematitic) arkose. The style of mineralization present appears to have ore bearing minerals consistent with both vein type and unconformity-type deposits with nickel and cobalt arsenides. The two styles of mineralization have similarities based on association with structures, including faults and unconformities.

The map below shows the area of boulder sampling in relation to known mineralization. The boulder samples represent potential up ice mineralization which will be explored by Searchlight in 2019. In addition, a second parallel 10 km long electromagnetic conductor needs to be explored.



Map showing area of Boulder Train relative to Duddridge claims

Duddridge Lake Uranium Deposit

The Duddridge claims host the Duddridge Lake Uranium deposit, a 43-101 inferred resource estimate completed in 2007 by Fission Energy Corp. The 43-101 technical report titled “Report on the Duddridge Lake Uranium Property Northern Saskatchewan NTS 730/9 submitted by Stuart C. Fraser, P. Geol. on June 15, 2007 reports an inferred mineral resource of 227,880 tonnes with a grade of 2.14 lbs/tonne U3O8.

The Duddridge Lake Uranium deposit technical report was not commissioned or completed by Searchlight and therefore is being treated as a historical resource estimate under 43-101

disclosure. The historical resource estimate used “inferred mineral resource”, which is a category of NI 43-101. As a result, Searchlight considers the historical resource estimate as reliable as well as relevant as it represents a key target for work to be done by Searchlight.

Searchlight has not undertaken any independent investigation of the resource estimates nor has it independently analyzed the results of the previous exploration work in order to verify the resources and the Company is not treating the historical estimate as a current resource.

This report is available on SEDAR.

Qualified Person

Stephen Wallace, P.Geo., is Searchlight’s Qualified Person within the meaning of National Instrument 43-101 and has reviewed and approved the technical information contained in this news release.

About Searchlight Resources Inc.

Searchlight Resources Inc. (“Searchlight” or the “Company”) is a professional mineral exploration and development company listed on the Toronto Venture Exchange (TSXV). The company is active with mineral exploration projects in Saskatchewan, Ontario and Nevada, three of the top seven jurisdictions in the world for mining investment as ranked by the Fraser Institute. The Company holds a portfolio of gold, cobalt and base metal projects from grassroots stage to advanced exploration and NI43-101 resource development.

Saskatchewan – Gold and Base Metals

The Bootleg Lake project is 16,900 hectares of claims in Saskatchewan covering prospective areas of the Flin Flon

Greenstone Belt. Exploration is being carried out at the past producing Newcor, Rio (Bootleg) and Henning Maloney Gold mines located approximately 5 kilometres from Creighton, Saskatchewan, less than 10 kilometres from the Hudbay 777 mine located in Flin Flon, Manitoba, and in the region of the four past producing base metal mines Flexar, Birch Lake, Amisk and Coronation.

Ontario – Copper, Cobalt and Nickel

- The Munro Warden project is an early stage exploration prospect targeting VMS copper, nickel and cobalt within the Kidd- Munro assemblage of the Abitibi Greenstone Belt. The project covers 1,100 hectares including 9 mining leases and 11 claim-blocks located approximately 90 kilometres east of Timmins, Ontario.
- The Cameron project is a grassroots cobalt exploration prospect located 25 kilometres southwest of Cobalt, Ontario within the highly prospective Cobalt Embayment.

Nevada – Copper

Searchlight's Nevada project New York Canyon, hosts two copper deposits in the Walker Lane Structural Belt located in western Nevada; the Long Shot Ridge skarn deposit with a 2010 NI43-101 resource estimate and the Copper Queen porphyry deposit drilled out by Conoco in the 1970's.

On behalf of the Board of Directors,

"Stephen Wallace"

SEARCHLIGHT RESOURCES INC.

Stephen Wallace, President, CEO and Director

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Forward-Looking Statements

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. The Company cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond the Company's control. Such factors include, among other things: risks and uncertainties relating to the Company's limited operating history and the need to comply with environmental and governmental regulations. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information.

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