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FANY NAME: PERTY NAME: 6 South

Gabriel Resources

CONTACT NAME: TITLE:

E. W. Huohes President

PREVIOUS BUDGET: 1986 BUDGET:

\$604.357 REFERENCE NUMBER: \$460.500 DATE

23-Dec-86

ATION:

East of Hwy 97 fr. 30 - 80 kmTELEPHONE NUMBER: 687-6600 N of Quesnel. Road access.

FAME GRANT:

\$90.000

SET COMMODITY:Polymetallic massive sulphide Cu. In. Ac. Ac.

SULE SUMMARY OF PROJECT:

Optioned from the AT Syndicate. Showing - massive sulphide trenched and traced over a strike length of 200 feet. Dips NW at 45 - 55 degrees and ranges in width from 3 to 8 feet. Gold values averaging 0.1 to 0.4 oz./t. Early Cretaceous Naver Intrusions on east (qtz. monzo, granodiorite, diorite). Upper Triessic - Lr. Jurassic Takla group to west (andesite, basalt, tuff breccia, conglomerate & argillites). Chlorite talc schist - alteration envelope in Takla rocks, phyllite in argillites.

6 PROGRAM: ********

HEM, mag & I.P. ground geophysical surveys.

PROPORTION OF FAME FUNDING TO TOTAL PROJECT COST: PROPORTION OF TOTAL "MEIP" FUNDS ON THIS PROJECT:

19.54%

2.81%

Grid layout. Diamond drilling.

REPORTED PROGRESS WITH PROGRAM TO DATE: ************************

AUG: 1986 program initiated in April and consisted of ground geophysics program followed by diam drill. At Yardley Lake property both a Genie E.M. and Max-Min horizontal loop EM were employed and a ground magnetometer. At Ahbau Creek, a April 8 detailed IP and magnetometer survey completed. Total of May 8 72 line km of cut and flagged lines were surveyed with June 8 the magnetometer and EM equipment and approx 14 line km July 8 was surveyed with IP when this phase of exploration August 8 ended in late June. Diam. drilling of geophysical tar-September 8 dets totalled 2390m in 26 holes. October 8 Hole No. Depth (From-To) Length Au (oz/t) November S 6-86-4 92.9' - 95.4' 2.5' December 8 0.380 177.6' - 182.9' 5.3' 0.316 January 8 6-86-5 120.6' - 122.2' 1/6 0.226 February 8

SEP: First phase of diamond drilling, total 2438 m, completed by end of Aug. This located a shear zone (8 m across and

in Ahbau Creek area. This mineralization appears to be intimately related to small diorite dykes.

OCT: DD in Ahbau Creek area began Oct 7 and completed by end of month. 12 holes drilled, totalling 846 m in length. These holes were all drilled to test, 70 - 90 millisecond, IP anomalies located in detailed ************* surveys completed in Sep. Several of holes had good intersections (5-10 \$ m) of sulphides cementing brecciated volcanics and cherts. Some disseminated sulphides occurred in stringers along the foot walls in a quartz eye porphyry. NOV: During Nov. 8.3 line km of I.P. completed. All the analyses of samples taken from 1986 drill core received.

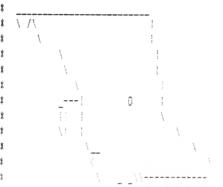
FORECAST VS ACTUAL PROJECT EXPENDITURES:

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	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
86			\$0	\$0	\$0	\$0
86	\$30,700	\$10,694	\$20,006	\$30,700	\$10,694	\$20,006
86	\$31,700	\$23,999	\$7,701	\$62,400	\$34,693	\$27,707
86	\$121,600	\$62,015	\$59,585	\$184,000	\$96,708	\$87,292
86	\$111,600	\$82,594	\$29,006	\$295,600	\$179,302	\$116,298
86	\$17,400	\$133,640	(\$116,240)	\$313,000	\$312,942	\$58
86	\$115,400	\$32,436	\$82,964	\$428,400	\$345,378	\$83,022
86	\$95,500	\$124,012	(\$28,512)	\$523,900	\$469,390	\$54,510
86	\$5,500	\$45,396	(\$39,896)	\$529,400	\$514,786	\$14,614
86			\$0	\$529,400	\$514,786	\$14,614
87			\$0	\$529,400	\$514,786	\$14,614
87			\$0	\$529,400	\$514,786	\$14,614
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	AFCC 444	4544 354				

TOTAL: \$529,400 \$514,786 \$14,614

> COMMENTS: *******



SUMMARY OF FAME REPORTS RECEIVED

GRANT 1.D. ND.: 10962-E103

NAME OF COMPANY: Gabriel Resources Inc.

NAME OF PROJECT: G-South

AMOUNT OF GRANT APPROVED: \$ 90,000.00

TOTAL EXPENDITURES: \$515,781.19

ELIGIBLE GRANT: \$ 90,000.00

FUNDS LIBERATED: 0

DATE OF RECEIPT OF REPORT: February 12, 1987

AUTHOR OF REPORT: J. M. Kowalchuk

TITLE OF REPORT: 4 reports. Gabriel Resources

Inc. G-South Property.

COMMENT ON REPORT: 2 reports dealing with extensive I.P., E.M., and magnetometer surveys. 2 drill reports on two large target areas. Very thorough report with all drilling, assay and geophysical data included in appendices.

COMMENT ON PROJECT: Mixed results. Anomalous gold values were encountered in the Yardley Lake-Great Dyke area and warrant some follow-up work. The Ahbau showing and area is currently being drilled with reportedly excellent intersections of auriferous massive sulphides in shear zones.

COMPANY'S COMMENTS ON 'FAME': "FAME inabled us to continue our drilling and associated programs through the fall and winter months. This will facilitate our search for gold origins in the area."

September 22, 1986

FAME Property Report Notes

E103 - Gabriel Resources - G South Project

Art Troop - V. P. Exploration (687-6600)
John Kowalchuk - Party Chief (988-4642)
Jim Lehtinen - Project Geologist (988-4642)
Gregg Mitchell - BCIT Student

Background to Project

- 1981 Art Troop carried out heavy mineral stream sed. survey. Picked up belt of anomalous Au values. Staked claims. Found the showing doing assessment work. Noranda wanted to option the ground. Did a JV airborne INPUT survey (1985). Picked up additional ground on a JV basis. Noranda has done a large regional compilation of geology, showings, INPUT and heavy mineral survey. Large property.

Work This Year

- In May/June IP and Mag over southern target (Peter Woolcotte and Associates). Also did MAX-MIN EM (Yardley Locke) over main INPUT targets.
- Found the <u>'sitting duck'</u> shaped mag anomaly. Detailed this and drilled. Found large diorite with mgt, chloritic alterations and shear zone, up to 500 ppb Au in places. Some cpy.
- The main massive sulphide with gold showing Alhau Target .33 oz/t Au, 2 oz Ag (2.0 m). Used Noranda's 1985 INPUT to base ground work. Kidd Creek (TGS) worked this area previously, 200 ft. of overburden and lake clays, therefore no geochem. anomalies.
- Had structural problems interpreting the strike for drilling. Tried contouring n=1 chargeability of IP. Indicated N-S trend, getting better with depth.
- First hole under the showing only ran .064 g/t Au and 0.7 oz/t Ag.
- Drilled 16 more holes, got 0.38 oz/t Au/0.76 m in one and 0.35 oz/t Au/1.0 meter in another.
- Have effectively killed all chances of a large tonnage deposit. Still have about 200 m strike length with interesting values, scheduled to do more detailed drilling this fall.

Yardley Lake Area

- Graphitic, pyrrhotitic argillite, Great EM anomalies, poor values. Minor Cu, Zn values. Hope to find gold similar to the 'Frasergold' property.

'Great Duke' Area

 Large composite and/or zoned dyke. Pyroxenitic core, grades out to a quartz diorite. Dips East and is highly altered (K-mica and silicified) on hanging wall. Interesting geology but no values.

Bottom Line on FAME

Original showing holding up, just. Regional association and large tonnage potential effectively killed by this year's work. Fall drilling in the showing area may give some exitement.

Company Name: Gabriel Resources Property Name: G South

Location: East side of highway 97 from 30 to 80 km.

Torget Commodity: Polymetallic Massive Sulphide

1986 Budget: \$ 460,500 00 74
Previous Expenditure: \$ 604,357

Capsule Summary: Optioned from the AT Syndicate.

Showing = messive sulphide trenched and traced

over a strike length of 200 feet. Dips N.W.

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Gold values averaging 0.1 to 0.4 0 Z/t.

Geology: Early Cretaceous Naver Intrusions on east (grandicrite

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1986 Program

ground geophysical surveys.

2) Grid layout

3) Dramond Drilling

\$ 90,000