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January 20, 1988

Mr. W.G. Meyer, P.Eng.
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SAMPLES FOR METALLURGICAL TESTING - CHAPPELLE PROPERTY

Samples from the following drill holes are proposed for metallurgical tests. Pulps and rejects are in storage at Min-En Laboratories in North Vancouver.

Two of the holes, M86-23 and -14, on the same section are near the southwest end of B Zone and above and below the proposed Alternative Three adit level. The third hole, M87-16, is near the northeast limits of the zone 33 metres below the proposed adit level. Sample numbers and assay data are as follows:

M86-23 - Weighted average grade - 1.702 Au, 21.26 Ag over 16.8 ft.

<u>Sample Number</u>	<u>Sample Interval(ft)</u>	<u>Length(ft)</u>	<u>Au(opt)</u>	<u>Ag(opt)</u>
20883	115.2-117.2	2.0	0.095	0.22
20884	117.2-119.2	2.0	0.042	0.09
20885	119.2-121.2	2.0	3.885	23.77
20886	121.2-123.2	2.0	4.317	46.38
20887	123.2-125.2	2.0	1.175	3.49
20888	125.2-127.2	2.0	1.228	11.96
20889	127.2-129.2	2.0	3.138	76.71
20890	129.2-132.0	2.8	0.298	11.40

M86-14 - Weighted average grade - 0.486 Au, 8.27 Ag over 12.9 ft.

23828	159.8-161.6	1.8	0.236	1.84
23829	161.6-163.4	1.8	0.155	3.05
23830	163.4-165.2	1.8	1.517	27.13
23831	165.2-167.0	1.8	0.315	5.78
23832	167.0-168.8	1.8	0.158	7.67
23833	168.8-170.6	1.8	0.945	12.40
23834	170.6-172.7	2.1	0.136	0.66

M87-16 - Weighted Average Grade - 0.341 Au, 3.39 Ag over 14.0 ft.

17746	332.0-334.0	2.0	0.159	3.21
17747	334.0-336.0	2.0	0.190	0.49
17748	336.0-338.0	2.0	0.874	1.82
17749	338.0-340.0	2.0	0.449	13.13
17750	340.0-342.0	2.0	0.153	1.29
17751	342.0-344.0	2.0	0.079	0.48
17752	344.0-346.0	2.0	0.484	3.35

Geochemical copper values are available for M87-16 - I would recommend that copper, lead and zinc values be determined on the pulps for all samples.

I think the foregoing three holes give a reasonable spread of assay values. Mineralogy should be similar to A Vein - electrum, acanthite (argentite) and native gold. In view of the variation in silver values relative to gold, there may be more native gold present, particularly in the deeper parts of the zone.

TAILING POND

Six samples were collected from 1 - 6 ft. depths near the most recent discharge points in 1985. The average of these was 0.054 Au and 1.84 Ag which seems about right for recoveries of 94% (Au) and 87% (Ag) on millheads in the 0.50 opt Au and 10 opt Ag range.

Higher grades are undoubtedly present in tailing discharged during the first six months of operation when recoveries were reportedly only 60% and the grades were probably higher for material treated at that time.

The pond contains about 85,000 tons and it is estimated that average depth is about 10 - 12 feet. A few profiles could be undertaken with a power auger early in the season.

N.C. Carter

cc: W.E.S. Clancey

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February 8, 1988

Mr. W.G. Meyer, P.Eng.
Director
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SAMPLES FOR METALLURGICAL TESTING - CHAPPELLE PROPERTY

Please regard this as an amended version on the same subject sent to you January 20, 1988. It now is evident that pulps and rejects from 1986 drilling are not available, consequently I am proposing two additional holes from 1987 drilling.

As indicated on the attached longitudinal section, the three holes are well spaced across the ore shoot; one is on the Alternative Three adit level, the other two are below. Sample numbers and assay data are as follows:

M87-8 - Weighted average grade - 0.215 Au, 0.47 Ag over 13.5 ft.

<u>Sample Number</u>	<u>Sample Interval(ft)</u>	<u>Length(ft)</u>	<u>Au(opt)</u>	<u>Ag(opt)</u>
17641	215.0-217.0	2.0	0.144	0.18
17642	217.0-219.0	2.0	0.153	0.35
17643	219.0-221.0	2.0	0.337	0.49
17644	221.0-223.0	2.0	0.277	1.75
17645	223.0-225.0	2.0	0.011	0.01
17646	225.0-227.0	2.0	0.082	0.12
17647	227.0-228.5	1.5	0.598	0.35

M87-9 - Weighted average grade - 1.343 Au, 2.26 Ag over 14.5 ft.

17650	95.5-97.5	2.0	1.808	1.34
17651	97.5-99.5	2.0	0.630	0.64
17652	99.5-101.5	2.0	0.165	6.77
17653	101.5-103.5	2.0	1.867	4.26
17654	103.5-105.5	2.0	3.063	1.40
17655	105.5-107.5	2.0	1.429	0.65
17656	107.5-110.0	2.5	0.618	1.05

M87-16 - Weighted average grade - 0.341 Au, 3.39 Ag over 14.0 ft.

17746	332.0-334.0	2.0	0.159	3.21
17747	334.0-336.0	2.0	0.190	0.49
17748	336.0-338.0	2.0	0.874	1.82
17749	338.0-340.0	2.0	0.449	13.13
17750	340.0-342.0	2.0	0.153	1.29
17751	342.0-344.0	2.0	0.079	0.48
17752	344.0-346.0	2.0	0.484	3.35

Copper geochemical values are available for all three holes, and it would probably be worthwhile to have lead and zinc determined for these samples.

Please note my comments re mineralogy in my letter of January 20, also the description and recommendations for the tailing pond.

N.C. Carter

cc: W.E.S. Clancey

SW

Exploration Drift - Alternative 3

NE

1800 m

1750 m

1700

1650 m

SURFACE

PORTAL

DRIFT 9' HIGH x 13' WIDE, +2%

MULTINATIONAL RESOURCES INC.
 CHAPPELLE GOLD PROJECT
 TOODOGGONE AREA, B.C.
 LONGITUDINAL SECTION - 'B' ZONE

○ 1986 DRILLING	● 1987 DRILLING
N.S.V. = No significant values	
$\frac{1.73-.55}{4.2} = \frac{\text{Au oz/T} - \text{Ag oz/T}}{\text{Length (ft.)}}$	

