

**UNTESTED ZONES - MULTINATIONAL CHAPPELLE PROPERTY -  
TOODOGGONE AREA**

Area 1 - Two 1983 DuPont drill holes in alteration zone in Toodoggone volcanics intersected values of up to 25 ppb Au, 9.5 ppm Ag

Cirque - Takla volcanic rocks, in fault contact with Toddogoone volcanics, are intruded on the south by Omineca granitic rocks. A skarnified wedge of Permian limestone is also developed along the contact. Reconnaissance soil lines indicated anomalous base and precious metal values; quartz float returned 348 ppb Au and 144 ppm Ag. A detailed grid upslope defined a zone with anomalous Au (+200 ppb), Ag (+4 ppm) and Cu (+100 ppm) values.

North Black Gossan - A 900 metre long area of intense quartz-sericite-pyrite alteration in Takla volcanics with abundant quartz float. Three reconnaissance soil lines over the northern limits of the alteration zone included Au values of up to 3000 ppb. Initial soil sampling by Kennco indicated anomalous lead values, a good indicator of precious metals in the Toodoggone district. Samples of quartz yielded only low Au values which suggests leaching of near surface material, a feature well documented on the Mining Lease.

Clancey - a new showing found in Takla volcanic rocks immediately north of the North Black Gossan in 1989. Float samples yielded values of 0.723 oz/ton Au and 23 oz/ton Ag. Northwest trending quartz veins had only low values, again a possible product of near-surface leaching.

Area 2 - Kennco stream sediment samples yielded values of 2.0 - 4.7 ppm Ag and 50 - 80 ppb Au in two separate areas.

Mt. Shasta Area - Limited 1989 follow-up work related to the previous results, was successful in finding altered Toodoggone volcanics containing 99 - 1720 ppb Au and up to 543 ppm Ag.

Area 3 - Kennco stream sediment samples yielded 20-30 ppb Au, 2.0-3.2 ppm Ag, Zn to 760 ppm and Pb to 285 ppm. Soils had higher values for all elements.

Peter's Gulch - a fault zone with quartz veining discovered in 1989 as a follow-up to previous. Zone can be traced several hundred metres along a northwest strike in Toodoggone volcanics; Au values in rocks of up to 0.198 oz/ton have been

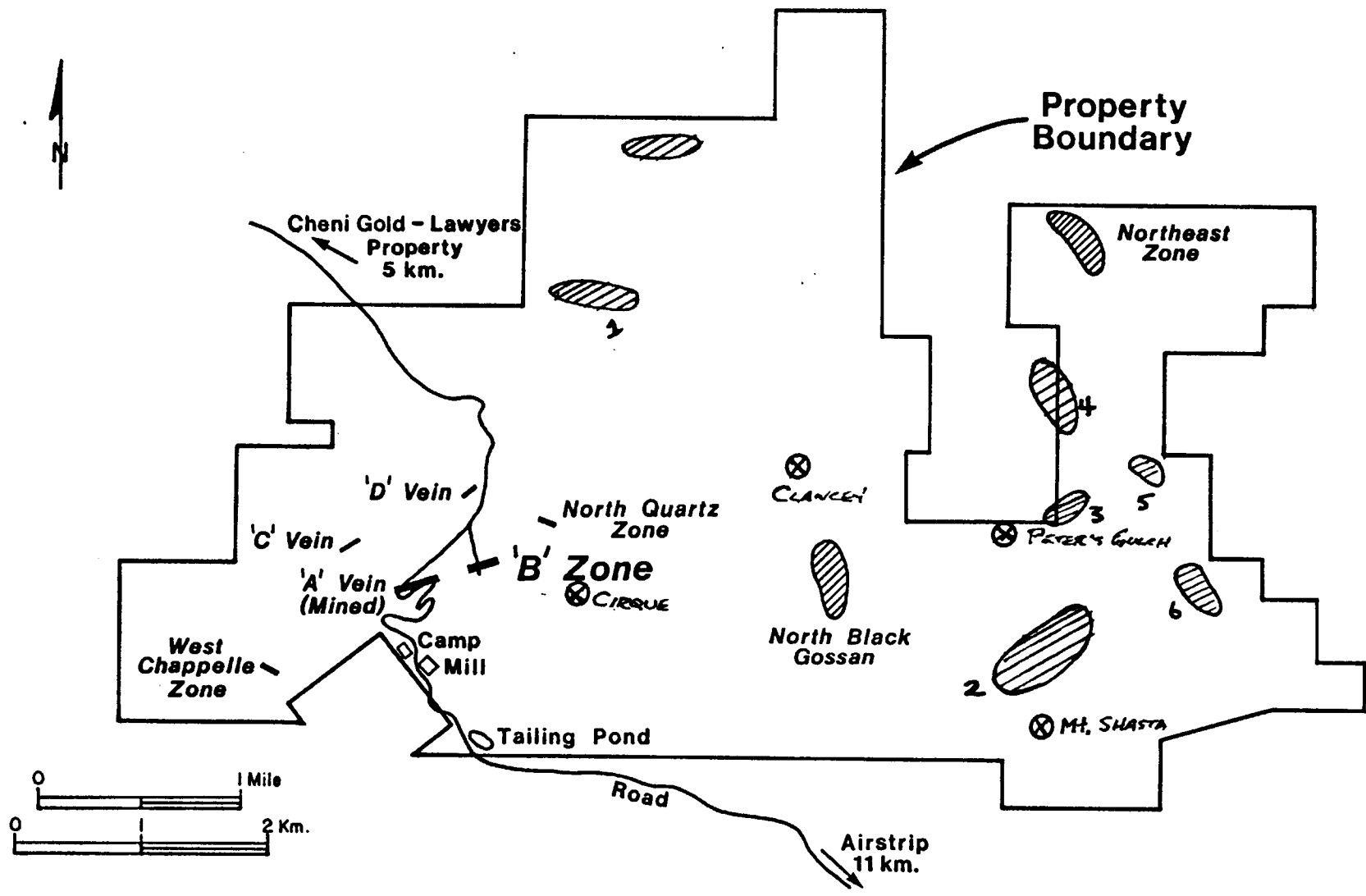
obtained.

Area 4 - (Price Zone) - A 600 by 200 metre area includes quartz-breccia zones, mainly on the adjacent claim owned by Sutton-Redfern. Best geochem results are on the Chappelle claims and include several soil values of 250 ppb Au and one of 1525 ppb. A 6 metre wide fault breccia in a creek along the claims boundary contains pyrite and 120 ppb Au values.

Northeast Zone - A 300 x 200 metre area developed in iron-stained Toodoggone volcanics. Rock samples have values of 150-220 ppb Au and 2.6-3.0 ppm Ag. A quartz vein within the zone had values of 625 ppb Au.

Area 5 - Geochemical values are centred on, or adjacent to a small syenite plug cutting Toodoggone volcanics. Disseminated cp and py are present in the plug and Cu values downstream are up to 352 ppm. Au in soils ranges up to 240 ppb.

Area 6 - Kennco stream sediments from the main drainage and several tributaries yielded values of up to 210 ppb Au, 2.4 ppm Ag, 370 ppm Cu, 1500 ppm Zn and 190 ppm Pb. Soil and rock samples contained 90-120 ppb Au plus anomalous Cu and Mo.



**MULTINATIONAL RESOURCES INC.**  
**CHAPPELLE GOLD PROPERTY**  
**TOODOGGONE AREA, B.C.**

To: W. Clancey  
W.G. Meyer

Re: CHAPPELLE CLAIMS - EAST BLOCK

The east block, shown on the attached diagrams, consists of 63 original Chappelle 2-post claims and one Modified Grid claim (6 units) staked in September of 1987.

The boundaries of the northern part this block have been well established by a survey carried out by Lacana in 1980, a copy of which is available. This survey shows two fractions within the Chappelle claims including an 820 by 4500 ft fraction between claims 96072,-074,-076 and 96085,-087,-089 and a 690 by 2920 ft fraction between claims 96066,-067 and 95690,-692. Part of the first fraction may be covered by a Modified Grid claim owned by Western Horizons (Sutton-Redfern).

### Geological Setting

The east block is entirely underlain by middle and upper units of Toodoggone volcanics. The major drainage on these claims (see diagram) follows a major northwest fault along which a prominent gossan is developed. The principal gold zone on Lacana's Golden Neighbour property to the north is along a splay off this major fault.

### Geochemistry

Area 1 - Silt samples (6) yielded values of 2.0 to 4.7 ppm silver, 50-80 ppb gold in two separate areas.

Area 2 - Silt samples near the claims boundary have values of 20-30 ppb gold, 2.0-3.2 ppm silver and more widely dispersed zinc (to 760 ppm) and lead (to 285 ppm). Soils have higher values for all elements.

Area 3 - Geochemical values are centred on, or adjacent to, a small syenite plug at the junction of major drainages. Disseminated chalcopyrite and pyrite are present in the plug and copper values in silts downstream are up to 352 ppm. Gold values in soils range up to 240 ppb.

Area 4 - The main drainage and several tributaries yielded anomalous gold (to 210 ppb), silver (2.0-2.4 ppm), copper (to 372 ppm) zinc (to 1500 ppm) and lead (to 190 ppm). Soil and rock samples contain 90-120 ppb gold and some copper and molybdenum values.

Area 5 - A 2000 by 700 ft area, elongate in a northeast direction, includes northeast trending quartz breccia zones marginal to a small limonitic vent area on the adjacent Sutton-Redfern claim. Best geochemical values are on the Chappelle claims and include several soil values of 250 ppb gold with one 1525 ppb value. A 20 ft wide fault breccia in a creek along the claims boundary contains pyrite and values of up to 120 ppb gold.

Area 6 - A 1000 by 600 ft area along the east boundary of claims 95710,-712 includes limonite stained Toodoggone volcanics. Rock samples within this area had values of 150-220 ppb gold and 2.6-3.0 ppm silver. A quartz vein within the zone yielded 625 ppb gold.

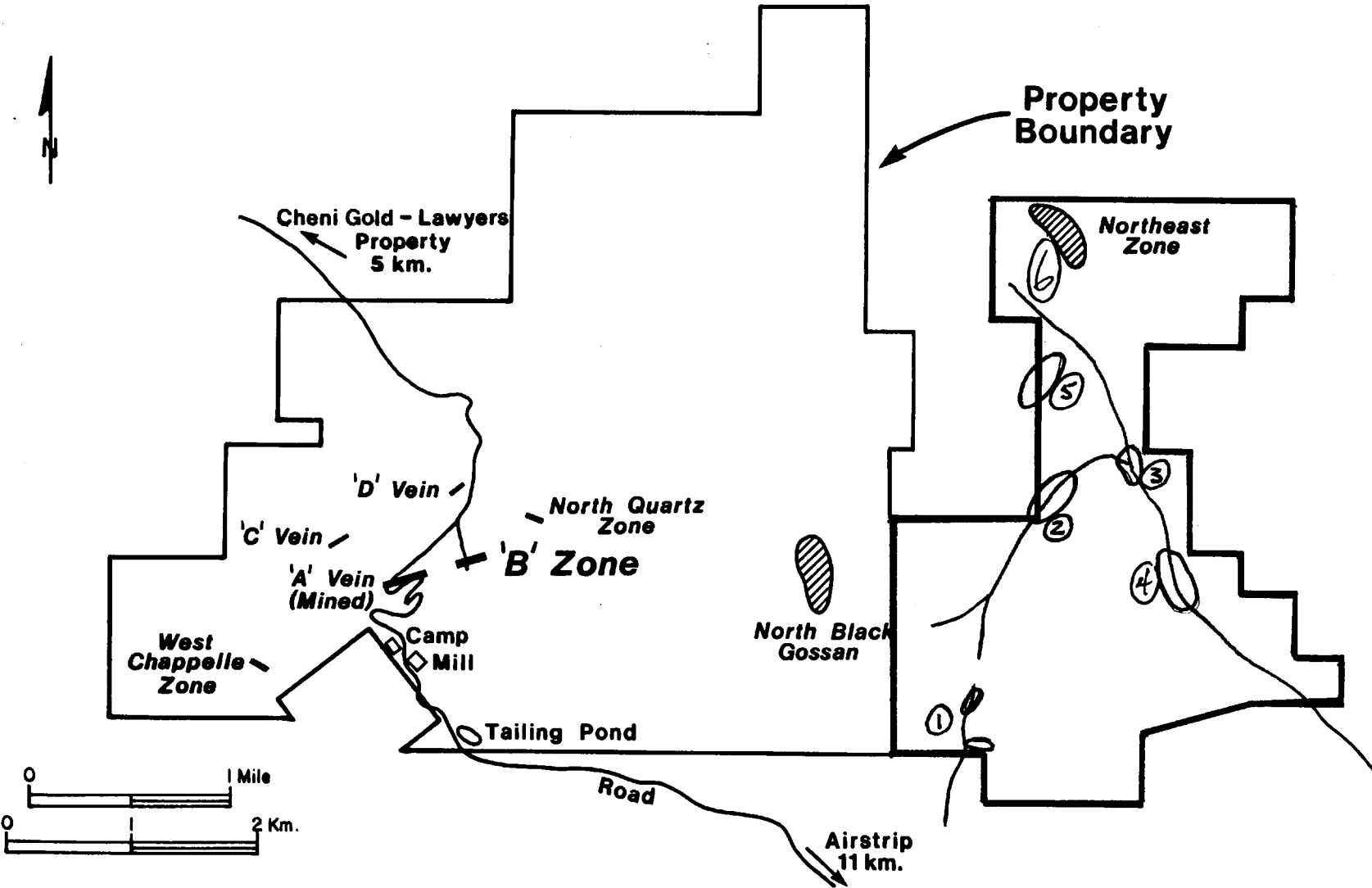
### Summary

The eastern block includes a number of geochemically anomalous areas on which only very limited follow-up work has been done. Most of this was carried out by DuPont on the northeast zone in 1981 and 1982.

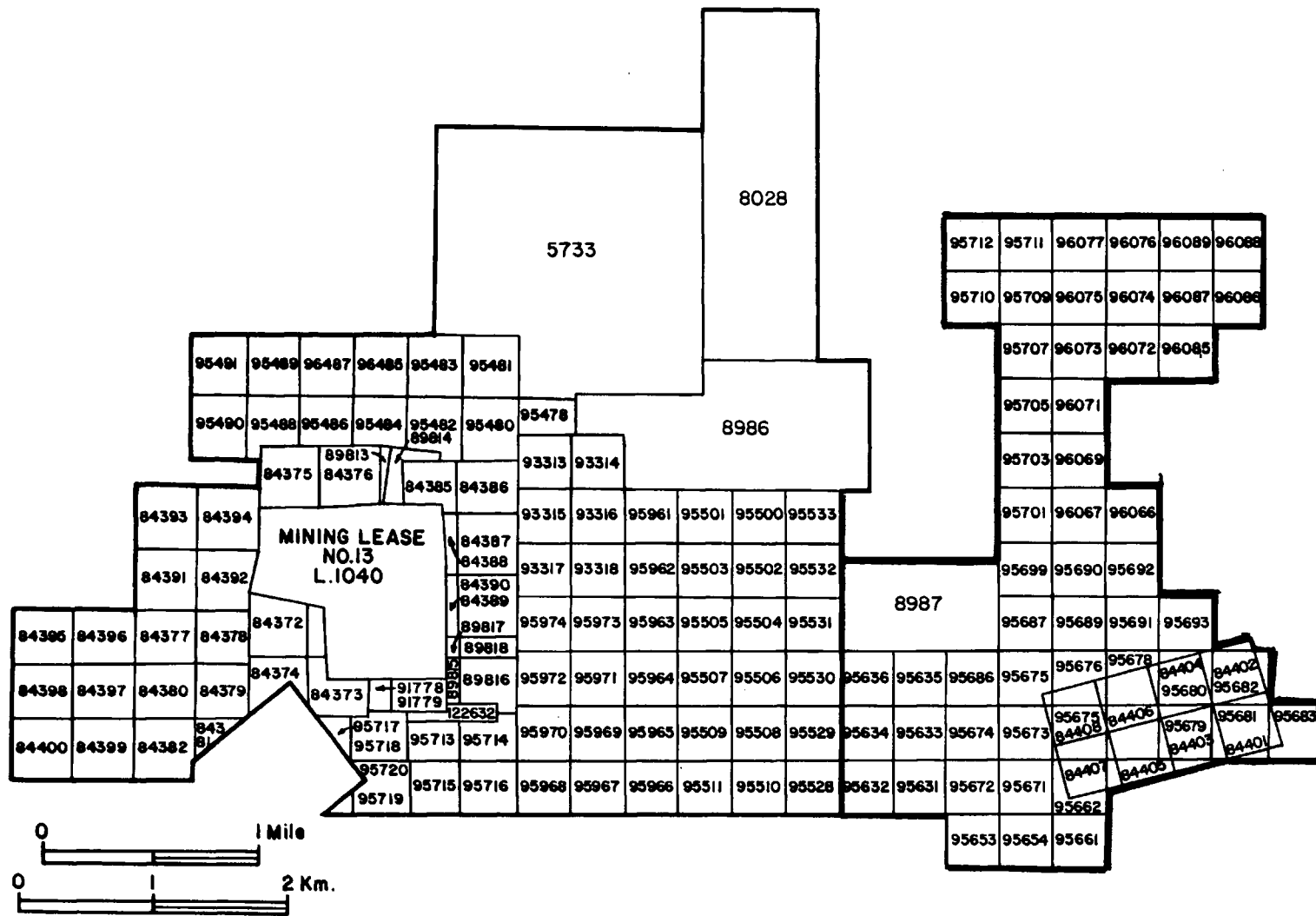
This is an attractive package for farmout and should be of particular interest to those holding neighbouring claims including Sutton-Redfern and International Shasta-Esso.

The 2-post claims are in good standing until early to mid-1990's - the Modified Grid claim requires assessment work in 1988.

N.C. Carter  
May 4, 1988



**MULTINATIONAL RESOURCES INC.**  
**CHAPPELLE GOLD PROPERTY**  
**TOODOGGONE AREA, B.C.**



**MULTINATIONAL RESOURCES INC.**  
**CHAPPELLE GOLD PROPERTY**  
**MINERAL CLAIMS**

57°15'

127°05'

**FIGURE :3**

## Chappelle Property - Proposed Farm-Out Areas

The eastern half of the Chappelle property is proposed for farm-out to joint venture partners either as a single entity or as two packages.

All of the 2-post claims and one modified grid claim (5733) are in good standing until 1992-1995. Claim 8028 is good through 1990 and the two recently staked claims (8986, 8987) will require work this year.

Areas available for farm-out are shown on the attached diagram. Previous work consists mainly of limited soil and stream sediment geochemistry by Kennco in the early 1970's. DuPont carried out soil and rock geochemistry in two areas in 1981 and 1982, geophysical surveys in one area in 1982 and drilled two short holes in one area in 1983.

Most of the proposed farm-out area is underlain by Toodoggone volcanics with a wedge of Takla volcanics and granitic intersections in the North Black gossan area. No detailed geological mapping has been carried out.

Details are as follows:

### Area 1

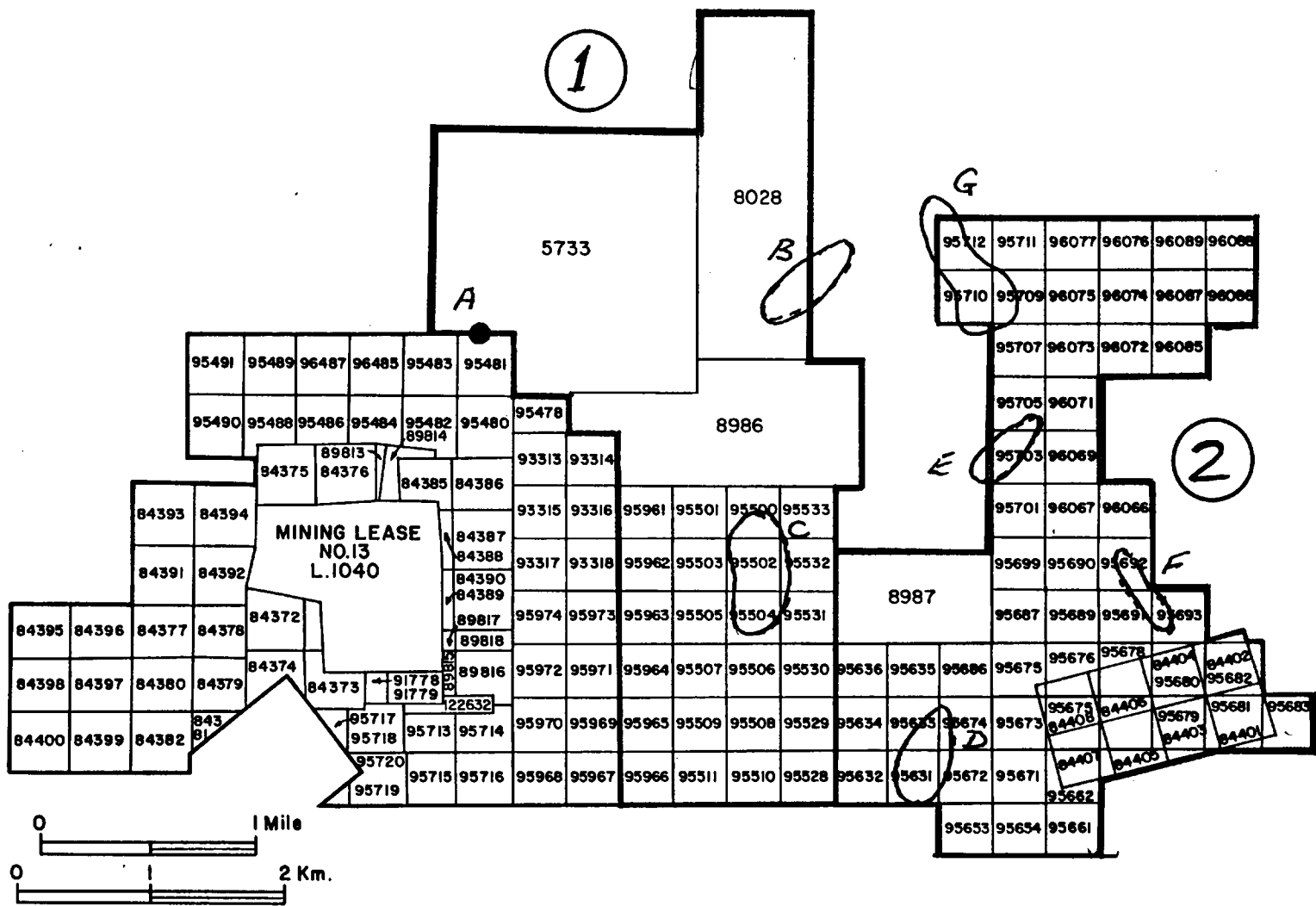
- A - Two d.d. holes in an alteration zone by DuPont (1983) intersected gold values of up to 25 ppb, silver to 9.5 ppm.
- B - Lacana stream sediment geochemistry in 1980 showed some anomalous gold and silver values.
- C - North Black Gossan - soil and rock sampling by Kennco in 1971-72, prospecting by Multinational. Some quartz veins - low gold-silver values, anomalous lead.

### Area 2

Three areas of anomalous gold-silver were identified by stream sediment geochemistry carried out by Kennco in 1971-72.

- D - Gold values 50 - 80 ppb; silver 3.3 - 4.7 ppm.
- E - 30 - 40 ppb gold; 2 - 3.2 ppm silver
- F - 50 - 210 ppb gold; 2 - 6.7 ppm silver; 235 - 372 ppm copper
- G - Soil and rock geochemistry (1981,82) and magnetometer, VLF-EM surveys (1982) by DuPont; minor hand trenching, same anomalous area as on Lacana claims.



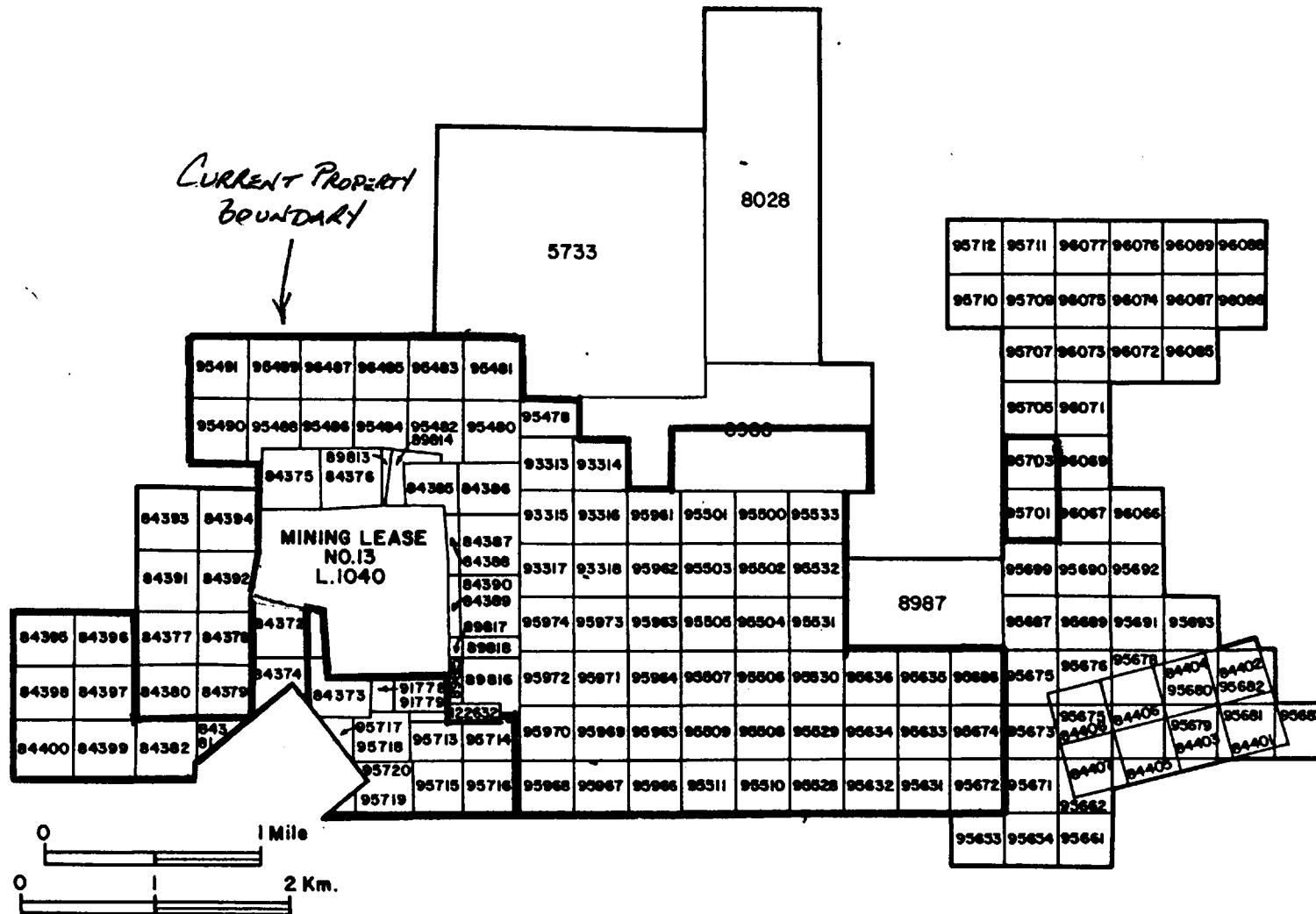


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57°15'

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**FIGURE :3**



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