



British Columbia Securities Commission

QUARTERLY AND YEAR END REPORT

BC FORM 51-901F
(previously Form 61)

Freedom of Information and Protection of Privacy Act: The personal information requested on this form is collected under the authority of and used for the purpose of administering the Securities Act.

ISSUER DETAILS
NAME OF ISSUER: STRATHCLAIR VENTURES LTD.
FOR YEAR ENDED: 02 | 12 | 31
DATE OF REPORT: 03 | 03 | 18
ISSUER ADDRESS: 401 - 1311 HOWE STREET
CITY/PROVINCE: VANCOUVER/BC
POSTAL CODE: V6Z 2P3
ISSUER FAX NO.: 604-691-1761
ISSUER TELEPHONE NO.: 604-691-1730
CONTACT PERSON: GEORGE SANDERS
CONTACT'S POSITION: PRESIDENT
CONTACT TELEPHONE NO.: 604-691-1730

CERTIFICATE

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE: "STUART ROGERS"
PRINT FULL NAME: STUART ROGERS
DATE SIGNED: 03 | 04 | 25
DIRECTOR'S SIGNATURE: "J. SCOTT DREVER"
PRINT FULL NAME: J. SCOTT DREVER
DATE SIGNED: 03 | 04 | 25

STRATHCLAIR VENTURES LTD.
QUARTERLY AND YEAR END REPORT - FORM 51-901F
DECEMBER 31, 2002

SCHEDULE A: FINANCIAL INFORMATION

See attached audited financial statements for the year ended December 31, 2002.

SCHEDULE B: SUPPLEMENTARY INFORMATION

1. Analysis of expenses and deferred costs: See attached audited financial statements for the year ended December 31, 2002.
2. Related party transactions: See Note 7 of the attached audited financial statements for the year ended December 31, 2002.
3. Summary of securities issued and options granted:

a) Summary of securities issued during the year ended December 31, 2002:

Date of Issue	Type of Security	Type of Issue	Number	Price	Total Proceeds
February 8, 2002	Units ⁽¹⁾	Private placement	1,400,000	\$ 0.10	\$ 140,000
September 9, 2002	Common shares	Exercise of warrants	200,000	0.11	22,000
September 10, 2002	Common shares	Exercise of warrants	1,000,000	0.11	110,000
December 16, 2002	Common shares	Exercise of warrants	50,000	0.11	5,500
December 16, 2002	Series A special warrants ⁽²⁾	Private placement	2,500,000	0.13	325,000

⁽¹⁾ Each unit consists of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share of the Company at an exercise price of \$0.11 expiring February 6, 2004.

⁽²⁾ Each series A special warrant is exchangeable, at no additional consideration, for one unit. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one common share at \$0.26 per common share for a period of one year.

b) Summary of options granted during the year ended December 31, 2002: Nil.

4. Summary of securities as at the end of the reporting period:

a) Authorized: 100,000,000 common shares without par value

b) Issued and outstanding: 4,104,046 common shares at a recorded value of \$4,988,714; and
2,500,000 Series A special warrants at a recorded value of \$325,000.

c) Summary of options outstanding: None.

SCHEDULE B: SUPPLEMENTARY INFORMATION (cont'd...)

4. c) *Continued...*

Summary of warrants outstanding:

Number of Shares	Exercise Price	Expiry Date
150,000	\$ 0.11	February 6, 2004

d) Number of shares held in escrow: 50,480 common shares.

Number of shares subject to a pooling agreement: None.

5. List of directors and officers: George Sanders, President and Director
Stuart Rogers, Director
Thomas Wharton, Director
J. Scott Drever, Director
Patricia Rogers, Secretary

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis (MDA) is an overview of the activities of Strathclair Ventures Ltd. (the "Company") for the year ended December 31, 2002. The MDA should be read in conjunction with the Company's audited financial statements and notes attached thereto.

Corporate Developments

The Company announced on February 11, 2002 that it had closed a private placement financing of 1,400,000 units at \$.10 per unit. Each unit was exercisable into one share and one share purchase warrant, with each such warrant exercisable into one common share at an exercise price of \$.11 for a two year period. At December 31, 2002 1,250,000 of the share purchase warrants had been exercised.

On September 17, 2002 the Company announced it had entered into a Letter Agreement to acquire all of the issued shares of 4023307 Canada Inc. (Silverco) from its shareholders: J. Scott Drever of West Vancouver, B.C., N. Eric Fier of Mission, B.C., and Barney Magnusson of West Vancouver, B.C. . As consideration to the shareholders of Silverco, the Company will issue 5,000,000 common shares of its capital stock and pay \$75,000 upon conditional regulatory approval, \$75,000 after cumulative exploration and development expenditures of \$1,000,000 and \$225,000 on the completion of a positive feasibility study. The assets of Silverco comprise four mineral properties located in Honduras, Central America and are more fully described below.

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS (cont'd...)

Corporate Developments (cont'd...)

The closing of a 2,500,000 unit special warrant financing at \$.13 per unit was announced on December 17, 2002. The Special warrants expire on December 17, 2003 and are automatically converted at that time into one common share and one share purchase warrant with each share purchase warrant exercisable into one common share at an exercise price of \$.26 per share for a one year period.

Honduran Property Summary

- a) **El Ocote** has indicated resources estimated at 1.9 million tonnes grading 181 g/t silver containing 11 million ounces of silver based on a 30 g/t silver cut-off grade. Contained within this resource is a high-grade portion estimated at 1 million tonnes at a grade of 282 g/t silver that is considered potentially amenable to open cut mining during the initial years of production. Inferred Resources are estimated at 1.4 million tonnes grading 118 g/t silver containing 5.2 million ounces of silver. Accordingly, the El Ocote property contains an estimated resource of 16 million ounces of silver with the potential to increase to over 20 million ounces.

The deposit is an elliptical breccia pipe that measures 160 metres by 90 metres and is defined to a depth of 100 metres from surface. Silver grades improve upwardly, from approximately 30 g/t at depth to in excess of 400g/t near surface. The pipe forms a topographic high, making it potentially amenable to low strip ratio, open pit extraction. An initial work program of in-fill and resource expansion drilling is expected to confirm the higher grade surface, starter pit material, and provide information for metallurgical and engineering studies. The work program will transition into a feasibility study.

- b) **Opoteca** has indicated resources estimated at 1.3 million tonnes grading 123 g/t silver and 0.17 g/t gold containing 5.6 million equivalent ounces of silver based on a 30 g/t silver cut-off grade. Inferred resources are estimated at 1.7 million tonnes grading 126 g/t silver and 0.10 g/t gold, containing 7.4 million equivalent ounces of silver. Accordingly the Opoteca property contains estimated resources of 13 million ounces of silver with the potential to increase to over 20 million ounces.

This deposit is a manto-style, carbonate replacement deposit, with mineralization hosted in folding sediments and higher grade angle faults. An oxidized horizon is measured as 800 metres long, 100 metres wide with an average thickness of 15 metres and is considered potentially amenable to open pit mining at a low strip ratio. An initial work program of resource expansion drilling should advance this property to the pre-feasibility stage.

- c) **La Pochota** is an epithermal vein system with existing and accessible underground workings. Approximately 250 metres of exploration drifting exists with only minor stoping. Various previous operators and engineering reports show the vein ranging between 1 to 4 metres in width. The vein appears to strike along a dip slope for 600 metres and is measured down dip for 125 metres. Reported average grades vary from 332 g/t to 514 g/t silver with significant gold credits. A drill program will be required to test the strike and depth extensions as well as test several parallel structures.
- d) **Arena Blanca** is an early stage exploration project with high grade potential. The mineralization occurs in a quartz vein/shear zone hosted in granodiorite. The 5 to 6 metre wide quartz vein occurs on a dip slope and has been accessed by an adit and sampled up dip where the zone outcrops on a hilltop. Sample results from a United Nations report yielded grades ranging from 1,945 g/t to 7,600 g/t silver. A modest first phase drill program will test for mineralized continuity between the adit access and the hilltop.

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS (cont'd...)

Results of Operations

The Company was without a project until September when it entered into the Letter Agreement to acquire 4023307 Canada Inc. The reduction in general and administrative expenses to \$51,469 in the current year from \$111,552 in the comparative year reflects the inactivity. During 2002 expense reductions were achieved in amortization (\$295 compares to \$ 2,944 in 2001), consulting (\$18,000 compares to \$75,023 in 2001), professional fees (\$12,086 compares to \$19,006 in 2001) and regulatory and transfer agent (\$7,695 compares to \$9,781 in 2001). Expense increases were noted in office and miscellaneous (\$6,593 compares to \$4798 in 2001) and rent (\$6,800 compares to nil in 2001). The Company had no "Other Items" for the year ended 2002 compared to costs recovered of \$11,717 and a loss on disposal of capital assets of \$8,769 in 2001.

As a result of the foregoing the Company had a net loss for the year of \$51,549 compared to a loss of \$108,604 during 2001.

The Company spent \$2,947 on furniture and fixtures during the year compared to nil in 2001. Deferred costs relating to the acquisition of Silverco amounted to \$181,842 as described in Notes 4 and 12 in the December 31, 2002 audited financial statements.

Liquidity and Solvency

As at December 31, 2002 the Company had working capital of \$261,069 with cash on hand of \$327,137 compared to a working capital deficiency of \$105,468 and cash on hand of \$2,444 at December 31, 2001. The improvement of \$366,577 in working capital is primarily a result of the issuance of shares for \$277,500 and the issuance of special warrants for \$325,000 less the expenditure of \$181,842 for deferred costs related to the acquisition of Silverco.

The Company must conclude a minimum financing of \$650,000 as a condition of closing the acquisition of Silverco. Future equity financings will also be necessary for the Company to continue to advance and develop the Honduran mineral properties.

Subsequent Events

Conditional approval for the acquisition of Silverco was received from the TSX Venture Exchange on February 19, 2003.

The Company's shareholders approved the acquisition of Silverco and a change of name to 'SilverCrest Mines Inc.' at the Annual General Meeting held on March 14, 2003.

On April 8, 2003 the Company announced a proposed offering of units ("Units") at \$0.33 per Unit. The offering will be for a minimum of \$650,000 (minimum 1,969,697 Units) and a maximum of \$1,250,000 (3,787,878 Units). Each Unit will consist of one common share of the Company ("Common Share") and one-half of one Common Share purchase warrant. Each whole warrant will entitle the holder to acquire one Common Share at a price of \$0.35 for one year from the closing of the offering.

The Units are being offered for sale on a best efforts agency basis through Bolder Investment Partners, Inc. ("Bolder"). The Company will pay Bolder a cash commission of 8.5% of the gross proceeds from the sale of Units under the offering. Bolder will also be issued agent's warrants for the purchase of that number of Common Shares equal to 20% of the Units sold under the offering, exercisable for a period of 18 months from the closing of the offering at \$0.33 in the first year and at \$0.38 during the balance of the term. The Company will also issue Bolder 50,000 Units as a corporate finance fee.