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WESTERN CANADIAN INVESTMENTS

NO. 221 (1998)
NOVEMBER 18, 1998

NOV 24 1998

P. H.

NO. 221 (1998)
NOVEMBER 18, 1998

SABLE RESOURCES LTD.

[SAE-V] 4,645,907 SHS.

ODOGGONE PROGRAM COMPLETED - Melvyn Rahal, president, reports Sable Resources

has completed its exploration program for 1998 on its 11,000 mineral claim holdings - the 100% owned Shasta property and adjacent 100% owned 84 claim Chappelle property (plus one se) - located in the Toodoggone Gold Camp, some 300 km north Smithers, north-central BC. W.A.(Bill) Howell, P. Geo., was named to coordinate the program and to prioritize the targets. By this year, the company purchased a DIAMEC diamond drill machine to which modifications and improvements were completed provide greater flexibility in the exploration program.

In view of the stronger silver metal price and the low Canadian dollar in early 1998, the company re-evaluated its production from gold, silver deposit at the Shasta property. Production during 89-91 totalled 117,000 tons and produced 15,436 oz. gold and 5,878 oz. silver. Revenues based on production of 250 tons per

day, present metal prices and the Canadian dollar would be about \$1,000,000 per month, an increase of 25% over previous operations.

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In early June, Sable carried out a diamond drill program on the Shasta property. The program comprised nine drill holes in total. An ore reserve of about 10,000 tons grading 0.35 oz./ton gold equivalent was delineated. The ore identified this season is an extension to the JM orebody previously mined by Sable. Minor modifications were made to the company's Baker Mill, seven miles from the Shasta property, to process this ore at a rate of 250 tons per day. A program of drilling and blasting to remove rock was completed. However, it was felt with winter conditions fast approaching it would be wise to defer mining and milling to 1999.

Several other areas of interest, delineated by Homestake Canada on the Shasta property, will be re-evaluated and explored in 1999.

An extensive sampling, trenching and drilling program tested the Vein "B" Extension, the West Cirque Zone and the New Zone areas. All three of these targets are in close proximity of the DuPont Vein "A" and the Multinational Vein "B" deposits which produced 95,000 tons and 17,250 tones, respectively, grading 1 oz./ton gold equivalent. All three targets are similar in alteration and mineralization. A total of 10 diamond drill holes tested these targets with no economic mineralization delineated.

However, late in the season, numerous float samples of high grade gold and silver vein type material (up to 15 oz./gold/ton and 300 oz./silver/ton) were identified from an area designated as the Ridge Zone. These samples are summarized OVERLEAF P.2.

Several trenches were completed in the area of these high grade float samples but they were unsuccessful in locating the source for this mineral occurrence. As the samples have been located on a lower elevation the source is believed to be much higher and further work will be required to find the possible source.

Three diamond drill holes were completed at a higher elevation than what is considered to be in the zone for mineralization however valuable clues were achieved. No ore was encountered. The continued exploration of the source area of these samples will be the prime target of the 1999 exploration season.

During 1998, Sable acquired the Dave Price mineral claim which is contiguous to the Chappelle property and, in particular, the Black Gossan Area - an area of attractive alteration, weathered surface mineralization, geochemical expression (with trains of several samples over widths in excess of 100 metres exceeding 1000 ppb in soils) and geophysical magnetic coincidental surveys. Reconnaissance of the 400 by 800 metres Black Gossan area with its zones of intense silica/ pyrite alteration, resulted in the recognition of features and trends common to large porphyry type systems.

The Clancey Zone on the northwest flank of the Black Gossan area, where previous sampling revealed local zones and veins with values to 0.7 oz./gold/ton, was examined and sampled. The results have shown the potential for an extension of mineralization and this zone requires further exploration.

Sable remains committed to finding additional ore deposit in the Toodoggone area which will provide mill feed for its fully winterized and permitted Baker Mill and 80 man camp.

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SABLE RESOURCES LTD. SHASTA/CHAPPELLE PROJECT TOODOGGONE REGION, BC

Sample No.	Gold (opt)	Silver (opt)	Description
72300	0.701	0.14	Vein o/c, North Quartz Area
63701	0.220	1.34	Float, Ridge Zone
63702	0.146	0.95	Same float train as above
63703	1.807	10.88	"
63704	0.274	0.47	"
63705	0.099	1.67	"
63706	0.056	2.75	"
63707	0.092	3.03	"
63708	0.379	5.96	"
63709	0.671	5.47	"
63710	3.358	38.60	"
63711	1.459	23.59	"
63712	0.021	0.12	200 m south of previous float train
63713	0.094	0.83	"
63714	8.371	95.29	Same float train as 63701-711
63715	1.903	9.40	"
63560	5.451	90.36	Ridge Area above 63712, approx. 200 m lateral to previous float train
63561	4.082	93.25	"
63562	0.140	4.91	"
63563	0.019	0.54	"
63556	0.546	9.02	"
63557	0.142	4.40	"
63558	0.560	4.31	"
63564	4.855	273.09	Float on first bench, approx. 100 m NW of float train 63701-711
63579	4.142	49.32	"
63581	10.802	362.06	"
63595	15.026	126.05	Eastward extension of float train 63558-560 on east side of ridge

94E 50

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