

Master Geologist Monty Swan speaks with irStream about Grandview Gold's Carlin Trend Project.

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Hello, this is irStream's Frank Anderson talking today with Magma Chem Exploration's Incorporated's master geologist Monty Swan, about Grandview Gold -- a Canadian-headquartered gold exploration company with high potential properties in low political risk, major gold camps of Canada and the United States. The company is listed on the TSX - trading symbol GVX, and on the OTC Bulletin Board -- trading symbol GVGDF.

Good morning Monty and welcome to irStream.

Good morning Frank. Good to be on with you today.

Well we are glad to have you. Let's start off. MagmaChem is a U.S. based exploration research and exploration company directed by Stan Keith and Monty Swan. Magma Chem is well-known in exploration circles as the Master Geologists -- the uber scientists if you will - that use proprietary modeling to streamline the search, and increase discovery rates by moving the critical 'get in or 'get out' decisions ahead to a less costly phase in the exploration and evaluation process. Is that a fair assessment?

Yes it is. Increased probability of discovery has been our goal through the use of our exploration technology.

You told us earlier that MagmaChem has applied its modeling intelligence to projects on three continents, resulting in the discovery of 17 major metal deposits -- some \$60 billion worth of metal discovered from \$100 million worth of investment. That's pretty impressive. You must have quite the resume.

It goes back to 1983 when Stan Keith and I co-founded Magma Chem. I was working for Newmont at the time and had just moved from Kennecott Geologic Research Group. Stan was working for Exxon and he was also an Arizona State geologist. We formed Magma Chem to follow up relationships we discovered between metal deposits and igneous rocks while he had been doing mapping, you know field work. So we started with our feet on the rocks, this whole idea, that's where it started, it didn't start from some conceptual high tech computer model or anything. It started in the field, kind of rocks in the box.

Magma Chem has been a great vehicle to develop our exploration technology. Basically, every dollar spent since 1983 has produced \$600 in metal value. Sometime I can't believe that's even true, but it's well documented. We actually have a book that's kind of our annual report after 25 years of what happened. And now, what we want to do is use it to discover more.

Monty, Grandview Gold is currently drilling on their 28 square mile Pony Creek/Elliott Dome property on the Carlin Trend in Nevada. Would you say that was a 'get in' or a 'get out' situation?

Definitely 'get in'. I mean it has the right address, it's chemically the right type, and physically it has the size. There are multiple Carlin targets on the property. The property occurs at the south end of the Carlin Trend and has about a five by one mile belt of mineralization. It is covered on the east, which I love because it has kind of a negligee affect and geochemically it is a Carlin Type system. It is a reduced cal-calcilin system and we've determined that through metal chemistry of the igneous rocks, and metal chemistry of the mineral system.

When a system is Carlin Type system, when a prospect is, it has a four in ten chance of becoming an economic deposit. That's the track record of a Carlin system. There are about a thousand known in the western U.S. and about 400 have actually become economic deposits. So we are falling in that high probability.

There are also strong west-north-west major basement faults cutting through the immediate area and these are the primary control on the ore at Rain (Deposit). They are very important faults in many deposits in the western U.S., and where these intersect north-north-east and north-north-west faults which they do on the (Pony Creek) property, you end up with very good loci for mineralization.

The five by one mile belt is kind of an intrusive mineralized axis, and there's also this west-north-west directed thrust that we have just discovered in our mapping. It is probably Eocene in age and this is extremely important because it helps guide the intrusions into the upper crust. We believe that this is a major contribution to Nevada geology because most thrusts are thought to be heading east, while these are heading west and they appear to be even larger thrusts than the east directed thrusts.

Pilot formation is present in the area and this is a lower plate favorable gold host, well known in other parts of the district. The Pony Creek stock, which is really important, I mean the intrusions are the key here because the gold usually appears on the foot wall of intrusions, you know dikes and sills.

The Pony Creek stock is 43 to 38 million years old, it's Eocene in age, and that's a well-established age for gold mineralization, and then the Elliott Dome intrusions just at the north end of the belt are probably the same age, there are multiple intrusions up there.

And then the Red Rock gabbro diorite dike that occurs at the south end of the property is extremely interesting to me, it looks like it's late Jurassic in age, the kinematics would suggest that it's 150 million years old, and these typically make the largest gold systems in the whole Carlin Trend.

Past drilling has discovered significant widespread gold on the property. Most of this drilling has been RC reverse circulation holes and has tested a lot of the shallow potential. Typically when you drill a core hole (diamond drilling), you'll double the grade (of an RC hole) because of the fine gold and clay associated with the alteration will float the gold away. So we're thinking that a lot of the past drilling is about half the grade that it should be, and we're testing that this year and we did some testing last year and confirmed the idea that it doubles the grade.

There are multiple targets (on Pony Creek property) and the targets are based on gravity and magnetics and IP and soil chemistry and chemistry of the plutons. We do this thing called pluton vectoring, so putting all of this together it points to many different targets in the area.

Without giving away any trade secrets, can you tell us a bit about the process you use to evaluate a gold property -- using Pony Creek as an example if possible?

OK. The first thing we do is screen the project, that's screen the property and that's kind of what I just described to you. We have to make sure it is a Carlin Type. You know, companies should try to stack their portfolios with Carlin Type systems because they have such a high probability for discovery compared to other type gold systems. By screening the property, what I mean is that we empirically screen it.

We look at the chemistry of the property and the rocks involved with the gold mineralization. We have a classification we've developed over the past 25 years and it includes 12,000 mineral deposits all over the planet and we've actually written an expert system, I believe it cost USD \$300,000. It's an expert system where we can put in the chemistry and it will come out with the type of deposit. And that's purely empirical, it's not a conceptual kind of idea, it's empirical and that's very important.

Then once we've established the right type and it has a high probability, then what we want to do is map the system. First we look at the geographic distribution of mineralization and alteration then we map the igneous rocks which are genetically related to the gold and then we map the mineral system plume – you know the fluids come up and they form a plume.

And a lot of the movement is lateral. A lot of thinking is that it's vertical, that's it's just buoyant fluids moving up, but what happens is that when you strain the rocks, that's why these big west-north-west systems are so important, you develop pressure gradients that

are lateral and the fluids will move laterally and they actually move in an arcuit or curved kind of orientation because stress fields rotate as

you stress a rock. And we can actually map that with the chemistry, we use soil chemistry, we use rock chips and we also sample the plutons and we look at things like scandium and titanium and we can map the differentiation, actually map the flow of the pluton. So what we are after is basically trying to understand the anatomy of the architecture of the whole system and that's exactly what we are doing at Pony Creek.

One thing that's been lost in the last 20 years is mapping, and that is one thing that we are really big on is mapping. Not just physically mapping, but chemically mapping the gold system.

For example, at Pony Creek, the Red Rock part of the play right at the south end there, there is a dike, and it's west-north-west and it's following one of these big west-north-west cracks and it's a couple of miles long. And it's actually a bubble dike which means that you can see the fluids bubbling out of the rock carrying the gold. This is kind of the smoking gun. It's probably high above the gold system per se, and it's mineralized and it's altered.

But the geophysics – the gravity and the mag show this amazing anomaly which we interpret to be a gabbro diorite mother pluton at depth. This is probably what underlies the whole Carlin Trend and all the systems are differentiating off these major gabbro plutons at depth, and they show high gravity mag along the whole Carlin Trend.

Well there's one right at Red Rock and it has a dike right above it and this dike is altered and mineralized and it has the right chemistry – and we sampled it and the thing is differentiating from the northwest, so the roots of the system go right down to the strongest part of this gravity mag anomaly.

And then the other thing is that the right stratigraphy is in the area, and then there's this Red Rock thrust. This is where we first recognized it – it's right there, the dike is following the red Rock thrust, so you couldn't find a better structural set-up.

We've done some soil geochemistry and the soil geochemistry is about to come in now, and that will give us a good picture of the whole area, the metal dispersion. We will be doing some work mapping the assemblages from the soil geochem grid and what we do is not really discriminate analysis or developing an anomaly mass.

We do something in between, what we are after is what elements, what group of elements follow the actual ore. There are usually two populations of ore grades, gold ore grades and we actually map the fluids by looking at that. We have software we've developed to automate this.

So our ultimate goal here at Red Rock at the south end of Pony Creek in particular is to develop a 3D model. What we are looking for is, we have the west-north-west fault and then we have some north-easters coming in there, so what we're looking for is a structural sedimentary wedge. This is a typical Carlin setting, where you have stratigraphy dipping into the apex of the wedge, you have a primary master shear and you have a second order shear coming in from the north-east, so it forms a wedge.

And what happens is, the pluton is focused into that wedge and it comes up as sills or dikes like we see and then the fluids move up the wedge along the footwall of the intrusions. That is our target, and we are seeing that kind of target material there and we hope to get more specific in the future with it.

We know that gold exploration is a high risk business, and that in the Carlin Trend there are statistics that predict the potential for economic viability. How does applying advance geochemical and geophysical science change those statistics, and can you comment on Grandview's Pony Creek property in particular?

Well Pony Creek as I said has been typed as a reduced cal-calcilin type mineral system, thus its potential for becoming an economic gold potential is about four in ten. There are about 30,000 gold occurrences in the western U.S. Generally, one in about 300 have become economic gold deposits, and that's close to the industry track record. But we can increase that dramatically by using our approach – by screening and actually vectoring and mapping the gold systems.

From our perspective Pony Creek is still at a fairly early stage of evaluation. There are many un-tested blue sky targets remaining, and as a more complex data set is acquired, the targets will definitely improve in quality – and that's what we're in the process of doing.

If you had just a few minutes to describe, in layman's terms, your interpretation of the geology of the Pony Creek property and its importance in relation to neighboring major mines, what would you say to the irStream audience?

Well I've covered some of that in the previous question, but I would say that pony Creek is similar to the Rain Deposit, which is about ten miles north, in that it is not only chemically the same type – a Carlin Type – but it lies along the same west-north-west transcurrent basement fault, which we've defined through our mapping. Additionally we believe this Red Rock thrust may be an important intrusive and/or control in the region.

So it has the right address, it has the right structure, it has the right chemistry, and it hasn't been thoroughly explored yet. I mean it's a 'great' property.

Excellent, I have one last question for you Monty --- Magma Chem has been involved with various aspects of the Pony Creek/Elliott Dome property since the 80s'. Do you have any thought about what comes next?

Well I am currently mapping and sampling along the whole length of the property and I'm going to do it until the snow flies. And I am also at the same time, I have one of our fellow workers inputting all of the data from past work into a geospacial format, so when we add the 2006 drilling results to this it will greatly, greatly increase our understanding of the architecture of the Pony Creek gold system at depth, and hopefully lead to the discovery of economic gold deposits in future. From this perspective, the 2007 program looks very promising.

Monty, for the irStream listeners, do you have any comments on how the 2006 drill program is progressing?

We are going to drill right up until the snow flies. There is a lot of core that hasn't been drilled. There is some very exciting looking core, on some of the recent holes, in particular the last one is really heavily mineralized. They are all pretty much what we expected as far as mineralization.

Mineralization is occurring along the footwall of the Pony Creek stock and I am anxious to see what the grades are going to show. And most of the drilling has been in the Pony Creek immediate area, and there are a lot more targets spread out along that axis.

I can't wait to drill that Red Rock next year. That's one that I'm really excited about because it's possible Jurassic age, which gives you the highest grade, biggest tonnage. It's pretty much a virgin target too.

Monty, just for our listeners, can you tell us where you are today?

I am at 8,000 feet in Evergreen, Colorado, looking out on a blue sky and a couple of bull elk bugling out in the meadow. But I'm headed out to Elko (Nevada) soon to hit the field again.

Excellent, well thank you so much for speaking with us today Monty. We hope you'll join us again as more news develops.

Well, I always enjoy talking about the hunt for Carlin Gold deposits. Thanks Frank for the great questions, and I hope to talk to you in the near future.

For detailed information about Grandview Gold and its high potential gold properties in Canada and the US, visit them on the web at www.grandviewgold.com or call toll-free 1.800.736.9532. Again, the company is listed on the TSX - trading symbol GVX, and on the OTC Bulletin Board – trading symbol GVGDF.

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End of interview

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