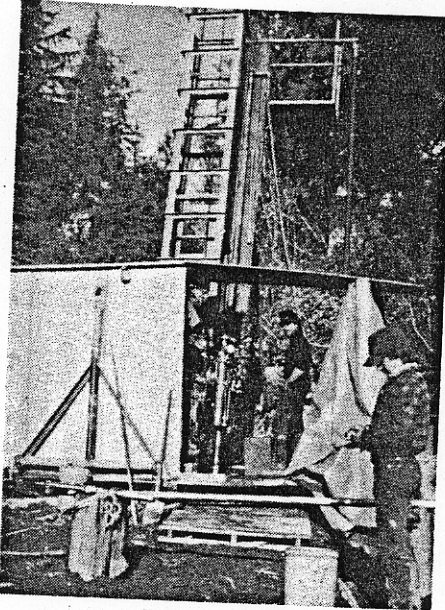


Granges/Windflower Underground Program at Goldfinch



Drill rigs at work last summer on the Goldfinch Property near Revelstoke.

Granges Exploration Ltd. - probably one of the busiest exploration/development/mining companies of its size in North America - is now underway with a work program designed to advance yet another project from a promising gold prospect into a potential producer. This time the gold producing company has put the spotlight on a joint ventured gold project located near Revelstoke, B.C.

Mike Muzykowski, president of Granges, and Gerald Ryznar, president of Windflower Mining Ltd., announced they are underway with the next stage of exploration on their Goldfinch Property (Granges 60%, Windflower 40%) which will consist of underground development work, bulk sampling, and mill testing of ore in preparation for future production. Costs

for this stage of exploration and development are estimated to be in the order of \$3 million.

The joint venture reports that surface drilling to date has confirmed ore reserves on the original discovery zone, the Dorothy Vein, at 150,000 metric tonnes at 8.2 grams per tonne (.24 oz/ton), and has indicated very promising results from two additional mineralized zones, both of which are expected to add substantially to the potential of the property.

Results of the drilling to date on the combined Dorothy, Dorothy North and East Zone now indicate in the order of 100,000 ounces of gold available to underground mining, with additional potential along strike of the major structure which runs for 6 km across the property. The latest reported intersection from the Dorothy Vein assayed .47 opt gold over 16.40 feet from Drill Hole 132. This is a "significant" drill hole, the joint venture says, as it intersects the Dorothy Vein at a vertical depth of 328 feet below surface in an area where it was previously thought that the ore zone was bottoming out.

The "Dorothy North" zone appears to be a separate and distinct ore body occurring 100 metres north and along strike of the original "Dorothy" discovery. The joint venture expects that with further drilling the Dorothy North could easily carry another 150,000 metric tonnes of similar grade to the main Dorothy Zone. The following drill hole intercepts are from the Dorothy North Zone and occur over a strike length of 80 metres. The zone is still open along strike and at depth.

- A 15.95 ft. intersection from Drill Hole 117 ran .15 opt gold.
- A 15.25 ft. intersection from Drill Hole 120 ran .25 opt gold including 10.43 ft. of .35 opt gold.

NW Prospector
Dec 187 - Jan 188

Granges Exploration Ltd.

Making The Grade As A Gold Producer

Mike Muzykowski

By Vivian Danielson

Granges Exploration Ltd. is one of the most unusual exploration/development/mining companies in Canada in that it seems to like to have its hand in everything. It's a company as comfortable with grass-roots exploration as it is with bringing mines to production. Gold production - and Granges is just gathering steam in that area - comes from underground mines, heap leach operations and even placer mining. It's active just about anywhere in North America where there's mineral wealth to be found. It will go out and find projects on its own, enter into joint ventures - or make outright acquisitions. Although gold oriented, base metal projects comprise a portion of its property portfolio. Granges was one of the first companies to successfully combine equally strong financial and exploration teams. Today it's as

corporately and financially sophisticated as mining companies come, yet it retains a down-to-earth approach that would make comfortable even the most antisocial, "down from the hills" prospector.

Granges, which says it is "engaged in the selection, acquisition, exploration, development and operation of gold and other mineral properties", currently holds interests in approximately 80 mineral properties which cover in aggregate approximately 850,000 acres. The Granges Group is operator of four mines and holds interests in two others.

The origins of the company can be traced back to 1971 when Granges Exploration AB, a wholly owned subsidiary of Granges AB of Sweden, began to explore for minerals in Canada under the direction of Granges' current president, Mike Muzykowski. Since then - following a series of transactions, restructurings and amalgamations - Granges Exploration Ltd. emerged as a Canadian entity and as an important player on the North American mining scene.

Although now officially a gold producer, Granges has always had particular strengths in its exploration activities. Company president Mike Muzykowski, a geologist and graduate of the University of Manitoba, has been involved with mineral exploration since 1955. He was closely involved in the discovery of eleven ore deposits subsequently placed into production, between 1955 and 1970. Since the early 1970's, Muzykowski and other members of the Granges team have been involved in the discovery of at least three other mines. Muzykowski has been truly deserving of the name "mine-finder" and is the driving force of a company that intends to keep a

strong hand in the exploration scene.

The following is a recent interview with Mike Muzykowski, President and Chief Executive Officer, Granges Exploration Ltd.

NWP - Because of Granges' cornerstone exploration successes, it is usually associated with Manitoba. What is the extent of your holdings there now and do you plan to maintain a long term presence?

Muzykowski - Manitoba is where our success began and where we first found the Trout Lake Mine by airborne geophysics. Since then we have increased our land holdings tremendously. Even though things are in a state of flux - in that we are adding claims, dropping claims or entering into joint ventures - I would estimate we now hold in the range of 400,000 acres in Manitoba. As a result of that first Trout Lake find, we discovered the Tartan Lake Mine, a full eight years later. We look at our involvement with Manitoba as a long term adventure, but we have of course, branched far beyond that province.

NWP - In what regions is Granges currently active?

Muzykowski - We have holdings right across Canada; the only province we don't have land in is Alberta because we are not involved in oil or energy. We also have holdings in the United States via our subsidiary, Hycroft Resources. In Nevada we now have the Lewis Mine in production and the adjoining Crofoot Mine under construction. This will be a very large, world-class operation, one of the largest in the Southwest United States. We plan to mine some 5 million tons per year and produce somewhere in the neighbourhood of 80,000 ounces and up from that corporation. These numbers comes into our consolidated statements because we do own a majority of Hycroft Resources.

NWP - In terms of gold production next year what numbers are you projecting?

Muzykowski - From producing some 4000 ounces last year, in 1988 we'll be somewhere in the 100,000 ounce class as a company. That's a tremendous jump and we consider 1987 as our transition year...the year we moved from being primarily an exploration company into becoming a significant producer. In subsequent years there's potential for further growth as our exploration successes have not ceased by any means.

NWP - What other projects does Granges view as having production potential?

Muzykowski - We currently have four prospects that we feel might be economic. We are doing some engineering studies on the Windflower Discovery near Revelstoke, B.C., and are discussing an underground exploration program. We have 60% of this project and are the operator. Because B.C.'s geology is sometimes not as predictable as other parts of the country, we have to ensure the orebody is continuous, even

though we have a great number of holes with ore in them. Even though they may be closely spaced, we're not sure about the space between the holes and so we want to ensure the risk is minimized. We've put in a fairly elaborate camp which is about a 45 minute drive from a small town called Trout Lake.

NWP - That's one of four, what other projects look interesting?

Muzykowski - We have a development drilling program going on in Ontario on our Mishibishu Lake Project. That's a deal we made with a Vancouver company, Mac-Millan Energy. It's a large property and we have found gold intermittently over a large area. There are some holes that seem to be tying in together but we think there's faulting, and we have had some difficulty in establishing continuity. We've found a gold deposit that we've been drilling to the west of Magnacon, the joint ventured Muscocho/Flanagan/Windarra project, which is now at the underground stage. We have a little tonnage outlined there but nothing that would encourage us to go underground at this stage. What's interesting is that we have found gold over on the east side of Magnacon...about five miles away, in a long, major structure. We are very hopeful about our Mishibishu Lake prospect and are spending our third million dollars on it right now. It's the kind of property that, with the amount of gold and the geology there, I'm of the opinion could host an economic deposit - and there could even be several. But it takes time, it takes money...you can't rush these things. We take a systematic approach; as an example we staked Tartan Lake in 1979 and knew there was gold in 1980 when we first drilled some holes with gold values. Our feasibility study was completed at the end of 1986. So that took six years and we're only two years into the 'Mishi' Project. As far as infrastructure is concerned, this property is only 30 miles from Wawa and there is a road. The Magnacon people are driving from town and if we establish an operation there as well, roads and power will be easy to access.

NWP - What are the remaining two projects?

Muzykowski - Another interesting project is in central British Columbia where we staked ground in 1975. We've been dealing with a geochem anomaly; there were some gold and silver and zinc and lead values in an area that was completely covered in overburden. We've been digging holes trying to establish the location of this anomaly - we were really worried that it was transported - and this year was the first time we hit an ore intersection. The Capoose Lake property, which is owned 75% by Granges, is located about 100 miles from Vanderhoof. We've been plugging away there for twelve years. Cominco has 25% and has been partners with us since Day One. We're drilling there now and have several holes with very significant gold and silver values, but the gold and

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**ACTIVE.
AGGRESSIVE.****Tartan Lake Drilling Underway.**

Goldbrae Developments Ltd. is pleased to report exploration results of up to .395 oz./ton gold in channel samples on its Tartan Lake Property and a 5 week diamond drill program is now underway.

The property is located 5 miles E of Flin Flon, Manitoba and 2 miles S of the new Granges/Abermin gold mines.

Further Exploration at Stump Lake.

Additional exploration is currently occurring on the company's Stump Lake Property in preparation for diamond drilling. Located 30 km south of Kamloops, Goldbrae presently holds 84 claims and has an option to earn an interest in a further 35 claims.

For further information contact:
Vince Hemingson, Director
Shareholder Relations
(604) 682-8648 or call (604) 273-2955
VSE: GOB Canquote: FNS G4
S.E.C. 12g Exemption #82-887

Goldbrae Developments Ltd.



Suite 210-11751 Bridgeport Road Richmond, B.C.

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Hébert, President and Chief Executive Officer
avenue du Lac, Rouyn, Quebec J9X 4N4
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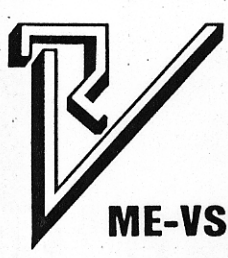
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the property's geological profile, which is
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MINING

News

Windflower mobilizes drill crew

REVELSTOKE, BC—Windflower Mining Ltd. (VSE-WFL) is mobilizing a diamond drill crew in preparation for the 1987 exploration season on the 6,000-acre Goldfinch property 25 miles southeast of Revelstoke in southeast British Columbia.

Three drills are to be used in a 15,000-foot drill program to further evaluate structures delineated in last year's successful exploration work. With joint venture partner Granges Exploration Ltd. (TSE-GXL), the companies completed 61 holes totalling 20,231 feet in 1986. From the drill data to date, ore reserves are conservatively estimated at 200,000 tons averaging 0.30 ounces of gold per ton between surface and the 330-foot level. Gerald Ryznar, president of Windflower, says the potential for adding to these reserves along strike and at depth is considered high.

The gold-bearing structure is known to continue for some 1,150 feet along strike with lower grade intercepts continuing for over 400 feet to the north and 330 feet south along strike. The mineralization is open in both directions.

Reserves on the main deposit (Main Zone or Dorothy Vein) are contained in a sulphide-rich quartz vein cutting the stratigraphy and shistosity of the host Lardeau Group sediments. The zone strikes northwest/southeast with the dip nearly vertical. Situated at an elevation of approximately 3,500 feet, the area is accessible south from Revelstoke or north from Nakusp by all-weather roads.

Located 40 to 100 feet east of the Main Zone is a high-grade quartz vein known as the East Zone that contains considerable visible gold in association with minor disseminated pyrite, galena, sphalerite with a trace of chalcopyrite. Also another quartz vein with significant gold values across

narrow widths was intercepted at depth in a number of drill holes some 40-60 feet west of the Main Zone.

Ryznar says a feasibility study is in progress and contingent on results, an underground exploration and development program on the Main Zone may be undertaken in the latter half of 1987.

Tanqueray tackles Territories

CALGARY, ALTA—Tanqueray Resources Ltd. (VSE-TQY) will begin a range of gold-seeking activities this month at a claim block near Yellowknife, Northwest Territories.

This undertaking follows Tanqueray's acquisition of an option to earn a 100% interest in the 3,254-acre claim block along the Cameron River, 40 miles northeast of Yellowknife. In addition to conducting a comprehensive geophysical, geochemical and geological investigation, diamond drilling is also planned.

The claim block covers a sequence of Archean volcanic rocks that are highlighted by a significant assemblage of rhyodacite flows and tuffs. Numerous gold-bearing showings associated with arsenopyrite/pyrite mineralization exist on the block of claims, while a 1975 drilling program intersected anomalous gold values over significant widths.

The Cameron River volcanic belt shares characteristics with the Courageous Lake gold belt, now under intensive study by Getty Resources and Noranda.

New Issues

The period between March 23rd and April 16th saw 11 new issues begin trading on the VSE. During the same period, the VSE Index rose from 1628 to a record 1986 before dropping 40 points on April 15th and 17 points on April 16th to close the period at 1928.

Cetec Engineering (VSE-CEK) began trading on March 24th by distributing 1.1 million shares at C\$1.75. Cetec manufactures sawmill equipment, and some mine/milling equipment. The company claims its saws create less waste. Royal Pacific (VSE-RPF) seafood also began trading on March 24th. 600,000 shares were distributed at C\$1.50. The company's business is fish farming on Nelson Island in British Columbia.

On March 25th Zenith Metals Recovery Inc. (VSE-ZMR) issued 600,000 shares at C\$0.50 cents. The company has a working agreement with American Strategic metals for the recovery of strategic metals from scrap material. American Strategic will purchase and process materials for Zenith for a fee.

On March 26th Canadian Venture Corporation (VSE-CVB) listed its shares and began trading. 400,000 shares were issued

at C\$0.40. Funds raised will be used to explore its claims in Churchill County, Nevada.

Pebble Gold (VSE-PEB) issued 500,000 shares at C\$0.60 raising money to be used exploring the company's Legend claims in British Columbia.

On April 1st, Petroflame International Resources (VSE-PFA) issued 500,000 shares at C\$0.35. The company has an interest in a British Columbia company that is working on the development of an oil pipeline to cross Panama and is also building a coal slurry pipeline in Costa Rica. The money raised through this offering will be used to explore the Lucky Jim claims in B.C. A former producing mine is located on the Lucky Jim site.

On April 2nd, Briana Resources (VSE-BIA) issued 500,000 shares at C\$0.35 cents raising money to be used exploring the Bigfoot claims. Bigfoot is a gold prospect located near Harrison Hot Springs in B.C.

Jefferson Securities has provided the information as a review only. For more information contact Andy Hay, Jefferson Securities Inc. #1660-1140 W. Pender St., Vancouver, BC Canada, V6E 4G1, (604) 688-9773.