

MINISTRY OF ENERGY
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The Reporting

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SABLE RESOURCES LTD. (SAE-V)
INTERNATIONAL SHASTA RESOURCES LTD. (ISR-V)
BULK SAMPLE PLANNED - Melvyn M. Rahal, president
FOR TOODOGGONE PROSPECT reports International Shasta
Resources has agreed to sell
 2,000,000 shares at 15¢ each for proceeds of \$300,000
 with warrants to buy a further 2,000,000 shares at 17¢
 each for one year. Prior to this sale International
 Shasta had 9,178,930 shares issued.

Sable Resources will purchase a major amount of the
 shares to be sold by International Shasta. At present
 Sable Resources holds only a nominal share position in
 International Shasta.

Mr. Rahal has reported the proceeds will be used by
 International Shasta to place in production some 100,000
 tons of ore grade material (the grade has not been
 reported but is expected to be the subject of a report
 in the near future), which will be mined by open pits on
 the JM and Creek zones from the 4400 acre Shas claims
 Toodoggone River area, 200 miles north of Smithers, B.C.
 Access to the property is by 7 km of road constructed in
 1987 to the Cheni main haul road. The Baker mill
 complex, located about 5 miles from the Shas claims, will
 be operated by Sable and will custom mill the Shasta ore
 for a fee.

Esso Minerals Canada holds an option to acquire a
 73% interest in the Shas claims by spending \$10,000,000
 on exploration before May 1, 1995 and by making property
 payments of \$75,000 in each of 1988 and 1989. To protect
 this option Esso must spend a further \$500,000 by May 1,
 1990. Esso has submitted a program for this expenditure
 and work is expected to start shortly. After Esso has
 earned the 73% interest International Shasta will hold a
 27% working interest in the property. Since Esso has
 been purchased by Homestake, International Shasta has
 the first right of refusal to buy back 100% interest in
 the claims by paying Esso-Homestake \$1,000,000 by June
 21, 1989. International Shasta is negotiating around
 the terms of this right of first refusal.

Work several years ago resulted in drill indicated
 reserves of 2,600,000 tons grading 0.079 oz. gold/t;
 including 500,000 tons grading 0.172 oz. gold/t including
 125,000 tons grading 0.25 oz. gold/t and including 50,000
 tons grading 0.50 oz. gold/t.