

GRANGES EXPLORATION LTD. and WINDFLOWER MINING LTD.
GOLD DISCOVERY
CAMBORNE CAMP, SOUTHEAST B.C.

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A significant gold bearing vein structure has been discovered by Granges Exploration Ltd. through a joint venture with Windflower Mining Ltd. on the latter's Goldfinch/Independence Property, located 40 kilometers (25 miles) southeast of Revelstoke, British Columbia. The property consists of 108 located claim units and 17 Crown granted claims covering an area of over 6,000 acres.

A sixty-one hole diamond drilling program totalling 20,231 feet carried out by Granges Exploration Ltd. during the 1986 season indicated a strong gold bearing vein structure over a strike length of 350 meters with lower grade intercepts continuing for 125 meters north and 100 meters south along strike. The mineralization is open in both directions.

Considerably more drill testing will have to be carried out in order to establish an accurate ore reserve, nevertheless, from the drill data available at this time, ore reserves as calculated by Windflower Mining Ltd. are conservatively estimated at 200,000 tons averaging 0.30 oz. gold between surface and the 100 meter level. The potential for adding to these reserves along strike and at depth is considered high.

Reserves on the main deposit (the Main Zone or Dorothy Vein) are contained in a sulphide-rich quartz vein cutting the stratigraphy and schistosity of the host Lardeau group sediments. The quartz vein and mineralization appear to be related to a black graphitic argillite unit and a mariposite bearing dolomite sequence which have both been strongly sheared and partly faulted.

MAIN ZONE

The zone strikes northwest-southeast and dips are near vertical. The zone is located on the Dorothy Crown Grant at an elevation of 3900 feet and is accessible south from Revelstoke or north from Nakusp by all weather road, partially paved and part gravel.

A high grade quartz vein, the East Zone, containing considerable visible gold in association with disseminated pyrite, galena, sphalerite and trace chalcopyrite was intersected intermittently over a strike distance of 150 meters. This zone is located from 12 to 30 meters east of the Main Zone. One of the better intercepts in hole 42 averaged 32.26 grams over a core length of 7.77 meters.

EAST ZONE

Additionally, a second quartz vein containing significant gold values across narrow widths was intersected at depth in several holes near the end of the drilling program. This sulphide-rich vein is located some 60 meters to the west of the Main Zone.

WEST ZONE

A major drilling program to further evaluate all structures, including the high grade Goldfinch vein located immediately to the southeast of the Main Zone, is planned for the 1987 season.

A feasibility study is in progress and contingent on results, an underground exploration and development program on the Main Zone (Dorothy Vein) may be undertaken during the latter half of 1987.