

FAR PROPERTY REPORT

Examination of a Porphyry Gold Target

Yukon Territory, Canada

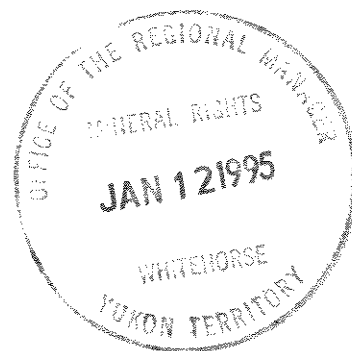
for
FARALLON RESOURCES LTD.
Vancouver, British Columbia
Canada

by
George Gorzynski, P.Eng.

Map Sheets
N.T.S. 115 P/14 - Clear Creek
N.T.S. 115 P/15 - Sprague Creek

137° 00' W Longitude, 63° 50' N Latitude

January 1994



093313

CONCLUSIONS AND RECOMMENDATIONS

On July 28 and August 8, 1993, helicopter-supported reconnaissance sampling was carried out on the Far Property in the Clear Creek area of Yukon Territory. The sampling was undertaken to test for mineralization similar to that on the nearby Pukelman gold porphyry deposit of Ivanhoe Goldfields Ltd. No significant gold values nor significant zones of alteration were found in the course of the investigation.

RECOMMENDATIONS :

1. No further work should be undertaken on the Far Property.

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FAR PROPERTY REPORT
Yukon Territory, Canada
by George Gorzynski, P.Eng.

1.0 BACKGROUND INFORMATION

1.1 INTRODUCTION

On May 20, 1993 Farallon Resources Ltd. of Vancouver, Canada signed a letter of intent with Brian Lueck to acquire by way of an option agreement, ownership of the Far Property. These claims are adjacent to and southeast of the Clear Creek Property of Ivanhoe Goldfields Ltd. where recent drilling has outlined a Fort Knox-type porphyry gold deposit in the Pukelman granite stock. It was speculated that the Clear Creek gold mineralising system may extend onto the Far Property.

On July 28 and August 8, 1993, reconnaissance sampling trips were undertaken by the author and prospector Eric Ewen both on foot and by helicopter over much of the property. This report details the results of those trips.

1.2 LOCATION AND ACCESS

The Far Property is located in central Yukon on the rugged West Ridge of the Stewart Plateau north of the McQueston River. It is about 50 kilometres west of the village of Mayo (Figure 1). Access is best gained to the property by helicopter from Dawson City some 125 kilometres to the west. Access can also be gained with a four wheel drive vehicle by exiting north from the Klondike Highway (No. 2) on the Clear Creek road and following the road branch into Left Clear Creek. Placer miners have kept the road in good condition to this point. From here there is a steep partially washed out road onto West Ridge and the Pukelman Gold Deposit area. From there a four kilometre walk along a ridge to the south gains access to the property. Winter access can be had with a snow machine along an old bulldozer track on the south side of Left Clear Creek.

Yukon Territory
Area: 478,034 sq. km.
Population: 25,000
Capital: Whitehorse

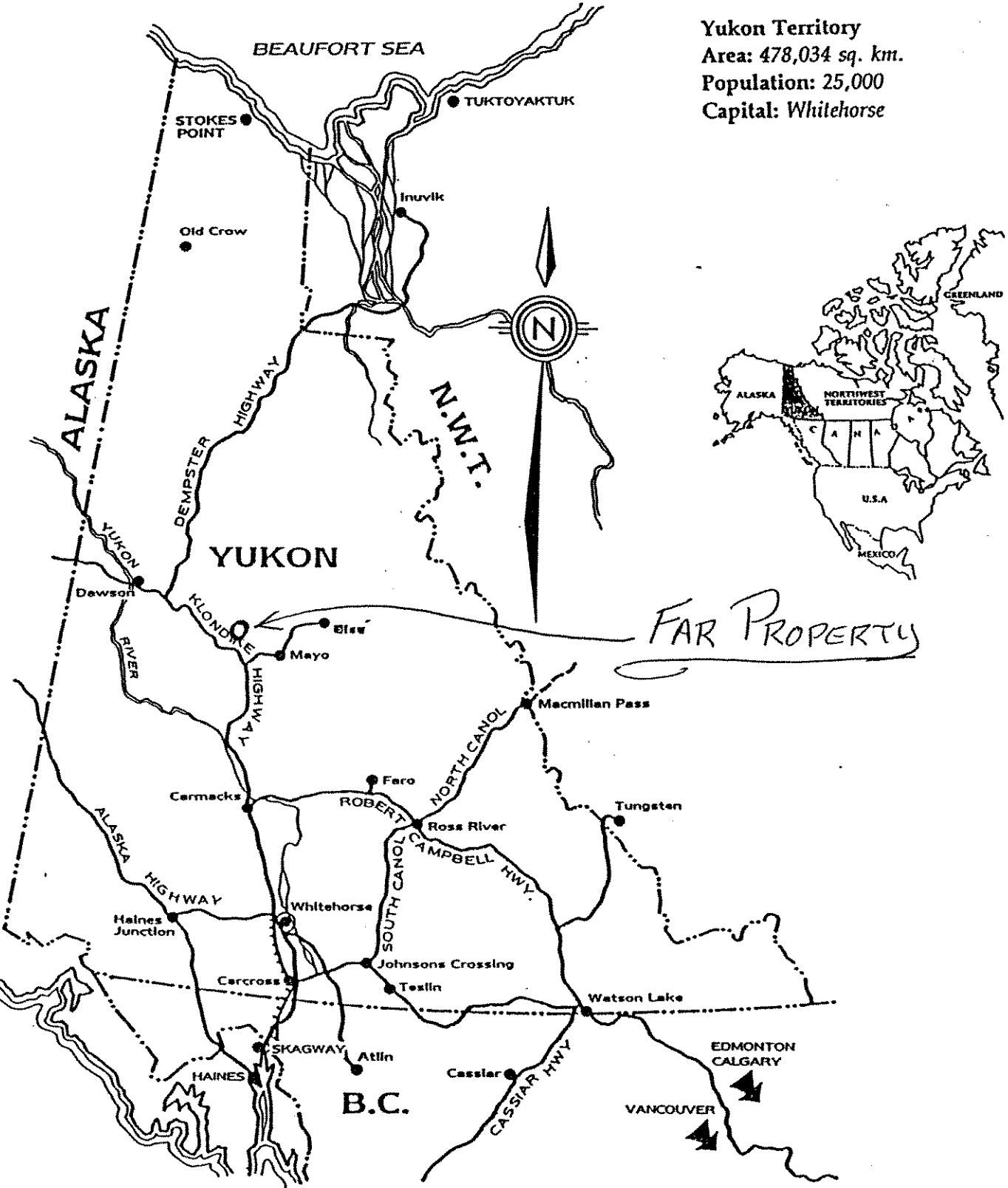


FIGURE 1 - LOCATION MAP

1.3 LAND STATUS

The Far Property consists of 70 mineral claims acquired by staking under the Yukon Quartz Mining Act and numbered Far 1 to Far 70 (Figure ~~xx~~²) as follows:

CLAIM NAME	REGISTERED OWNER	GRANT NUMBERS	EXPIRY DATE
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DAWSON MINING DISTRICT

Far 1 to Far 30	Robert J. Wongda	YB42003 to YB42032	June 7, 1994
Far 31 to Far 64	Brian Lueck	YB42033 to YB42066	June 7, 1994

MAYO MINING DISTRICT

Far 65 to Far 70	Robert J. Wongda	YB29811 to YB29816	June 7, 1994
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2.0 GEOLOGY

Most of the Clear Creek area is underlain by the pre-middle Cambrian Grit Unit (now referred to as the Hyland Group) which is intruded by several small felsic stocks and associated dikes, and sparse mafic dikes (Murphy et al, 1993a,b). The Grit Unit in the vicinity of the Far Property is mainly represented by massive quartzofeldspathic gneisses and quartzites. The felsic intrusions are early Cretaceous bodies of medium to coarse grained, locally porphyritic granite to quartz monzonite. They are up to three square kilometres in surface area and cover about 10% of the property.

The area has experienced at least three stages of deformation which are poorly understood (Murphy et al, 1993a)

3.0 MINERALIZATION

The Far Property is adjacent to and southeast of the Clear Creek Property of Ivanhoe Goldfields Ltd. where recent drilling has outlined a Fort Knox-type porphyry gold deposit in the Pukelman granite stock and locally in surrounding gneisses and quartzites. Similar smaller gold occurrences are found in other related intrusions.

During this short reconnaissance over the Far Property, no significant gold mineralization was found although several small and large felsic intrusions were seen. From the air one can see that the Pukelman stock and its associated mineralization are marked by a prominent area of moderately intense red rust. No other large zones of similar discolouration were observed in the area. The Far Property is host to smaller patches of such rust but sampling of these areas did not detect any significant gold values.

4.0 GEOCHEMISTRY

Rock grab samples <1 to 2 kilograms in size were collected as deemed appropriate in the course of field work (Figure 3). Samples were sent to Acme Analytical Laboratories in Vancouver, B.C. where they were crushed and pulverized. All samples were run for gold by fire assay with an atomic absorption finish. Results are reported in Appendix 1.

Soil samples were collected in the course of prospecting (Figure 3). Approximately 0.5 kilograms of B- or C-horizon soil usually from thin veneers on bedrock, was collected with a rock pick from each site. Stream silt samples were also collected from drainages on and near the Far Property. Samples were sent to Acme Analytical Laboratories in Vancouver, B.C. There they were dried and sieved to retrieve the -80 mesh fine fraction for analysis. All the soil and silt fine fraction samples were analysed for gold by fire assay with an atomic absorption finish. Results are recorded in Appendix 1.

5.0 RESULTS AND CONCLUSIONS

1. There were no significant gold values in any of the rock, soil or stream silt samples collected on the property.
2. The Far Property covers host rocks similar to the nearby Pukelman gold deposit. The large area of rust and alteration characteristic of the Pukelman deposit occurs only in small patches on the Far Property.

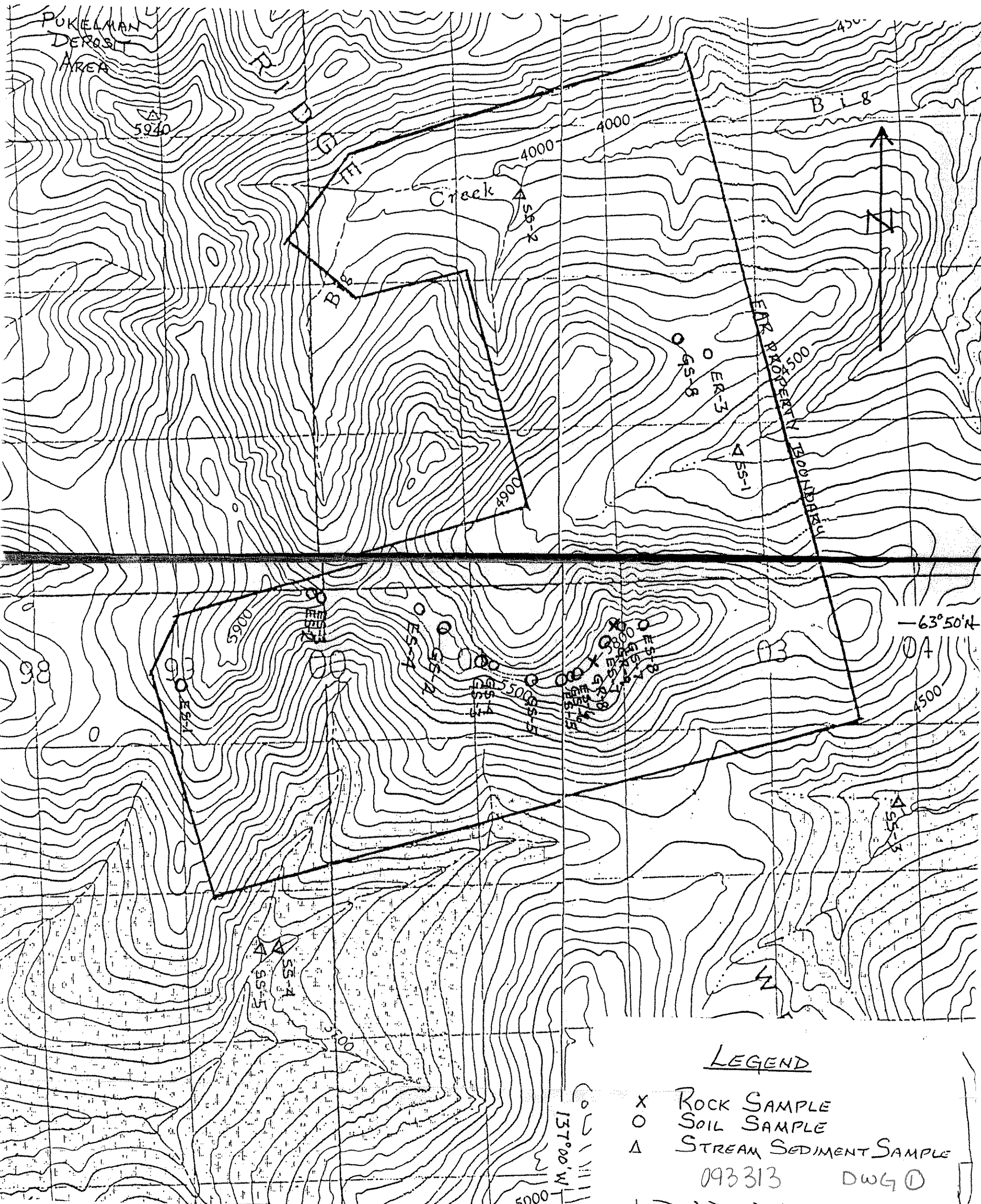
6.0 RECOMMENDATIONS

1. No further work is recommended on the Far Property.

FAR PROPERTY

CLEAR CREEK AREA, YUKON TERRITORY

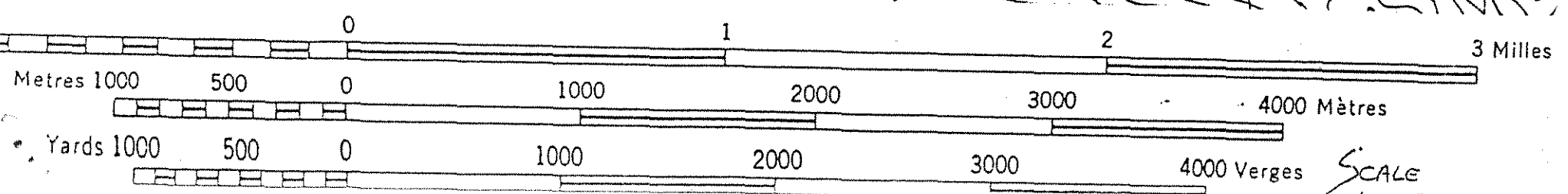
SAMPLE LOCATION MAP



LEGEND

- X ROCK SAMPLE
- O SOIL SAMPLE
- Δ STREAM SEDIMENT SAMPLE

093313 DWG ①



7.0 REFERENCES

Murphy, D.C., Heon, D., and Hunt, J., 1993a. Geological overview of Clear Creek Map area (NTS 115P/14), western Selwyn Basin. In: Yukon Exploration and Geology 1992, Exploration and Geological Services Division, Yukon, Indian and Northern Affairs Canada, p. 61-69.

Murphy, D.C., Heon, D., and Hunt, J., 1993b. Geological map of Clear Creek map area, western Selwyn Basin, Yukon (NTS 115p/14). Exploration and Geological Services Division, Yukon, Indian and Northern Affairs Canada, Open File 1993-1 (G), 1:50 000.

CERTIFICATE

I, George Gorzynski, of 3836 West 16th Avenue, Vancouver, British Columbia, do hereby certify that :

(1) I am a consulting geologist residing at 3836 West 16th Avenue, Vancouver, British Columbia, with an office at the same address.

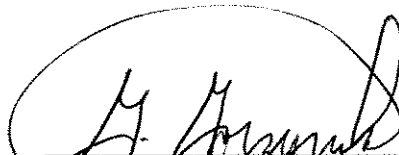
(2) I am a graduate of the University of Toronto with a B.A.Sc. in Geological Engineering - Mineral Exploration (1978) and with a M.A.Sc. from the University of British Columbia in Economic Geology (1986).

(3) I am a Registered Professional Engineer in the Province of British Columbia with Registration No. 15783.

(4) I am Vice President of Farallon Resources Ltd. and was personally involved in the work reported.

(5) The findings of this report are based on data obtained in the course of this investigation and on prior written and verbal reports.

Dated this 13th day of January, 1994, in Vancouver, British Columbia.



George Gorzynski
Reg. No. 15783

Association of Professional Engineers
of the Province of British Columbia



APPENDIX 1
ASSAYS / ANALYSES

AA
LL

GEOCHEM PRECIOUS METALS ANALYSIS

AA
LL

Parallon Res. Inc. PROJECT CLEAR CREEK, YUKON File # 93-1939 Page 1

950 - 789 W. Pender St., Vancouver BC V6C 1T2 Submitted by: George Gorzynski

SAMPLE#	Au** ppb
ECC3-R1	341
ECC3-R2	254
EC3-R3	38
GC3-R1	29
RE GC3-R1	21
GC3-R7	52
GC3-R8	2
GC3-R9	3
STANDARD AU-R	481

10 GRAM SAMPLE FIRE ASSAY AND ANALYSIS BY ICP/GRAPHITE FURNACE.

- SAMPLE TYPE: P1 ROCK P2 SOIL P3 STREAM SED.

Samples beginning 'RE' are duplicate samples.DATE RECEIVED: AUG 11 1993 DATE REPORT MAILED: Aug 18/93. SIGNED BY: *Cheng* D. TOYE, C. LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

SAMPLE#	Au** ppb
EC3-S1	25
EC3-S2	11
EC3-S3	8
EC3-S4	23
EC3-S5	7
EC3-S6	50
EC3-S7	10
EC3-S8	27
GC3-S2	5
GC3-S3	4
GC3-S4	23
GC3-S5	2
GC3-S6	6
GC3-S7	3
RE GC3-S7	<1
GC3-S8	4
STANDARD AU-S	50

Sample type: SOIL. Samples beginning 'RE' are duplicate samples.



SAMPLE#	Au** ppb
C3-SS1	5
C3-SS2	5
C3-SS3	1
C3-SS4	14
C3-SS5	11

Sample type: STREAM SED..

APPENDIX 2
ASSESSMENT WORK TABULATIONS

FARALLON RESOURCES LTD.
 CLEAR CREEK (FAR) PROPERTY (YUKON) PROPERTY EXAMINATION

EXPENSE REPORT OF :

PERIOD : July 29-Aug 10, 1993

George Gorzynski

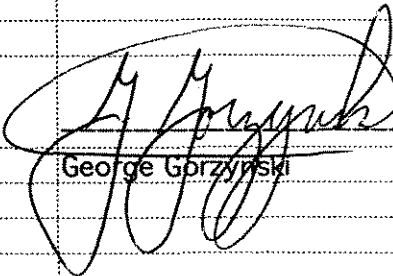
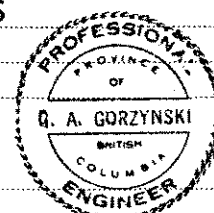
BASE CURRENCY : Canadian \$

LOCATION : Clear Creek, Yukon

N/R = No receipt

Date	Business Purpose	Code	Amounts	Canadian \$
July 23	Maps			54.40
	Stationary			27.85
27	Airfare (2 - YVR to Whitehorse rtn)			824.97
	Airport departure tax			10.00
	Geology maps			84.48
	Claim maps			3.21
	Gasoline			39.00
	Lunch (2)			23.10
28	Motel (1 room x 1 night)			37.45
	Meals (2 x breakfast + dinner + lunch)			66.10
28	Dinner (2)			64.26
Aug 8	Breakfast (2)			19.87
	Dinner (2)			27.36
	Motel (1 room x 1 night)			69.55
	Helicopter charges (2.4 hours @ \$600/hr + fuel and GST)			1,775.34
9	Motel (1 room x 1 night)			48.15
	Wire			4.27
	Maps			10.70
	Claim maps			2.14
	Breakfast (2)			28.68
	Lunch (2)			17.02
	Dinner (2)			72.42

Clear Creek (FAR) Property, Yukon
 G. Gorzynski - Expense Report
 July-August, 1993

Date	Business Purpose	Code	Amounts	Canadian \$	
Aug 10	Breakfast (2)			15.94	
	Gasoline			58.00	
	Sample shipment			310.14	
	Truck rental			600.00	
TOTALS				=====	4,294.40
					Canadian \$
 George Gorzynski		 Approved			
			Initial Expense Advance	\$ 0.00	
			Less Expense Account Total	4,294.40	
			=====		
			Amount Due FAR/ (Employee)	(4,294.40)	
WAGES RE: FAR PROPERTY				Canadian \$	
George Gorzynski - Geological Engineer		2 days	On site		
		2 days	Travel		
		3 days	Report		
		=====			
		7 days	TOTAL		
		x \$300 = \$2,100.			
H. Eric Ewen - Prospector		2 days	On site		
		2 days	Travel		
		=====			
		4 days	TOTAL		
		x \$200 = \$800.			
TOTAL PROPERTY EXPENDITURES			\$	4,294.40	
				2,100.00	
				800.00	
			=====		
			\$	7,194.40	
AMOUNTS TO BE APPLIED TO DISTRICTS :					
Dawson District		\$	6500.00		
Mayo District		\$	694.40		

**Farallon
Resources Ltd.**

950-789 W Pender St
Vancouver BC
Canada V6C 1H2
Tel 604 662-7557
Fax 604 662-8956

May 9, 1995

Mining Recorder
Dawson Mining Division
Yukon Territory

To Whom It May Concern:

This letter is to confirm that a minimum of \$600.00 was paid to 7557 Management Group Ltd. for work done on the FAR claims. These fees were paid to 7557 Management Group Ltd. for the services of David S. Jennings for geologic consulting relating to these claims and for the services of Shannon M. Ross for accounting and administrative services during the 1993 field season.

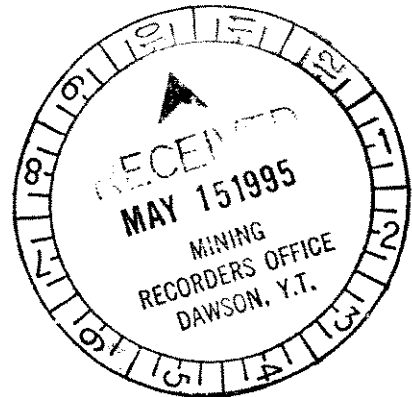
Yours truly,

FARALLON RESOURCES LTD.

Shannon Ross

Shannon M. Ross

Accountant





EXECU - CORP TRAVEL INC.

Corporate Travel Specialists

Suite 1810 - 999 West Hastings St.
Vancouver, B.C. V6C 2W2
Fax: (604) 683-2256
Tel: (604) 683-5864
G.S.T. VENDOR #R124988353

SALES PERSON: JG

ITINERARY/INVOICE NO. 0010627
SQZCWX

DATE: 20 JUL
PAGE: 01

TO: FARALLON RESOURCES
SUITE 950 - 789 W PENDER ST
VANCOUVER B C

*****ATTN CAROLINE*****

BEST ATTAINABLE IMAGE

FOR: GORZYNSKI/GEORGE MR

AIR TICKET CP3353594881

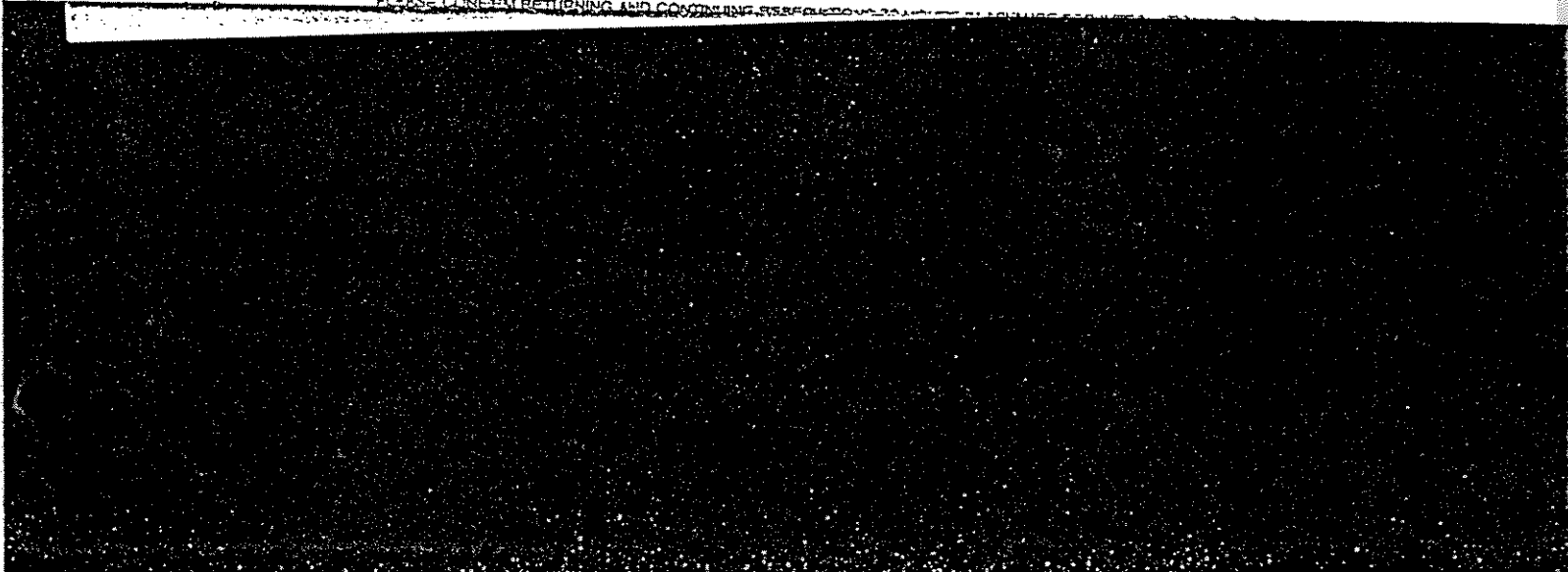
BILLED TO CA5420327202133789	771.00
53.97 G.S.T.	53.97
EWEN ERIC MR	
BILLED TO CA5420327202133789	771.00
53.97 G.S.T.	53.97

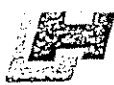
SUB TOTAL	1,542.00
TOTAL G.S.T.	107.94
NET CC BILLING	1,649.94
TOTAL AMOUNT DUE	0.00

THANK YOU FOR BOOKING WITH EXECU-CORP TRAVEL... JACKIE
** ** ** ** **

501. to AZM
501. to FAR
= \$ 824.97 Can

PLEASE CONSIDER RETURNING AND CONTAINING RESERVATIONS...





CAPITAL HELICOPTERS INC.

4193 - 104TH STREET, DELTA, B.C. V4K 3N3

(604) 596-2423

CHARTERER <i>FABILLON RESOURCES INC.</i>	DATE <i>AUG 2</i>
ADDRESS <i>#950 789 W PENDER ST. VANCOUVER B.C. V6C 1H2</i>	A/C <i>CFHC4</i>
TELEPHONE <i>604 662-7557</i>	TYPE <i>BH06</i>
	BASE <i>DAWSON</i>
	CHEQUE <input checked="" type="checkbox"/> CASH <input type="checkbox"/> CHARGE <input type="checkbox"/>
	P.O.

REMARKS	PASS	CARGO	TIME
<i>DAWSON CITY - UPPER PENDER CR</i>			
<i>WEST WIDGE - DAWSON CITY</i>		<i>2</i>	
<i>SET OUT PLUS SAMPLING</i>			<i>2.4</i>
<i>PHIS</i>			
<i>BY GMLD</i>			
<i>GEORGE & ERIC</i>			

RATE PER HOUR \$ *600* FLYING TOTAL *1440-*

FUEL SUPPLIED BY: CUST. CHI *GST* *100.80*

CAPITAL FUEL

<i>274</i> L ^T GALS FROM <i>DAWSON</i> AT <i>.80</i> PER GAL	=	<i>219.20</i>
_____ GALS FROM _____ AT _____ PER GAL	=	_____
_____ GALS FROM _____ AT _____ PER GAL	=	_____
<i>GST FUEL</i>		<i>15.34</i>
FUEL TOTAL		

TOTAL \$ *1775.34*

AUTHORIZED BY PRINT _____ SIGNATURE *[Signature]*

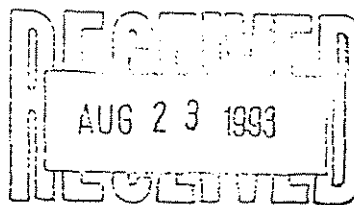
PILOTS NAME *DAVE HOLDEN*

SIGNATURE *[Signature]*

00
97
00*
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00
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FARALLON RES. INC.
 950 - 789 W. Pender St.
 Vancouver, BC
 V6C 1H2



File: 93-1939
 Date: Aug 18 1993

QTY	ASSAY	PRICE	AMOUNT
27	GEOCHEM AU ANALYSIS BY FA/ICP (10 gm) @	6.80	183.60
7	ROCK SAMPLE PREPARATION @	3.40	23.80
15	SOIL SAMPLE PREPARATION @	1.05	15.75
5	STREAM SED. SAMPLE PREPARATION @	1.05	5.25
			228.40
		GST Taxable	15.99
		7.00 % GST	
		TOTAL	244.39

Project: CLEAR CREEK, YUKON
 Samples-submitted by George Gorzynski

FAR Property
OK

COPIES 1

Please pay last amount shown. Return one copy of this invoice with payment.
 TERMS: Net two weeks. 1.5 % per month charged on overdue accounts.

[COPY 1]

MAP NO:115P/15

ASSESSMENT REPORT: X

DOCUMENT NO: 093313

PROSPECTUS:

MINING DISTRICT: Mayo

CONFIDENTIAL: X

TYPE OF WORK: Geological,
geochemical

OPEN FILE:

REPORT FILED UNDER: Farallon Resources Ltd.

DATE PERFORMED: July 28, August 8, 1993

DATE FILED: December 28, 1994

LATITUDE: 137 00

AREA: Clear Creek

LONGITUDE: 63 50

VALUE: \$600

CLAIM NAME AND #: Far 65-70

WORK DONE BY: George Gorzynski

WORK DONE FOR: Farallon Resources Ltd.

DATE TO GOOD STANDING	REMARKS: No significant results were obtained from a limited program of rock and soil/silt sampling that was aimed at finding mineralization similar to that on the adjacent Clear Creek property. (Fort Knox target)