

MULTINATIONAL RESOURCES INC.
795 - 885 Dunsmuir Street
Vancouver, B.C.
V6C 1N8

September 29, 1987

Mr. W. Clancey
Multinational Resources Inc.
795 - 885 Dunsmuir Street
Vancouver, B.C.
V6C 1N8

Dear Bill:

Re: Chappelle Property - Proposed Exploration Drift

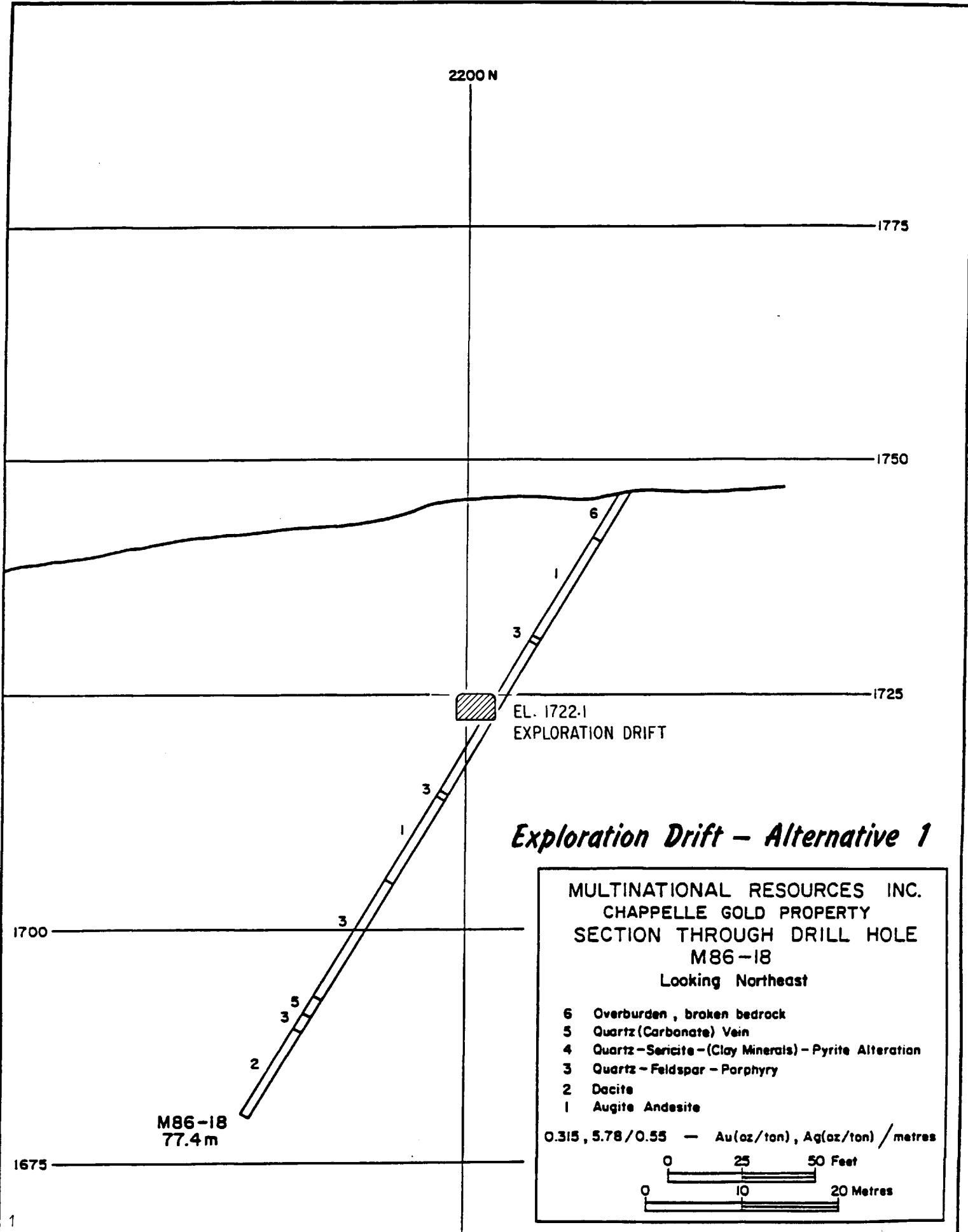
Two alternative exploration drifts have been laid out to test mining conditions, dilution, grades, continuity, etc., of the B Zone on our Toadogone area property. Alternative 1 is a 700 ft., 9 ft. high by 13 ft. wide drift driven in the ore zone where average grades are projected. Alternative 2 is a 350 foot drift of the same size driven on the high grade portion of the ore shoot. The layout of the two drifts is shown on the attached longitudinal and cross sections. A preliminary cost estimate for the two alternatives is shown below:

	<u>Alternative 1</u>	<u>Alternative 2</u>
Mobilization/demobilization	\$100,000	\$100,000
Exploration drift (9'x13' @ \$500/ft)	350,000	175,000
Ventilation raise (@ \$350/ft)	88,000	63,000
Site supervision	25,000	25,000
Supplies/communication/camp cost	<u>30,000</u>	<u>30,000</u>
	\$593,000	\$393,000
Administration	32,000	22,000
Contingency @ 10%	62,500	41,500
	<u>\$687,500</u>	<u>\$456,500</u>

Since the project will depend on the high grade portion of the ore shoot being there at the projected grade, Alternative 2 is recommended.

Yours truly,

W. Meyer, P.Eng.
Director



2200 N

1775

1750

1725

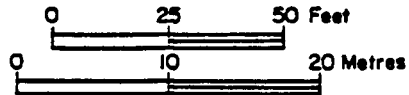
EL. 1722.1
EXPLORATION DRIFT

Exploration Drift - Alternative 1

MULTINATIONAL RESOURCES INC.
CHAPPELLE GOLD PROPERTY
SECTION THROUGH DRILL HOLE
M86-18
Looking Northeast

- 6 Overburden , broken bedrock
- 5 Quartz (Carbonate) Vein
- 4 Quartz-Sericite-(Clay Minerals)-Pyrite Alteration
- 3 Quartz-Feldspar-Porphry
- 2 Dacite
- 1 Augite Andesite

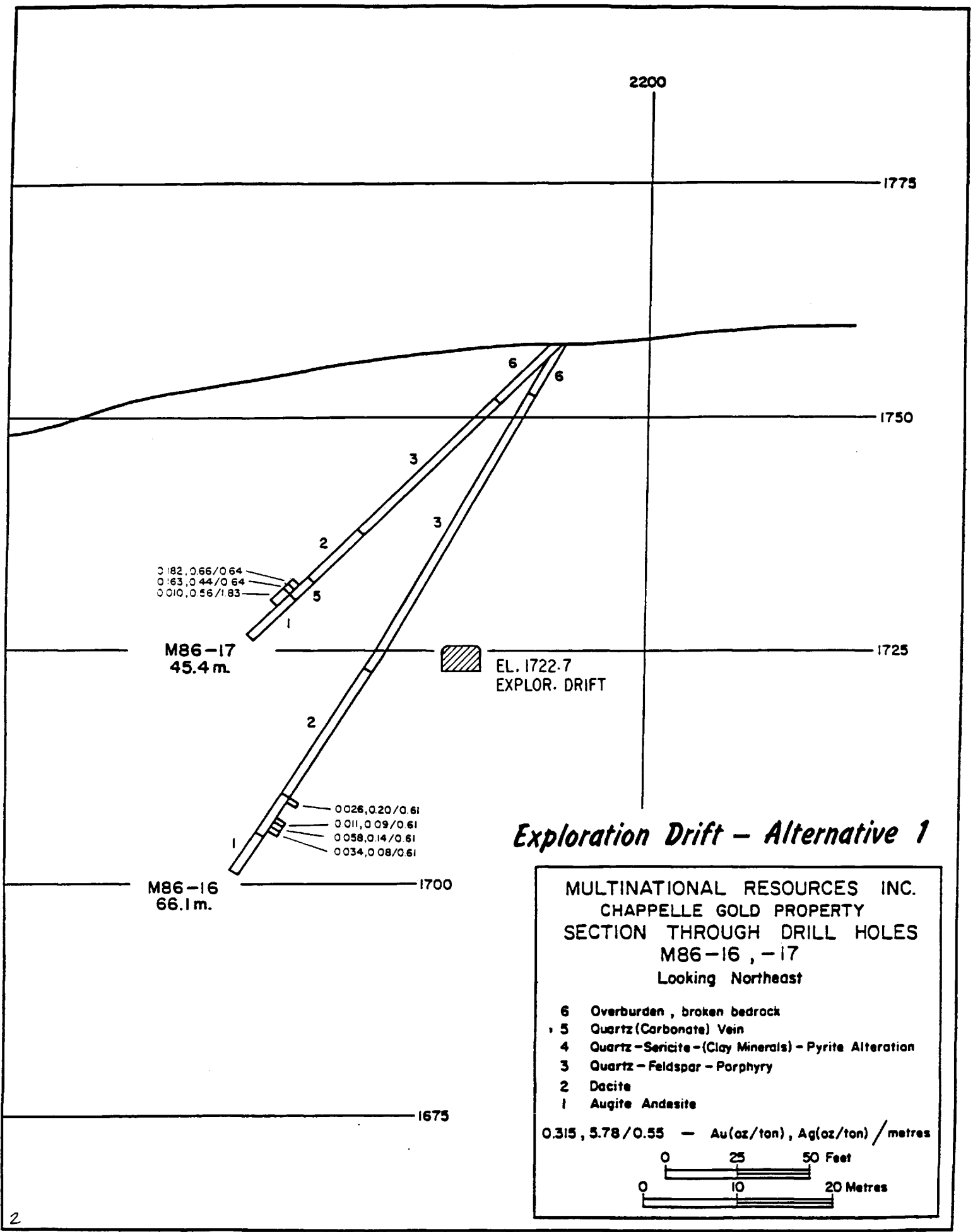
0.315, 5.78 / 0.55 - Au(oz/ton), Ag(oz/ton) / metres



1700

1675

M86-18
77.4 m



Exploration Drift – Alternative 1

MULTINATIONAL RESOURCES INC.
 CHAPPELLE GOLD PROPERTY
 SECTION THROUGH DRILL HOLES
 M86-16, -17
 Looking Northeast

- 6 Overburden, broken bedrock
- 5 Quartz (Carbonate) Vein
- 4 Quartz-Sericite-(Clay Minerals) - Pyrite Alteration
- 3 Quartz-Feldspar-Porphry
- 2 Dacite
- 1 Augite Andesite

0.315, 5.78/0.55 - Au(oz/ton), Ag(oz/ton) / metres

0 25 50 Feet

0 10 20 Metres

2250N

1775

(11m. NE of Section)

0 029, 0 24 / 0 91
 0 036, 0 22 / 0 98
 0 095, 0 22 / 0 61
 0 042, 0 09 / 0 61
 3 885, 23 77 / 0 61
 4 317, 46 38 / 0 61
 1 173, 3 49 / 0 61
 1 228, 11 96 / 0 61
 3 138, 76 71 / 0 61
 0 298, 11 40 / 0 85
 0 041, 1 32 / 0 91

1750

M86-23
44 m.

0 013, 0 13 / 1 1

0 010, 0 18 / 0 98
 0 018, 0 08 / 0 55
 0 009, 0 05 / 0 55
 0 236, 1 84 / 0 55
 0 155, 3 65 / 0 55
 0 315, 5 78 / 0 55
 0 158, 7 67 / 0 55
 0 945, 12 40 / 0 55
 0 136, 0 66 / 0 64
 0 018, 0 09 / 0 61
 0 013, 0 06 / 0 70
 0 036, 0 22 / 1 52
 0 010, 0 12 / 1 52

1725

EL. 1723.5
EXPLOR. DRIFT

M86-3
56.4 m.

M86-14
69.2 m.

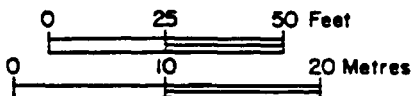
1700

Exploration Drift - Alternative 1

MULTINATIONAL RESOURCES INC.
 CHAPPELLE GOLD PROPERTY
 SECTION THROUGH DRILL HOLES
 M86-3, -14, -15, -23
 Looking Northeast

- 6 Overburden, broken bedrock
- 5 Quartz (Carbonate) Vein
- 4 Quartz-Sericite-(Clay Minerals)-Pyrite Alteration
- 3 Quartz-Feldspar-Porphry
- 2 Dacite
- 1 Augite Andesite

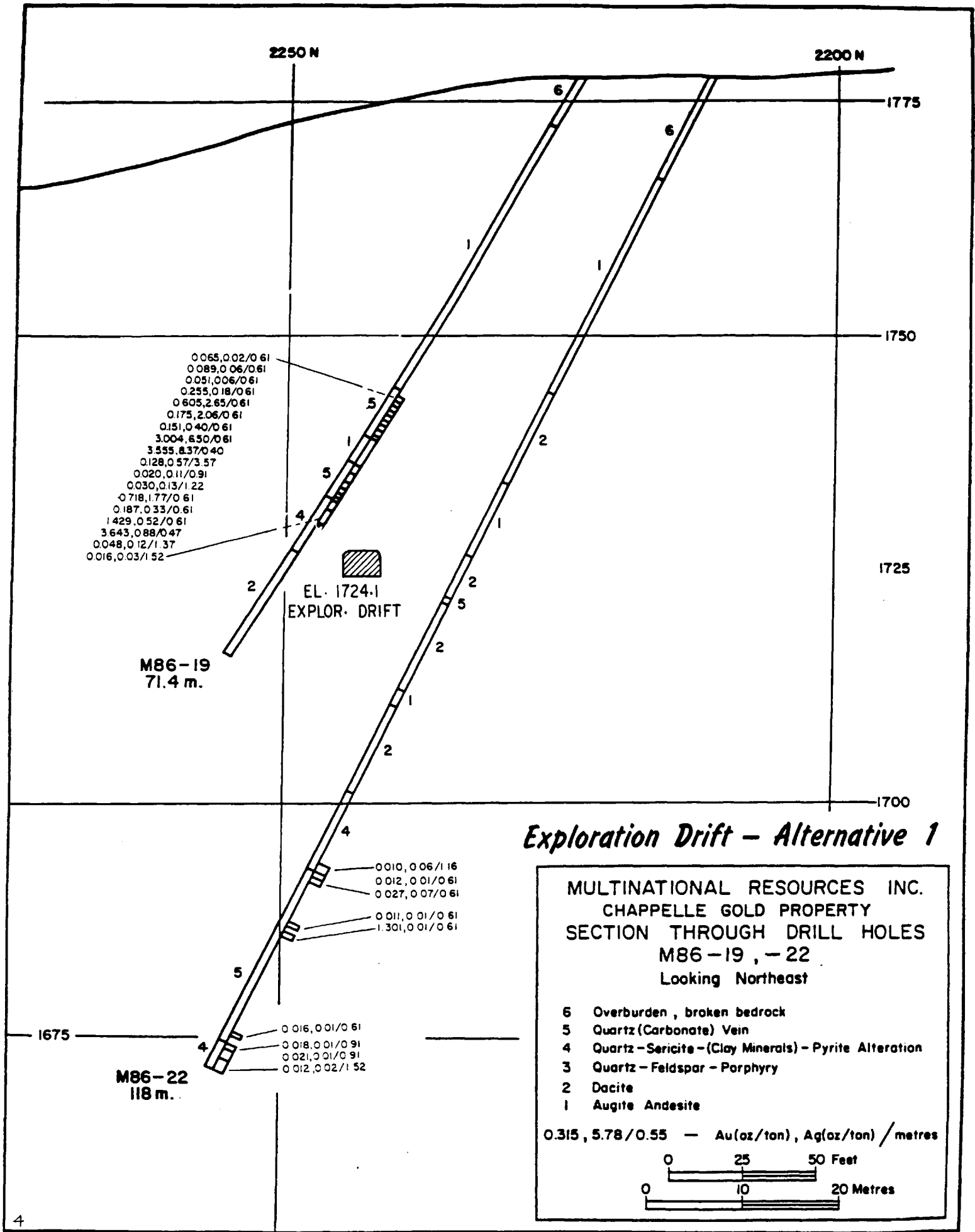
0.315, 5.78 / 0.55 — Au(oz/ton), Ag(oz/ton) / metres



0 016, 0 05 / 0 61
 0 012, 0 05 / 0 61
 0 014, 0 07 / 0 61
 0 016, 0 01 / 0 61
 0 035, 0 05 / 0 61
 0 095, 0 11 / 0 76
 0 025, 0 06 / 0 76
 0 014, 0 13 / 0 91

M86-15
93 m.

1675



0.065, 0.02 / 0.61
 0.089, 0.06 / 0.61
 0.051, 0.06 / 0.61
 0.255, 0.18 / 0.61
 0.605, 2.65 / 0.61
 0.175, 2.06 / 0.61
 0.151, 0.40 / 0.61
 3.004, 6.50 / 0.61
 3.555, 8.37 / 0.40
 0.128, 0.57 / 3.57
 0.020, 0.11 / 0.91
 0.030, 0.13 / 1.22
 0.718, 1.77 / 0.61
 0.187, 0.33 / 0.61
 1.429, 0.52 / 0.61
 3.643, 0.88 / 0.47
 0.048, 0.12 / 1.37
 0.016, 0.03 / 1.52

EL. 1724.1
 EXPLOR. DRIFT

M86-19
 71.4 m.

0.010, 0.06 / 1.16
 0.012, 0.01 / 0.61
 0.027, 0.07 / 0.61
 0.011, 0.01 / 0.61
 1.301, 0.01 / 0.61

0.016, 0.01 / 0.61
 0.018, 0.01 / 0.91
 0.021, 0.01 / 0.91
 0.012, 0.02 / 1.52

M86-22
 118 m.

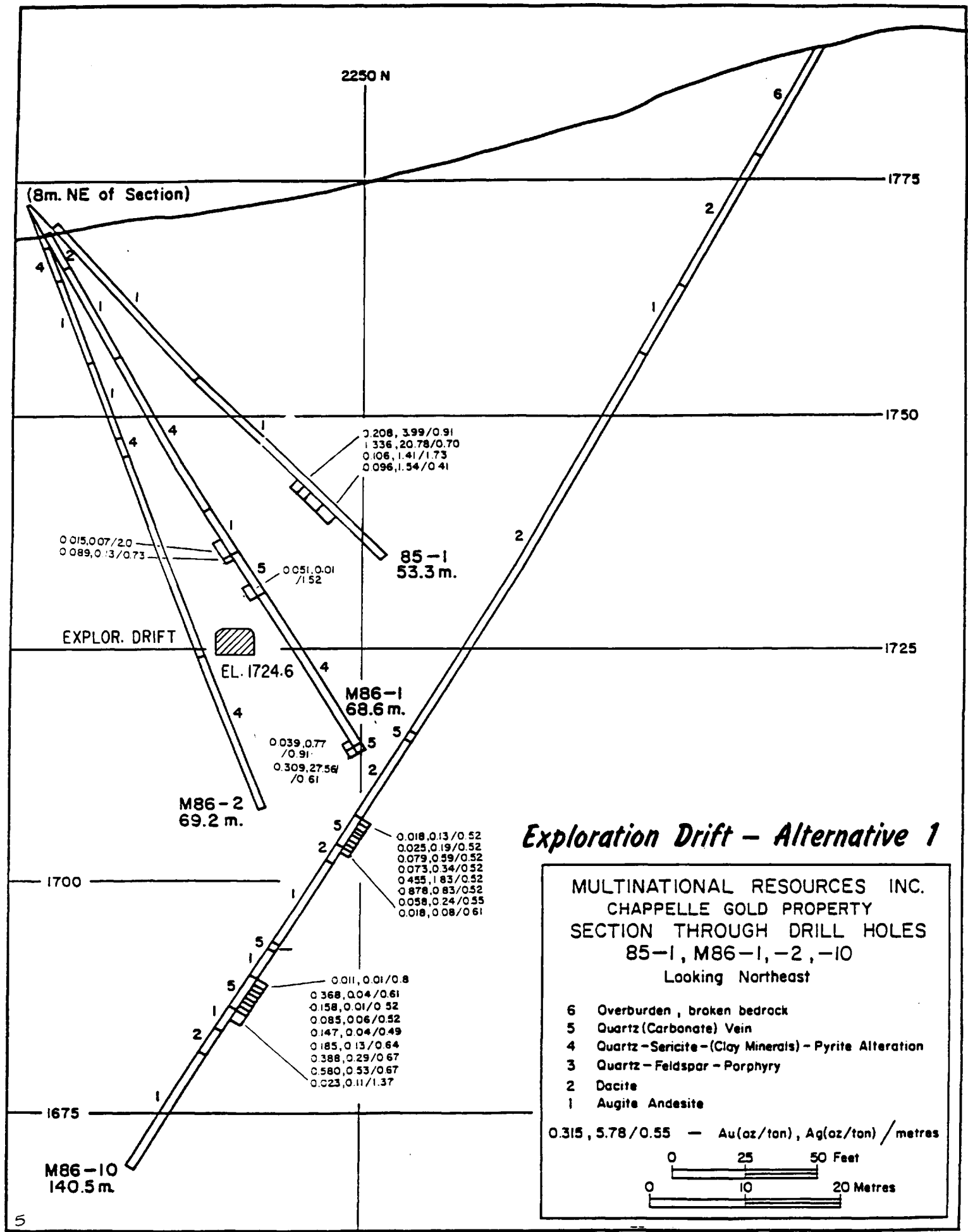
Exploration Drift - Alternative 1

MULTINATIONAL RESOURCES INC.
 CHAPPELLE GOLD PROPERTY
 SECTION THROUGH DRILL HOLES
 M86-19, -22
 Looking Northeast

- 6 Overburden, broken bedrock
- 5 Quartz (Carbonate) Vein
- 4 Quartz-Sericite-(Clay Minerals)-Pyrite Alteration
- 3 Quartz-Feldspar-Porphry
- 2 Dacite
- 1 Augite Andesite

0.315, 5.78 / 0.55 — Au(oz/ton), Ag(oz/ton) / metres

0 25 50 Feet
 0 10 20 Metres



2250 N

(8m. NE of Section)

1775

1750

1725

0.015, 0.07 / 2.0
 0.089, 0.13 / 0.73

0.208, 3.99 / 0.91
 1.336, 20.78 / 0.70
 0.106, 1.41 / 1.73
 0.096, 1.54 / 0.41

85-1
 53.3 m.

EXPLOR. DRIFT
 EL. 1724.6

0.051, 0.01 / 1.52

M86-1
 68.6 m.

M86-2
 69.2 m.

0.039, 0.77 / 0.91
 0.309, 27.56 / 0.61

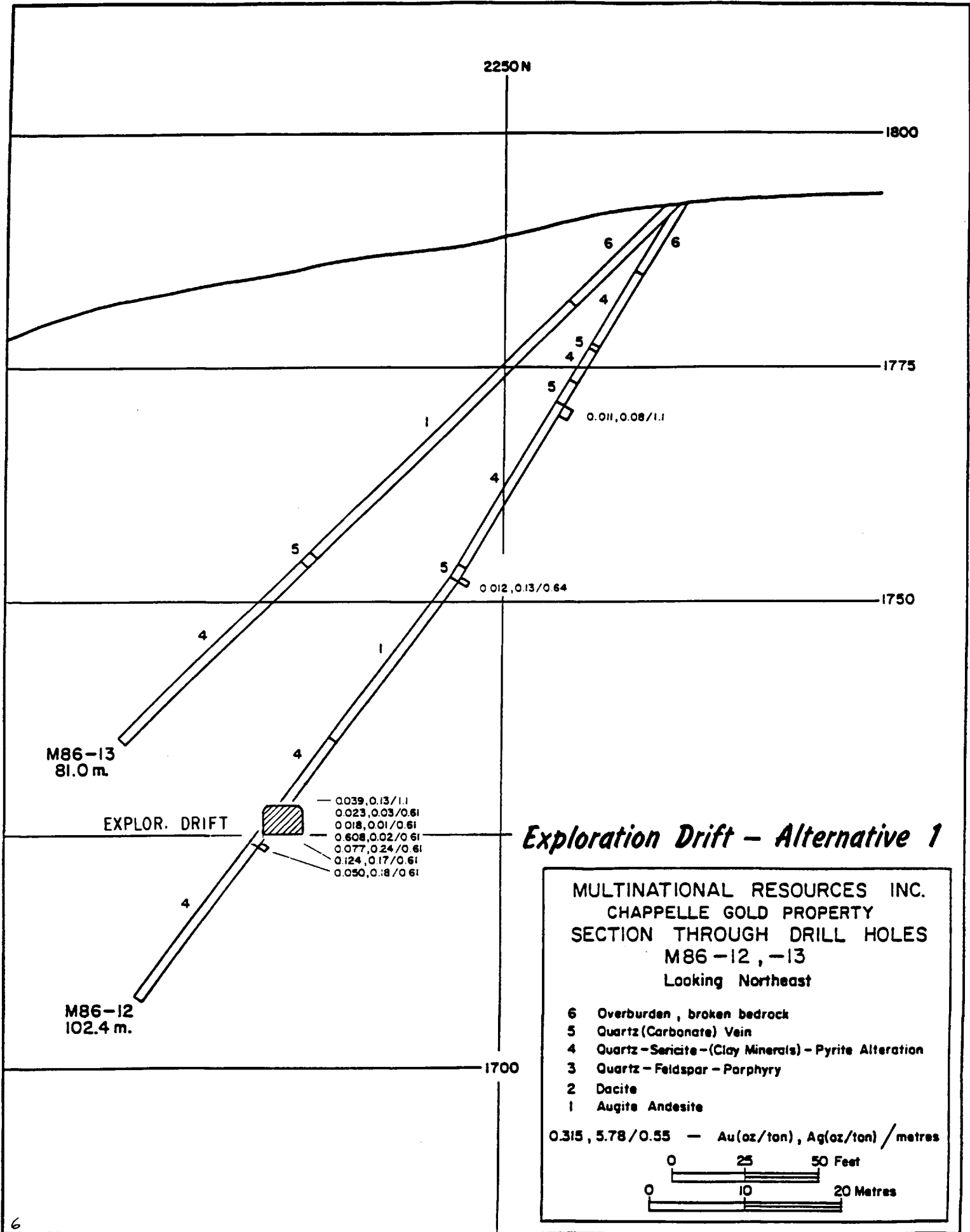
0.018, 0.13 / 0.52
 0.025, 0.19 / 0.52
 0.079, 0.59 / 0.52
 0.073, 0.34 / 0.52
 0.455, 1.83 / 0.52
 0.878, 0.83 / 0.52
 0.058, 0.24 / 0.55
 0.018, 0.08 / 0.61

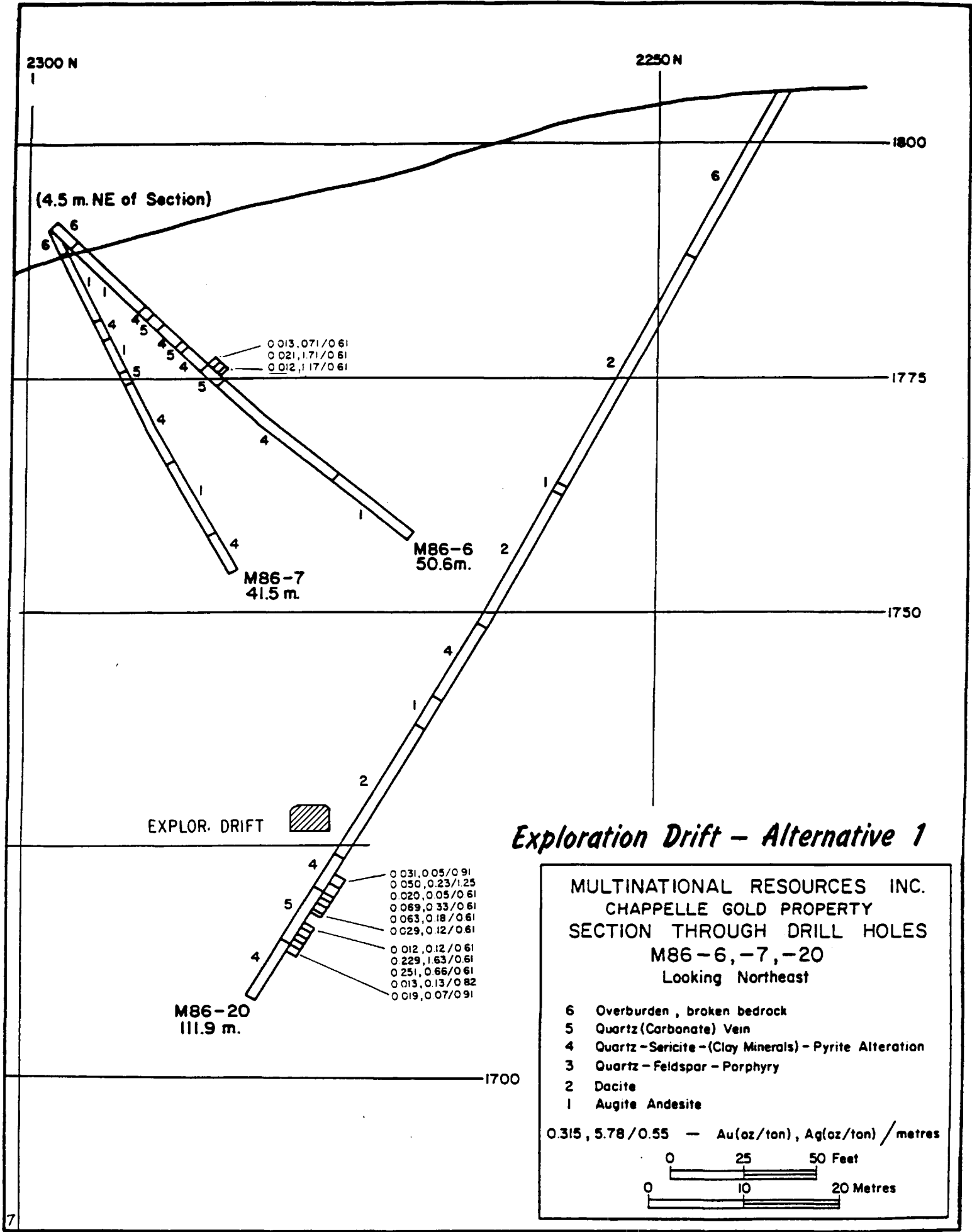
1700

0.011, 0.01 / 0.8
 0.368, 0.04 / 0.61
 0.158, 0.01 / 0.52
 0.085, 0.06 / 0.52
 0.147, 0.04 / 0.49
 0.185, 0.13 / 0.64
 0.388, 0.29 / 0.67
 0.580, 0.53 / 0.67
 0.023, 0.11 / 1.37

1675

M86-10
 140.5 m.



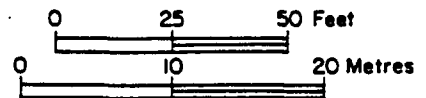


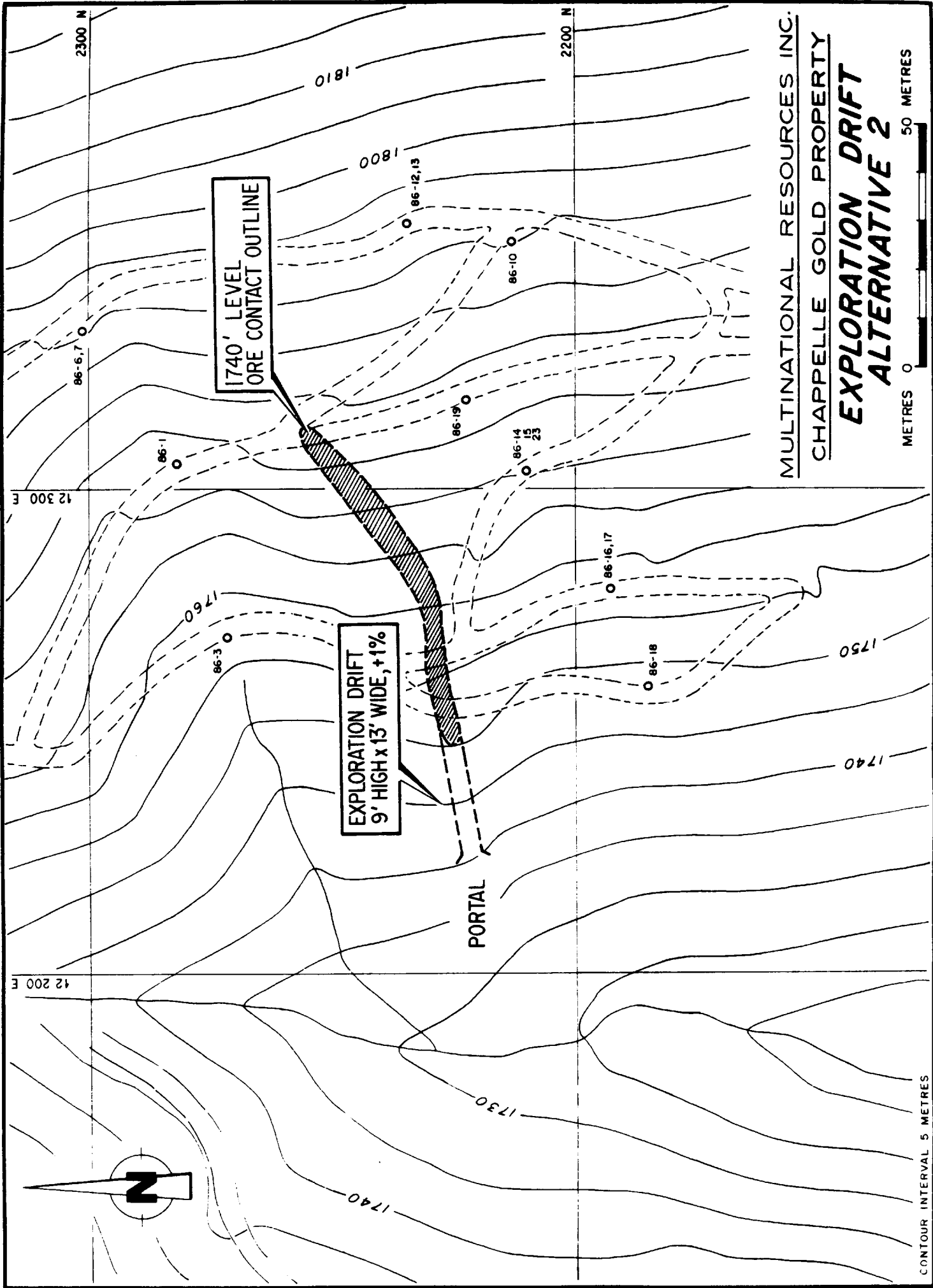
Exploration Drift - Alternative 1

MULTINATIONAL RESOURCES INC.
 CHAPPELLE GOLD PROPERTY
 SECTION THROUGH DRILL HOLES
 M86-6, -7, -20
 Looking Northeast

- 6 Overburden, broken bedrock
- 5 Quartz (Carbonate) Vein
- 4 Quartz-Sericite-(Clay Minerals)-Pyrite Alteration
- 3 Quartz-Feldspar-Porphry
- 2 Dacite
- 1 Augite Andesite

0.015, 5.78/0.55 - Au(oz/ton), Ag(oz/ton) / metres

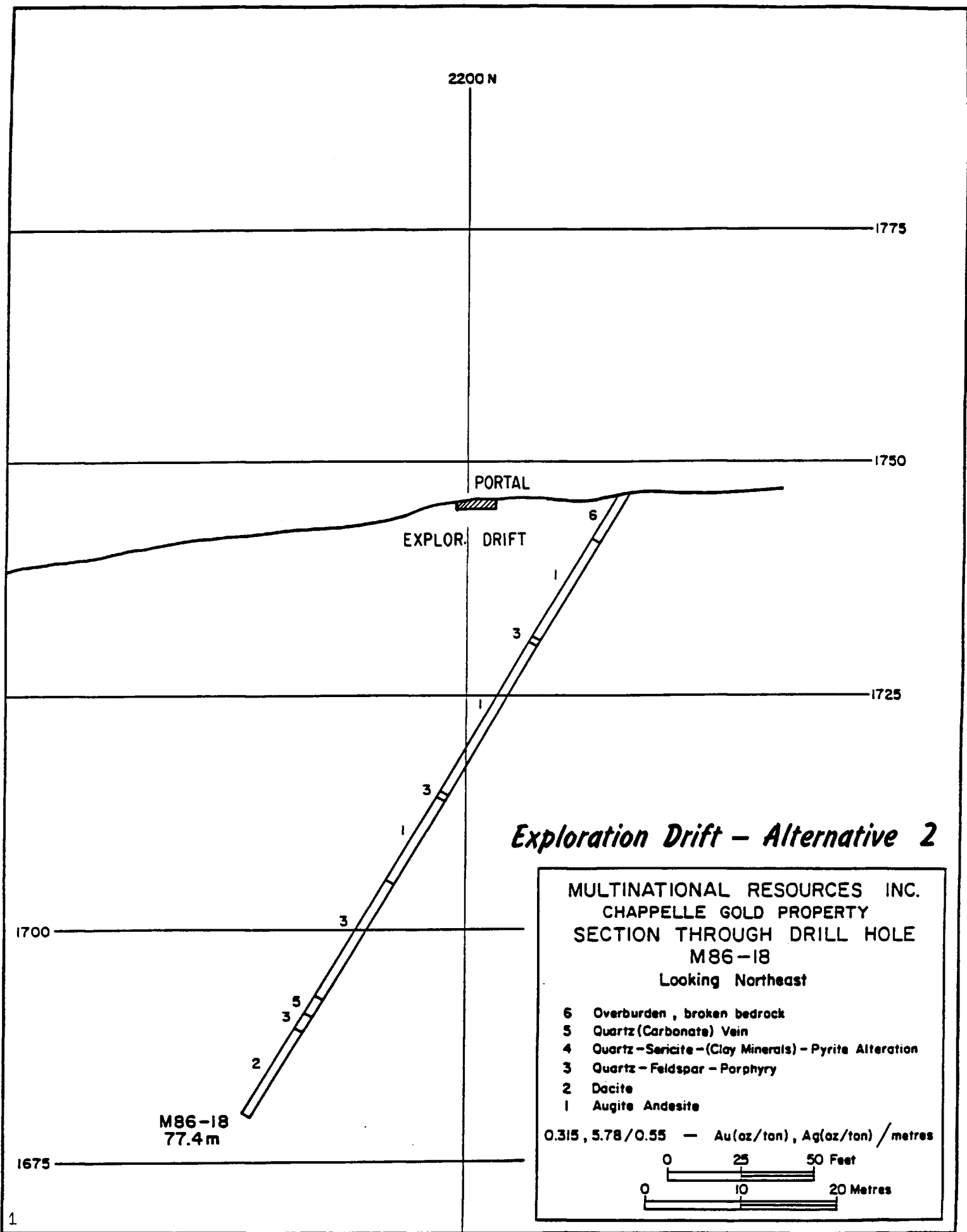




MULTINATIONAL RESOURCES INC.
CHAPPELLE GOLD PROPERTY
**EXPLORATION DRIFT
ALTERNATIVE 2**

METRES 0 50 METRES

CONTOUR INTERVAL 5 METRES



2200 N

1775

1750

PORTAL

EXPLOR. DRIFT

1725

1700

Exploration Drift - Alternative 2

MULTINATIONAL RESOURCES INC.
 CHAPPELLE GOLD PROPERTY
 SECTION THROUGH DRILL HOLE
 M86-18
 Looking Northeast

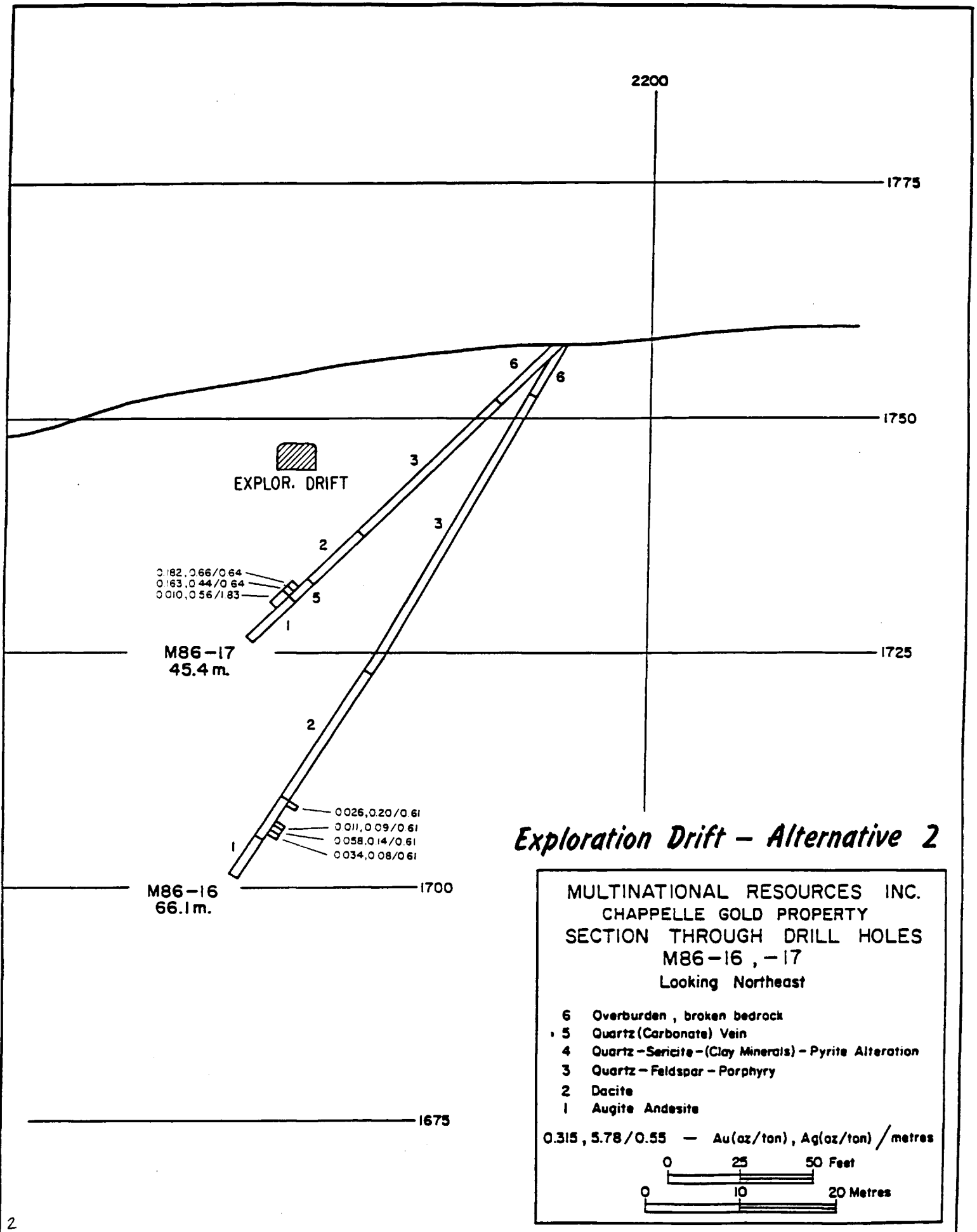
- 6 Overburden , broken bedrock
- 5 Quartz (Carbonate) Vein
- 4 Quartz - Sericite - (Clay Minerals) - Pyrite Alteration
- 3 Quartz - Feldspar - Porphyry
- 2 Dacite
- 1 Augite Andesite

0.315 , 5.78 / 0.55 - Au(oz/ton) , Ag(oz/ton) / metres



M86-18
 77.4 m

1675



2250N

1775

(11m. NE of Section)

0 029, 0 24 / 0 91
 0 036, 0 22 / 0 98
 0 095, 0 22 / 0 61
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 4 317, 46 38 / 0 61
 1 175, 3 49 / 0 61
 1 228, 11 96 / 0 61
 3 138, 76 71 / 0 61
 0 298, 11 40 / 0 85
 0 041, 1 32 / 0 91

EXPLOR. DRIFT

M86-23
44 m.

0 013, 0 13 / 1 1

0 010, 0 18 / 0 98
 0 018, 0 08 / 0 55
 0 009, 0 05 / 0 55
 0 236, 1 84 / 0 55
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 0 945, 12 40 / 0 55
 0 136, 0 66 / 0 64
 0 018, 0 09 / 0 61
 0 013, 0 06 / 0 70
 0 036, 0 22 / 1 52
 0 010, 0 12 / 1 52

1725

M86-3
56.4 m.

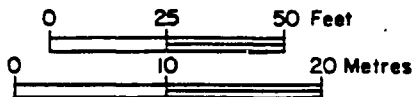
M86-14
69.2 m.

Exploration Drift - Alternative 2

MULTINATIONAL RESOURCES INC.
 CHAPPELLE GOLD PROPERTY
 SECTION THROUGH DRILL HOLES
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1700

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 0 012, 0 05 / 0 61
 0 014, 0 07 / 0 61
 0 016, 0 01 / 0 61
 0 035, 0 05 / 0 61
 0 095, 0 11 / 0 76
 0 025, 0 06 / 0 76
 0 014, 0 13 / 0 91

M86-15
93 m.

1675

2250 N

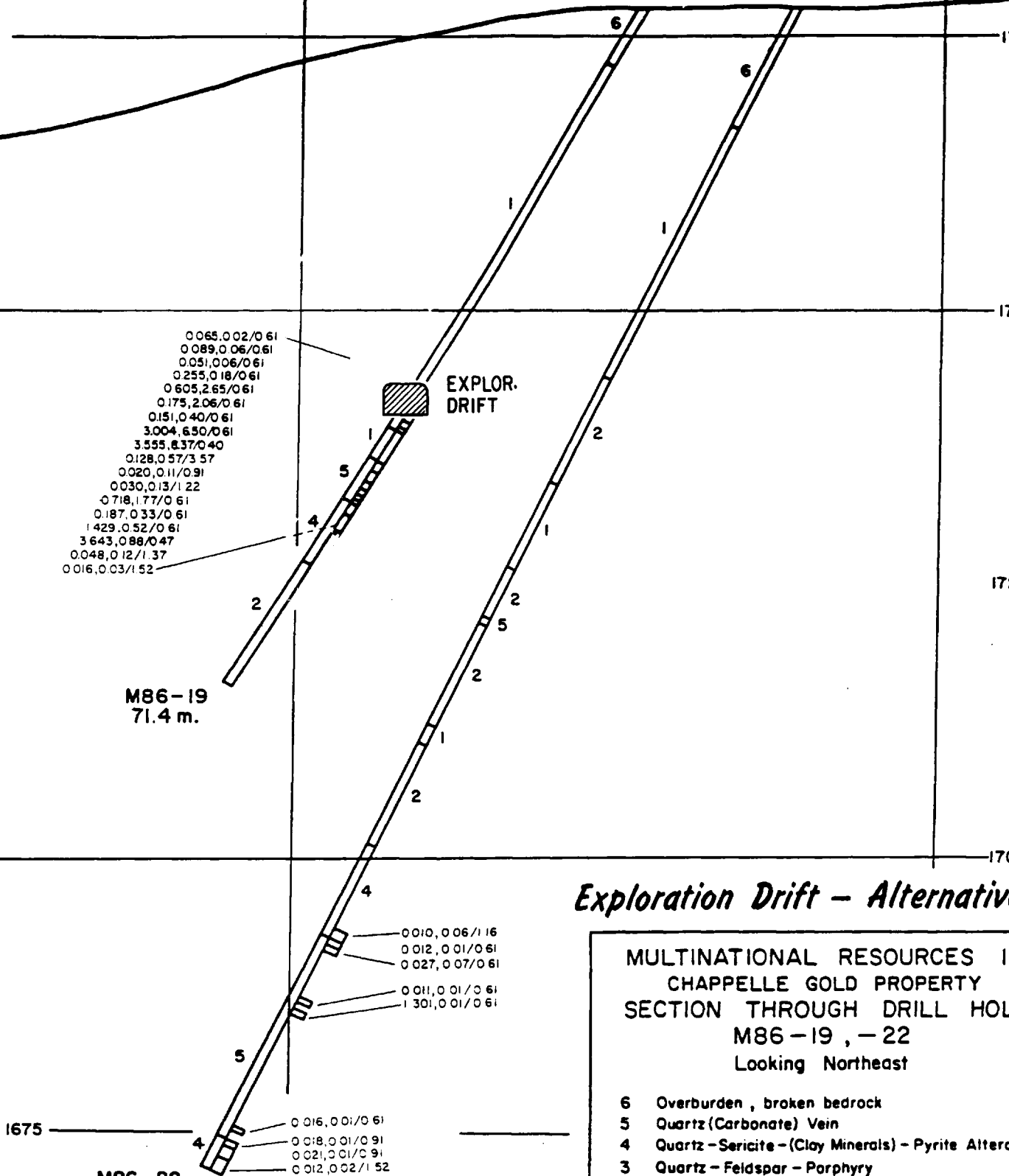
2200 N

1775

1750

1725

1700



0065,002/061
 0089,006/061
 0051,006/061
 0255,018/061
 0605,265/061
 0175,206/061
 0151,040/061
 3,004,650/061
 3,555,637/040
 0128,057/357
 0020,011/091
 0030,013/122
 0718,177/061
 0187,033/061
 1429,052/061
 3643,088/047
 0048,012/137
 0016,003/152

M86-19
 71.4 m.

0010,006/116
 0012,001/061
 0027,007/061
 0011,001/061
 1301,001/061

0016,001/061
 0018,001/091
 0021,001/091
 0012,002/152

M86-22
 118 m.

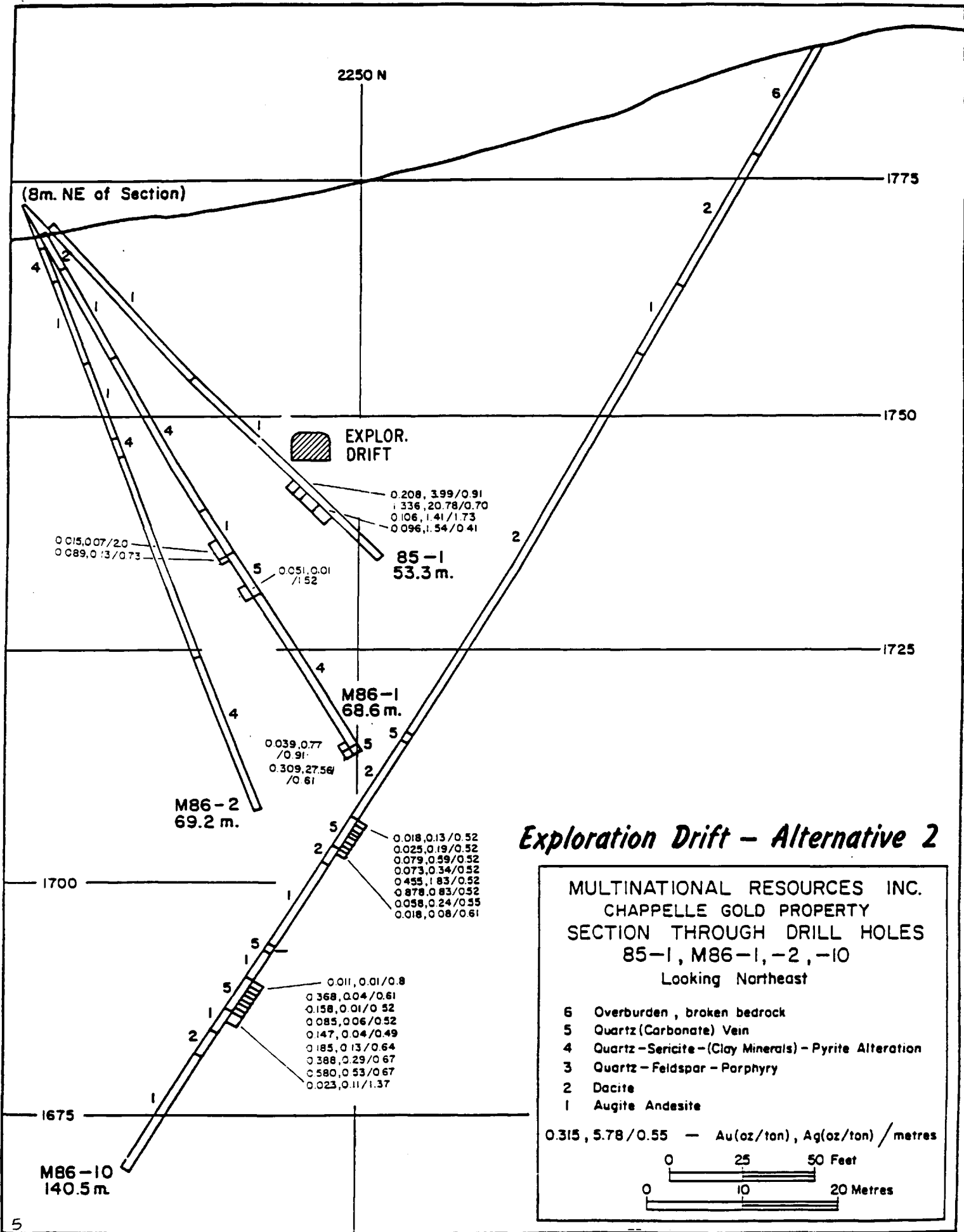
Exploration Drift - Alternative 2

MULTINATIONAL RESOURCES INC.
 CHAPPELLE GOLD PROPERTY
 SECTION THROUGH DRILL HOLES
 M86-19, -22
 Looking Northeast

- 6 Overburden, broken bedrock
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0 25 50 Feet
 0 10 20 Metres



Exploration Drift - Alternative 2

MULTINATIONAL RESOURCES INC.
 CHAPPELLE GOLD PROPERTY
 SECTION THROUGH DRILL HOLES
 85-1, M86-1, -2, -10
 Looking Northeast

6 Overburden, broken bedrock
 5 Quartz (Carbonate) Vein
 4 Quartz-Sericite-(Clay Minerals)-Pyrite Alteration
 3 Quartz-Feldspar-Porphry
 2 Dacite
 1 Augite Andesite

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