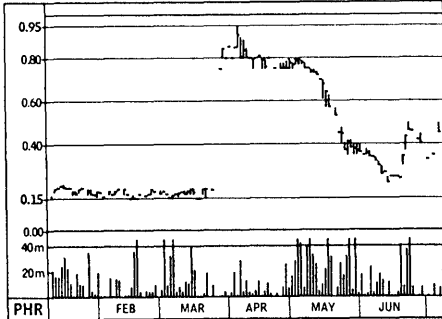


The funds will be used for general working capital purposes.

Pacific Houston Resources Inc PHR
Shares issued: 4,666,405 Jul 10 close: \$0.45



News Release . . . Phase I completed at Silver Queen mine

Mr Adolf A. Petancic reports: **0932 002**

The first phase of the 1989 exploration program at the Silver Queen mine, BC has been completed.

Eight underground holes totalling 3,014 ft were drilled, five of which intersected the No. 3 vein, extending the high gold and silver values from section 27,800 to 28,900, 1,100 ft along strike, and from elevation 2,600 to 2,185, ie 494 ft down dip along a 58 degree slope, average dip of the No. 3 vein.

From this program, the 2,589 decline, and holes 88-S-57 and 88-S-58, a multiple vein system has been discovered; true width of the No. 3 vein ranges from 1 to 7 ft, grades in the No. 3 vein from .213 oz/ton to .569 oz/ton Au, 10.03 oz/ton to 26.83 oz/ton Ag, zinc up to 18.6%, copper and lead values are better than mine average. Gold and silver grades are consistent and substantially above mine average.

Particulars* of the holes from this program in the No. 3 vein are:

Ho le	Internal (ft)	Width (ft)	Au opt	Ag opt	Zn %	Cu %
1	233-237.5	4.5	.359	15.63	18.60	.94
3	287-291.5	4.5	.308	20.56	11.20	1.83
5	314-320	6.0	.274	13.85	10.40	1.13
7	440-443.6	3.6	.569	10.03	1.90	.43
8	297-298.3	1.3	.213	26.83	9.15	2.88

The total average current reserve calculations of the No. 3 vein only, using a \$130/ton cut off grade are:

230,000 tons averaging 0.22 oz/ton Au, 12.32 oz/ton Ag, 9.25% Zn and 0.50% Cu.

A hanging wall vein was also intersected in 5 of the 8 holes. This vein is narrow with true width so far at a maximum of two feet but with significant precious metal values, gold up to .678 oz/ton and silver up to 126.58 oz/ton. This vein appears to be sub-parallel to the No. 3 vein and 40-60 ft unto the hanging wall.

It was also noted that hanging wall alteration in the No. 3 vein carries significant metal values, up to .05 Au and 5 oz/ton Ag. This factor will ameliorate dilution while mining the No. 3 vein.

It appears that the No. 3 vein, as intersected in

this program and in holes 88-S-57 and 88-S-58, is offset from the vein in the drift to the north. This fact may explain the failure of earlier operators to discover this extension. The offset may be due to a change in dip or in an en echelon effect. A fault offset is considered to be unlikely.

The next phase of the exploration program will consist of underground drilling from the existing southern cross cut between section 28,900 to section 29,300, a 400 ft strike length, and between elevation 2,600 to 2,200.

This program will be forwarded by an extension of the southern cross-cut to the NG3 vein and 150 ft beyond to establish the next underground drill station. A deep hole drilled into the NG3 vein encountered 0.2 oz/ton Au, 25 oz/ton Ag and 27% Zn over 5.7 ft.

The two phases of the next exploration program, estimated at \$1,000,000, should prove up sufficient ore of high enough grade to proceed to production.

A new interpretation of raw magnetic field data by the Department of Mines of British Columbia provides clear definition of veins and cross structures where hydrothermal alteration has destroyed the magnetic minerals. These contours show exploration targets in the form of a continued vein structure to the south east of the current program; along the sub-parallel George Lake lineament where the 2,600 cross cut intersects the George Lake vein over 7.5 ft, grading 0.13 oz/ton Au, 12 oz/ton Ag, and 5.6% Zn, at the eastern border of the property at the Cole Lake region, and along the Wrinch Creek lineament cross structure where no exploration has taken place to date.

If metal distribution patterns are similar to the No. 3 vein in the George Lake and Cole Lake systems, increased gold and silver values may be expected as exploration moves southeast along these systems and below the 2,600 elevation.

Metallurgy has progressed over the past four months. The recovery circuit has been revised, ore will be crushed and ground by conventional means to be followed by a double bulk flotation process to produce a clean zinc concentrate, just as before, carrying 23% of the gold and 34% of silver, but now, only one sulphide concentrate will be produced, carrying 72% of the gold and 64% of the silver, tails will carry 5% gold and 2% silver, for a 95% and 98% overall gold and silver recovery in the concentrates.

The gold, silver, and copper will be recovered from the sulphide concentrate by acid pressure leaching in the form of dore bars and copper cement, respectively. Lead appears not to be recoverable. Arsenic as a constituent of the tetrahedrite-tennantite series of minerals present at the Silver Queen mine, will be rendered harmless in this process by forming ferric arsenate, a stable compound, which will be disposed of into the tailings.

The concept of the revised flowsheet is to produce a more enhanced product to save transportation and smelting costs, achieve higher recovery, and make use of current technology. For example, acid pressure leaching is now used by a number of gold mines in Nevada

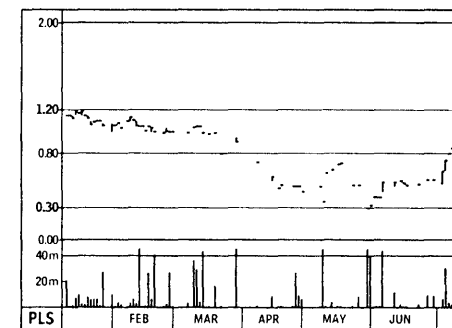
and California to treat their sulphide ore. The autoclaves used in this process are manufactured in Victoria, BC and can be custom made to fit the size of the mine.

Pacific Houston has investigated a number of exploration prospects lying within close proximity of the Silver Queen mine. As a result of this investigation Pacific Houston has acquired the Ford property, 20km south west of the Silver Queen mine, comprised of 6 claim units.

Previous work partially outlined a large geochemical zinc anomaly with significant silver and molybdenum values associated with a highly altered pyritized rhyolite host rock and local intrusives.

Currently, a crew is re-establishing the grid lines and carrying out an inter line soil sampling program for mercury, arsenic, silver, zinc and copper. Mercury and arsenic are tracer elements for gold.

Peralto Resources Corporation PLS
Shares issued: 2,934,165 Jul 10 close: \$0.85



News Release . . . Re-organization of affiliate nearing completion

Mr Anthony Agostino reports:

A re-organization of the company's 58% owned California based affiliate, Nu-tech Fluidics Inc, is nearing completion and negotiations are underway in Europe respecting private placement funding in the range of \$1.0 to \$1.5 million.

Nu-tech Fluidics produces a range of fluid contamination equipment using a proprietary charged particle filtering process. Originally based in Modesto, the company has been relocated to San Diego.

The re-organization of Nu-tech, which is expected to be completed within 30 days, also includes the appointment of a new professional management and marketing team.

The successful completion of Peralto's private placement will enable it to increase its interest in Nu-tech and provide additional working capital to the US company, subject to required regulatory approval.

VSE Listed Companies

Stockwatch prints your news on a daily basis and distributes it electronically on a real-time basis. Then we re-organize it in magazine format for our weekly subscribers. And 4 times a year we print it all in our 1,000 page quarterly reference books. Timely, effective dissemination. No charge to companies.

SCNL 109 HOUSTON METALS CORPORATION (HML-V) JUNE 8, 87

VEIN EXTENSION DRILL HOLE ASSAYS - Adolf A. Petancic, 93L002 president, has reported that Houston Metals Corporation has intersected, in underground diamond drilling, several mineralized zones and veins beyond the south end of the old workings in the Silver Queen mine, 28 miles south of Houston, B.C. These intersects are on the 2,600 foot level and are extensions to the No.3 and footwall veins.

North of these new intersects in 1972/73, No.3 vein produced 15,500 tons of concentrates. First assays are:

VEIN NO.	WIDTH FEET	GOLD OZ/TON	SILVER OZ/TON	ZINC %	LEAD %	COPPER %	CADMIUM %
3	6	0.047	11.81	0.45	0.13	0.440	0.004
Foot Wall 2		0.022	20.79	3.41	6.07	1.21	0.02

Gallium, germanium and indium assays are awaited. Drifting on the extension will start 8Jun87.

DMA
 Houston Metals Corporation HML
 Shares issued: 4,670,033 Jun 4 close: \$1.55
 News Release
 93L002

Mr. Adolf Petancic reports:

Underground diamond drilling intersected several mineralized zones and veins beyond the south end of the old workings in the Silver Queen mine. These intersects are on the 2,600' level and are the extensions to the No. 3 and footwall veins.

To the north of these new intersects the No. 3 vein produced in 1972/73 15,500 tons of concentrates yielding: gold 3,157 oz, silver 438,797 oz, zinc 11,132,704 lbs, lead 1,547,181 lbs, copper 892,898 lbs, and cadmium 34,769 lbs.

First assay from these intersects are:

SAMPLE NO.	VEIN	WIDTH (FEET)	AU OZ/T	AG OZ/T	ZN %	PB %
2574	No. 3	6	.047	11.81	0.45	0.13
2583/2584	Foot-wall	2	.022	20.79	3.41	6.07

Gallium, germanium and indium assays are pending.

These results have the potential to increase the proven tonnage in the No. 3 vein and footwall vein systems substantially beyond the current 600,000 tons.

Drifting on the extension will commence on June 8, 1987.

Houston Metals Corporation HML
 Shares issued: 4,670,033 Jul 29 close: \$1.31
 93L002 News Release
 Mr. Michael Mackey reports: SW

The company is pleased to announce the successful completion of phase 2 of the exploration and development program at the Silver Queen mine. Proven, probable and inferred reserves have increased from 577,590 tons to 985,000 tons, 14 parallel veins striking north-south and varying in width from 4 feet to 20 (plus) feet have been identified. It is estimated that reserves could exceed 5,000,000 tons.

A 200 foot drift on the southern extension of the mine at the 2600 foot level had excellent results, with ore values exceeding US\$275 per ton. The following assays are a weighted average over 200 feet of drift length and 4 foot mining width:

	GOLD Oz/t	SILVER Oz/t	COPPER %	LEAD %
No. 3 extension	0.08	11.87	0.77	0.75
Footwall extension	0.054	7.48	2.06	0.72

In addition, significant values of gallium and indium are present.

Precious metal values appear to increase from north to south and with depth (a diamond drill hole 1,000 feet below the 2,600 foot level, 5.7 feet in width, assayed 0.02 oz/ton gold, 24.60 oz/ton silver, 0.08% copper, 12.20% lead and 27.20% zinc.) No germanium, gallium or indium assays. Germanium is associated with sphalerite (a zinc ore) and copper/silver sulfo salts and appears to increase with silver and copper content of the ore.

Metallurgical, mineralogical and environmental studies are proceeding on schedule. Results to date confirm that a clean zinc and a bulk copper/lead concentrate can be produced.

Phase 3 is to start August 4th and will feature a 300 drift to the No.3 vein, the development of this vein for 200 feet at the 2,600 foot level, and collaring of a decline intercepting a number of veins 200 feet to 300 feet below the 2,600 foot level. The decline can be enlarged for production purposes. Cost of phase 3 is estimated at \$500,000. Funds are provided by First Exploration Fund.

On conclusion of phase 3, a feasibility study will be undertaken to determine mill size. At this time a 500 ton per day mining and milling operation is planned. Construction is expected to start in the spring of 1986.

Houston Metals Corporation**HML**

Shares issued: 5,334,766 Oct 14 close: \$1.77

NEW NAADINA SW News Release
Mr J Michael Mackey reports:

The company announces continued success of its current surface diamond drilling program at the camp area which lies to the west of any previously known vein and under deep overburden. This structure of 7,000' was outlined by an airborne E.M. survey in 1982 and is being drilled for the first time. *OCT 15/87*

Assay results from the 2nd section (sections are 100' apart and are drilled at right angle to the strike) are: *93L002*

HOLE NO.	INTERVAL	TOTAL WIDTH	AG OZ/TON	ZN	GE (PPM)
87-S10	189-196	9'	53.08	1.32	18
-45 deg.	196-198		3.15	14.90	2
	248-253	5'	70.58	7.25	46
	293-298	20'	21.88	.57	79
	298-303		8.23	.42	66
	303-308		13.56	.97	67
	308-313		5.02	1.63	102
87-S11	334-337	32'	.17	.12	136
-65 deg.	337-342		.13	.10	66
	342-347		.21	.02	55
	347-352		1.58	.09	875
	352-353.5		420.00	1.07	82
	353.5-360.5		4.17	.22	16
	360.5-362		2.74	7.40	4
	362-366		.23	.42	38
87-S12	159-163	4'	Returns pending		
-45 deg.	207.5-210	2.5'	Returns pending		
87-S13	278.5-281	5'	Returns pending		
-65 deg.	281-283.5		Returns pending		

(Due to space limitations, Au (gold), Cu (copper) & Pb (lead) could not be included)

Holes 87-S12 and 87-S13 were drilled in the same section as holes 87-S10 and 87-S11 but in the opposite direction, from west to east.

The silver mineral argentite, Ag_2S , an important ore of silver, has been identified for the first time at the Silver Queen mine.

Drilling is continuing and it is planned to drill 10,000' in this area.

Houston Metals Corporation HML
 Shares issued: 5,334,766 Sep 8 close: \$1.55

News Release
 Mr Terry Hughes reports: *93L002*

The company is entering its final exploration and development phase of the Silver Queen mine near Houston, B.C. The Silver Queen mine contains substantial reserves of precious metals, strategic metals and base metals. *SW*

The reserves indicate that the Silver Queen mine could become one of the world's top 5 producers of germanium, as well as a substantial producer of gold and silver. The demand for germanium has increased in the area of fiber and infrared optics and medicine. The price has increased dramatically, up 250% since 1979 and all indications lead to continued upward growth.

A feasibility study will be prepared to determine mill size. Currently a 500-ton per day mining and milling operation is planned with construction expected to start in early 1988, and production is anticipated by the fourth quarter of 1988.

The polymetallic orebody at the Silver Queen mine covers over 5 square miles and gets richer with depth. Proven and probable reserves total 1.5 million tons with the potential to exceed 5.0 million tons. Gold reserves range between 0.1 and 0.4 oz/ton with an average price of 0.2 oz/ton. Silver reserves range between 2 and 30 oz/ton with the average grade of 10 oz/ton. Germanium and gallium are being found in very significant quantities. Zinc, lead and copper are of sufficient quantities to show a combined value equal to the cost of production, allowing for pure profit of the other metals.

Projected cost to put the mine into production is estimated at under \$7 million, and is being discussed with FCN Inc's financial group at this time. Annual net earnings are estimated at \$15 million with a potential mine life of 33 years. Since May 1986, Houston has spent \$1.8 million in rehabilitating and exploring the mine, with excellent results to date. They have an additional \$4 million available for the rest of 1987 and 1988 provided by First Exploration Fund 87/88.

New Nadina Explorations Ltd NNA
 Shares issued: 3,015,064 Sep 10 close: \$0.86
 News Release

Mr Ross Blusson reports:

The company (40%) and joint venture partner Houston Metals Corporation (60%) have decided to accelerate the development of the Silver Queen Mine project located 30 miles south of Houston, B.C. *93L002*

Results of the recently completed \$1,800,000 development program has led to the decision to collar a 3,000 foot long 8 ft x 12 ft decline to encounter the vein systems 450 ft below the lowest level of the mine. Underground drilling and drifting is presently being carried out toward the south end of the property. *9/11/87*

Houston Metals, the operator of the project, anticipate that by completion of their program by 1988, it is quite logical to see ore grade tonnage increase three gold from 600,000 tons to 1,800,000 tons with an average mine grade of 0.10 oz gold per ton, 10.0 oz silver per ton 0.76 % copper, 2.1% lead, and 6.96% zinc, with germanium and indium values. *SW*

Exploration to date has delineated a major vein adjacent to the old workings. The main vein system has been discovered to the south of the old mine, beyond what was thought to be a fault zone.

Diamond drilling beneath the camp area is presently in progress on what may be a new vein system with silver grades well above the mine average. (36.75 oz per ton silver over 6 ft of core).

In this program a dozen separate veins are under investigation. The presence of commercial quantities of germanium and indium in the veins has led to a retesting of all mineralized exposures in the company for these elements.

The company is not required to advance any funds until after an independent feasibility study has been completed. Once a production decision is reached, the company can elect to advance 40% of the funds required to maintain its 40% interest or elect to not participate for a 20% retained interest in the project.

Houston Metals has informed the company that an additional \$3,000,000 in exploration funds are available to finance the ongoing development program.

The decline which is targeted for completion by December 1987, is designed to test a zone 200 ft below a known block of ore that has been drill tested for 900 ft in length. The grade of this zone which was cut by 21 diamond rill holes, has an average true width of 4.5 ft. 0.186 oz gold per ton, 10.81 oz silver per ton and 9.05% zinc (not weighted to width).

Diamond drilling should drill prove the parallel footwall vein by early winter. Drifting and diamond drilling should test the potential of the unexplored NG3 vein lying to the south of the old mine. Studies by Houston Metals are being conducted to test the economics of driving a 5,000 ft long crosscut to test the Cole Lake vein system lying to the east of the Silver Queen mine. With the development taking place a decision to place the Silver Queen mine into production may not be far off.

SW Aug 28/87
Houston Metals Corporation HML
 Shares issued: 5,334,766 Aug 27 close: \$1.35
93L002 (?) News Release

Mr Adolf Petancic reports:

Houston announces the commencement of a 9 by 12 ft minus 15% 2,100 ft exploration decline. This decline will intersect the No 3 vein 260 ft below the 2,600 ft level (350 ft down dip).

The target of the decline is 500 ft south of the No 3 extension and below a high grade ore shoot with the following assays.

HOLE	WIDTH (ft)	GOLD Oz/t	SILVER Oz/t	ZINC %
UG81-1	3.8	.305	27.58	18.56
UG81-4	11.3	.379	5.97	8.72
UG81-16	9.5	.177	7.15	11.10
UG81-12	1.5	.236	22.90	13.00
UG81-14	6.9	.350	16.90	2.05
UG81-27	3.6	.125	4.84	3.95
UG81-19	5.2	.370	17.90	18.50
UG81-21	2.7	.202	12.70	15.85
UG81-22	1.6	.009	.19	.12
UG81-18	1.7	.426	12.50	11.20
UG81-11	5.0	.402	35.30	13.70
UG81-25	18.5	.321	11.72	12.60
UG81-24	1.0	.714	12.70	4.38
UG81-9	4.5	.015	5.30	.84
UG81-2	7.0	.105	13.20	23.80
UG81-17	8.1	.210	14.50	6.53
NGV-1	8.6	.380	18.60	11.25
UG81-10	6.6	.392	7.95	7.22
NVG-2	2.0	.080	13.00	.15
UG81-7	7.4	.086	1.70	.14
UG81-5	30.0	.116	4.11	6.31
UG81-6	3.6	.101	5.03	4.33
S74-3	4.5	.320	9.68	7.54
S74-2	1.5	.060	1.26	12.85
WEIGHTED AVERAGE: 6.5 .235 10.47 9.06				

No assays were taken for germanium, gallium, indium, copper or lead which will add substantial value to this ore shoot.

Experience indicates that assays obtained from underground mining are generally higher than diamond drill hole assays.

This ore shoot has a strike length of 900 ft at the 2,600 ft level and the deepest hole, S74-2, intersected the vein 400 vertical ft below the 2,600 ft level.

Houston Metals Corporation HML
Shares issued: 4,292,615 Apr 14 close: \$0.85
News Release

New Nadina Explorations Ltd (NNA)

Messrs. Adolf Petancic and George Stewart report:

The companies announce the signing of a joint venture agreement whereunder the Silver Queen mine will be developed. Under the terms of the agreement Houston has a 60% interest and New Nadina a 40% interest in the Silver Queen mine. All expenditures to the feasibility study will be borne by Houston, all expenditures after the feasibility study will be borne pro rata by Houston and New Nadina. Houston will receive 2.5 times its expenditure from January 1, 1987 to the date of the feasibility, from 80% of cash flow from operations.

The Silver Queen mine is a polymetallic orebody, located on an all weather road 28 miles south of Houston, B.C.

Current proven reserves are 600,000 tons grading 0.108 oz gold/ton, 7.51 oz silver/ton, 0.49% copper, 1.49% lead and 6.53% zinc with commercial quantities of gallium, germanium, having a combined grade of 100 gr/tonne or better and indium. Probable tonnage is in excess of 1,000,000 tons and possible up to 5,000,000 tons.

The second \$500,000 phase of the exploration and development program will begin on April 21, 1987. The program will consist of a minimum of 6,000 feet of surface and underground drilling in conjunction with underground development of the high grade veins discovered in the recently completed \$1,000,000 program.

The underground diamond drilling from the south end bottom level of the mine will locate

1,000' to the south of any underground workings. This vein has been drill tested over a 1,000' length and 1,300' of depth. This ore shoot improves with depth (NG3 cored 11' true width of 0.2 oz per ton gold, 29 oz per ton silver and 29% zinc at 1,300' vertical depth).

This vein when tested by core drilling averaged in excess of 0.2 oz per ton gold in all ore intersections.

The underground drifting will commence on the 2,750 sublevel in the vein exposed in the final stages of the first program. The vein where encountered averaged 39 oz per ton silver over 6' with good base metal values.

Further testing of the No. 5 vein located near the mine portal will be done by surface and underground drilling.

The objective of this phase is to increase proven tonnage to 1,000,000 tons.

The third \$2,000,000 phase of the exploration program will commence after an evaluation of the second phase and will consist of exploration drilling and drifting below the 2,600' level, to outline additional reserves to determine the optimum mill size.

Houston has been funded for the \$2,500,000 second and third phase programs by First Exploration Fund 1987.

HOUSTON METALS CORPORATION (HML-V)

APR 9/87
NEW MADINA EXPLORATION LTD. (NNA-V) (SC) #76
JOINT MULTI-METAL PROJECT - Houston Metals Corporation
NEAR HOUSTON, B.C., REVIEWED as to 60% and New Nadina
93L002 (2E) Exploration Ltd. 40% have

formed a joint venture to develop the Silver Queen mine, a polymetallic orebody served by an all weather road 28 miles south of Houston, B.C. All expenditures up to completion of the feasibility study will be borne by Houston; all expenditures after the feasibility study will be borne pro rata by Houston and New Nadina. Houston will receive 2.5 times its expenditure from 1 Jan 87 to the date of the feasibility study from 80% of cash flow from operations.

Current proven reserve are 600,000 tons grading: 0.108 oz gold/ton, 7.51 oz silver/t, 0.49% copper, 1.49% lead and 6.53% zinc with commercial quantities of gallium and germanium (having a combined grade of 100 grams per tonne or better) and indium. Probable tonnage exceeds 1,000,000 tons and possible up to 5,000,000 tons.

In reporting this, Houston president Adolf A. Petancic and New Nadina director George A. Stewart say that the \$500,000 Phase 2 program will start 21 Apr 87.

It will include at least 6,000 feet of surface and underground drilling in conjunction with underground development of the high grade veins discovered in the recently completed \$1,000,000 program.

The underground diamond drilling from the south end bottom level of the mine will locate the NG3 vein 1,000 feet south of any underground workings. This vein has been drill tested over a 1,000-foot length and a 1,300-foot depth. This ore shoot improves with depth (NG3 cored 11 feet true width of 0.2 oz gold/t, 29 oz silver/t and 29% zinc at 1,300 feet vertical depth). When tested by core drilling, this vein averaged more than 0.2 oz gold/t in all ore intersections.

The underground drifting will start on the 2,750 sublevel in the vein exposed in the final stages of the first program. Where encountered, the vein averaged 39 oz silver/t over 6 feet with good base metal values. This vein was cored in the 1970's and tested 9 oz silver/t. With that dramatic increase in grade by tunnel development, management expect major improvements in grade in the underground work.

No. 5 vein near the mine portal will be tested further by surface and underground drilling. A Diamac 260 diesel hydraulic drill will be used both on surface and underground. It is capable of drilling large diameter core, up to 3 inches at all angles of inclination. The large size core improves recovery and, thus a better measure of ore grade. The aims in this phase are to increase proven reserves to over 1,000,000 tons and to fine tune metallurgical tests to produce 2 types of concentrates: a copper-lead with high gold and silver values and a zinc with high gallium, germanium and indium values. The \$2,000,000 Phase 3 of exploration will start after Phase 2 has been evaluated and will consist of exploration drilling and drifting below the 2,600-foot level to outline additional reserves to determine the optimum mill size.

In 1971/72, the Silver Queen mine produced 3,157 ounces of gold, 438,797 ounces of silver, 11,143,704 pounds of zinc, 1,547,181 pounds of lead, 892,898 pounds of copper and 34,769 pounds of cadmium having a gross value exceeding \$9,000,000 U.S. No tests for gallium, germanium or indium were undertaken at that time.

Houston has arranged for the \$2,500,000 for Phase 2 and 3 programs with First Exploration Fund 1987, a Canadian limited partnership sponsored by Merrill Lynch Canada Inc. and Dominion Securities Inc.

93L 2

GCNL 152 CATER ENERGY, INC. (CAG-V) 86-08-08

BULKLEY SILVER RESOURCES INC. (BSR-V)

AMALGAMATION PROPOSED - Directors Adolf A. Petancic of Cater Energy, Inc. and J. Michael Mackey of Bulkley Silver Resources Inc. announce an agreement in principle to merge the companies under the new name HOUSTON METALS CORPORATION. Each 2 Cater shares would be exchangeable for 1 Houston share. Each Bulkley share would be exchangeable for 0.75 Houston share. Houston would have 3,600,000 shares outstanding, including 583,750 in escrow. Outstanding agreements, options and warrants if exercised would increase the issued capital to 3,820,000 shares.

93L 12E

Cater has interests in the Casa Berardi and Beardmore gold camps and revenue from gas interests in Texas. Bulkley has extensive mineral holdings in B.C. including the right to earn 50% interest in the Owen Lake property 15 miles SW of Equity Silver's mine in central B.C. An independent engineering report (by W.W. Cummings, P. Eng.) gives the property 600,000 tons proven and 600,000 tons probable, grading 0.1 oz/ton gold, 10 oz/ton silver, 0.49% copper, 2.5% lead and 7% zinc, an intrinsic base and precious metal value of \$190, Cdn./ton at current prices. Management infers up to 5,000,000 tons indicated by deep drilling carried out by previous operators. A recent program indicated strategic metals; gallium, germanium, and indium. Assays have been confirmed by Midland Earth Science Associates, England, and Hazen Research Inc., Colorado. Preliminary tests carried out by Hazen Research gave recoveries of between 91% and 96% of the base and precious metals and between 71% and 79% of the gallium and germanium by floatation. The concentrates produced were between 30% and 50% of the weight and gallium and germanium assayed in the concentrate at 800 grams/tonne and 160 grams/tonne respectively. Current values of gallium and germanium are \$500 and \$1000 U.S.kg. respectively.

Bulkley has received a \$90,000 grant from the B.C. Government's Financial Assistance for Mineral Exploration program, and a commitment letter to provide up to \$1,000,000 financing for the Owen Lake project from First Exploration Fund 1986.

93L 2

GNL #206 27 OCT 1986

HOUSTON METALS CORPORATION

WORK STARTS SOON ON OWEN LAKE - J. Michael Mackey, a B. C., POLYMETALLIC PROPERTY director of Houston Metals Corporation, announces that extensive exploration and development is to start by Oct. 31/86 on their Owen Lake polymetallic ore body that intersects an all-weather road 30 miles SE of Houston, B.C. The ore body has strategic metals - gallium, germanium, indium and cadmium; precious metals - gold and silver; and base metals - zinc, lead and copper.

Mr. Mackey says W.W. Cummings, P.Eng., states in a 24Jun86 report that the property has proven reserves to date of 557,590 tons in No.3 vein and 110,000 tons in the tailings pond. Grades range from 0.01 to 0.4 oz/ton gold, 7 oz. to 30/ton silver, 20 to 188 grams per tonne gallium, 20 to 128 gram/tonne germanium, 0.5 to 0.75 oz/ton indium, 7.0% zinc, 2.5% lead, 0.5% copper. No proven tonnage on other veins or zones is calculated.

Mr. Cummings recommends a 3-stage program, the first stage to cost \$992,885 and be completed in 4 months with the following objectives: bring as much ore into the proven or probable categories as possible, emphasize the precious metal potential and advance the metallurgical studies for recovery of precious metals, gallium and germanium.

Management expect this work to raise the proven tonnage to more than 1,400,000 tons. They infer up to 5,000,000 tons potential for the property indicated by deep drilling to date.

Funds for the project's stage 1 are being provided in the amount of \$1,000,000 by First Exploration Fund 1986 by purchase of "flow-through" shares. Houston will sell Funds Fund about 1,100,000 shares at 90¢ each to the Fund and buy 3,200 Class A preference shares of PutCo Holding Ltd. for \$320,000. To finance the PutCo purchase, Houston has arranged to have 4 Vancouver firms underwrite 600,000 shares at 75¢ per share for which they would be granted an option to buy 300,000 more shares at 75¢.

By spending \$300,000 by 31Dec86, Houston will earn 50% interest in the Owen Lake property (other interest holders include Placer Development Ltd.).

Data in on New Nadina property

Silver
93L/2E
(073L 002)

HOUSTON, British Columbia—The geophysical data on New Nadina's property in British Columbia's Owen Lake mining camp have been received by Bulkley Silver Resources Inc., the operator of the project.

The electromagnetic (EM) survey conducted over the previous very low frequency (VLF) ground survey and the Questor airborne survey substantiated the presence of subtle anomalies. These anomalies were not intense enough to recommend diamond drilling, and the geophysical company has recommended an induced polarization (IP) survey on the five better anomalies to indicate the drillable targets.

One large, strong anomaly lies beneath the old mill building and a pipeline. This was dismissed as caused by manmade construction.

A search of the old data showed that New Frontier and Nadina flew over the area with a Lockwood helicopter EM survey in 1969. A large anomaly is coincident with the mill anomaly and this survey was conducted years before the mill was built.

Further studies of the data and cost of the IP survey against physical methods (trenching and drilling) are being prepared. It is anticipated to further test these targets by mid June. ✕

N MINER FEB 23/87

\$2.5 million in flow-through for Houston Metals bet ⁽²⁶⁾ 93L002

VANCOUVER — A \$1-million exploration program is under way at the old Silver Queen Mine near Houston, B.C. The property falls under a joint venture agreement between Houston Metals and New Nadina Explorations.

Rehabilitation of surface facilities and underground mine workings commenced last November together with exploration to the north and south of known ore zones. Houston Metals, the operator, estimates there are some 600,000 tons of reserves on the property grading 0.18 oz gold, 10 oz silver, 0.65% copper, 2.5% lead and 7% zinc.

Underground development has confirmed the presence of gallium, indium and germanium in what the company claims are "commercial quantities." For example, development work on the No 5 vein structure returned 0.034 oz gold, 9.72 oz silver, 1.1% copper, 0.4% lead, 11.1% zinc, 0.07% cadmium plus 1.1 g gallium and 46 g germanium. These assay results were across a width of

3.6 ft and over a distance of 80 ft. Averaged across a width of 18.5 ft, assay results from a crosscut on the No 2 vein included 8.9 g gallium and 78.7 g germanium.

Houston has signed commitment letters with First Exploration Fund 1987 for \$2.5 million in flow-through funding which will be used to develop the property. The company says that initial results suggest grades will average 12% zinc, 2.0 oz silver, 75 g germanium, 10 g gallium and 20 oz indium over good mining widths. In addition there would be minor values in gold, copper, lead and cadmium.

Mine crews are driving a 1,000-ft crosscut to the NG3 vein and they are averaging about 24 ft per day. Negotiations are under way to raise funds for exploration below the 2,600-ft level and a feasibility study should begin later this year, the company adds.

Houston Metals Secures More Funds

LONDON MINING JOURNAL
MAR 6 1987

Vancouver-based Houston Metals Corp., formed by the amalgamation of Bulkley Silver Resources Inc. and Cater Energy Inc., has reached a further agreement with First Exploration Fund and Co. Ltd. Partnership, bringing total funding to the end of 1988 to \$C5.5 million. The funding is being used for exploration work on the Owen Lake property, which includes the Silver Queen mine of New Nadina Exploration and the Cole Lake property formerly owned by Bulkley. 93L002

First Exploration Fund 1987 will provide \$C2.5 million for this year following a successful 1986 programme. Houston has now earned a 60% interest in the Silver Queen mine. Assays confirmed the presence of precious, strategic and base metals. Preliminary results on the northern part returned values of up to 12% zinc, 68 g/t silver, 75 g/t germanium and 10 g/t gallium over good mining widths, as well

as indium, gold, copper, lead and cadmium. The current exploration programme includes mine rehabilitation as well as driving and cross-cutting between the various veins followed by diamond drilling. The second phase of the exploration programme will consist of a decline under the No.3 vein and continued drifting on the NG3 vein to develop ore. So far the property contains 600,000 t of proven ore, however, management estimates that up to 4.5 Mt of ore may be proven.

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64(1985)
APRIL 1, 1985

NEW NADINA

George Cross News Letter

"Reliable Reporting"

GEOSCIENCE PROJECTS

NO.64(1985)
APRIL 1, 1985

WESTERN CANADIAN INVESTMENTS

NEW NADINA EXPLORATIONS LIMITED(NNA-V) 093L 002 BULKLEY SILVER RESOURCES INC.

BULKLEY SILVER STARTS WORK ON - New Nadina Exploration Limited have granted Bulkley Silver Resources Inc. an option to DINA MULTI - METAL PROPERTY spend \$2,600,000 on New Nadina's Owen Lake property and thereby earn 2,432,692 shares of New Nadina at an average price of \$1.40 per share which would represent a 50% equity position in New Nadina. The Owen Lake mining camp is in west central B.C. near the town of Houston, west of the Equity Silver mine.

In reporting this, New Nadina director George O.M.Stewart and Bulkley Silver director Adolf A.Patancic note that current drilling indicated reserves in a polymetallic deposit exceed 500,000 tons averaging 0.1 oz/ton gold, 10 oz/ton silver, 0.76% copper, 2% lead and 7% zinc.

A bulk shipment of New Nadina's ore is now being tested by Equity Silver to determine the feasibility and recovery rate of a bacterial leaching process developed by Equity Silver. If recovery rates are satisfactory, direct shipments of crude concentrates could be made to Equity Silver without the necessity of erecting a mill at the Owen Lake site.

Bulkley Silver has started a geophysical program at Owen Lake to test and more clearly define an airborne anomaly located to the west and parallel to the system which contains the 500,000 tons of drill indicated ore. This anomaly appears to extend over 3,500 feet in length. A shallow hole drilled in March 1984 at the extreme south end of the anomaly was mineralized over 40 feet, containing a 17+ foot section which assayed 5.7 oz. ton silver. Bulkley Silver is a private company which is planning to file a prospectus. Major shareholders of Bulkley Silver are New Frontier Petroleum Corporation, J.Michael Mackey and Messrs. Stewart and Patancic.

GCNL #203 23 OCT 81 NEW NADINA EXPLORATIONS LTD. 7342E 093L 002

FUNDS SOUGHT FOR UNDERGROUND - If all of the 481,666 shares of New Nadina Explorations Ltd. PROBE OF MULTI-METAL PROPERTY offered shareholders of record Oct 1/81 as detailed in GCNL 184(81) are subscribed for, the net proceeds of \$481,666 will be used as to \$325,000 to drive a series of drifts on the 2,600-foot level of the company's Silver Queen mine on Owen Lake, 28 miles south of Houston, B.C., including setting up 5 drill stations and underground diamond drilling totalling 2,000 feet. The balance of \$156,666 would be added to working capital. The above work program has been recommended by E.O. Chisholm, P. Eng., in his 19Jan81 report.

Directors of New Nadina are Ronald Ross Blusson of Vancouver; George O.M. Stewart of Greenwood, B.C.; Alan M. McAlpine of Terrace, B.C.; Edward D.H. Wilkinson of Vancouver and Wm. H. McRae of Terrace, B.C.

In the early 1970's, the Bradina joint venture conducted underground mining on the Silver Queen gold-silver-copper-lead-zinc property removing some 117,000 of the 400,000 to 500,000 tons of then known reserves that graded, as calculated by competent engineers, 0.10 ounce gold per ton, 10 ounces silver per ton, 0.76% copper, 2.1% lead and 6.06% zinc. Nadina management say those reserves were all above the lower level.

Results of work between May 1980 and September 1981 have indicated a substantial tonnage of good grade mineralization and management express confidence that enough ore is present to begin feasibility studies for construction of a mill of no less than 300 tons per day.

The 1981 underground drilling program proved a panel of ore lying below the 2600-foot deep level. This ore panel is 900 feet long, 250 feet deep and 5.0 feet wide and grades about 12.4 ounces per ton of silver, 0.21 oz. per ton gold, 1.26% lead and 10% zinc. The zone tested is less than 20% of the known vein system. Diamond drilling by the previous operators proved that ore shoots go at least 2000 feet below the 2600 foot level and continue along the mile of known continuous vein structure. Because there are several veins on the property, management decided to concentrate on the best known area and on a vein composed of an ore type typical of the bulk of the mineralization on the property.

The body of mineralization lying 250 feet below the 2600 foot level has been drill proven and further testing below that level will be limited to drifting from shaft stations. It is proposed to test the vein lying south of the mine workings by underground development to establish reserves adequate to sustain milling during shaft sinking and subsequent lateral development.

NO.64(1985)
APRIL 1, 1985

GCNL #64 1 APRIL 1985

NEW NADINA EXPLORATIONS LIMITED(NNA-V)

BULKLEY SILVER RESOURCES INC.

BULKLEY SILVER STARTS WORK ON - New Nadina Exploration Limited have granted Bulkley Silver Resources Inc. an option to NADINA MULTI - METAL PROPERTY spend \$2,600,000 on New Nadina's Owen Lake property and thereby earn 2,432,692 shares of New Nadina at an average price of \$1.40 per share which would represent a 50% equity position in New Nadina. The Owen Lake mining camp is in west central B.C. near the town of Houston, west of the Equity Silver mine.

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Bulkley Silver is a private company which is planning to file a prospectus. Major shareholders of Bulkley Silver are New Frontier Petroleum Corporation, J. Michael Mackey and Messrs. Stewart and Patancic.

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93L 2

NEW FRONTIER EXPLORATION INC.

GCN 4 JUL 8 (77)

FIRST DRILL RESULTS - G.O.M. Stewart, president of New Frontier Exploration Inc., has reported from the property, 35 miles south of Houston, B.C., that diamond drill wedging on a hole 1300 feet to the south of the Nadina Mine workings has cored what appears to be an extension of the NG6 vein discovered by Frontier Exploration Ltd. in 1970. This vein assayed 0.04 oz. gold/T, 13.05 oz. silver/T, 0.17% copper, 12.80% lead, 10.20% zinc over a width of 2 feet.

93L | 2E

The previous intercept over 20 feet from this drill hole, drilled by Northgate in 1970, assayed 9.22 oz. silver/T, 0.04% copper, 4.63% lead and 10.97% zinc. This intercept and the recently cored intercept awaiting assays indicate a significant extension of this rich steeply dipping vein. The parallel George Lake lineament vein, tested in 1970, which indicated similar grades over much greater width, lies nearby.

Drilling commenced on the 3rd hole on 4Jul77 to test the No. 3 vein 1000 feet below the old Nadina Mine workings, and results are expected early next week.

JUNE 15, 1977

NEW FRONTIER EXPLORATION INC.

DRILL PROGRAM OUTLINED - The diamond drill program started on 13 Jun 77 on the Silver Queen mine of New Frontier Exploration Inc., 28 miles SW of Houston, B.C.

The Silver Queen mine, which was last operated by Bralorne Resources Ltd. and Nadina Mines Ltd. in 1972 and 1973, has a minimum of 400,000 tons proven ore with an average grade of 10 ounces of silver per ton, 0.1 ounce of gold per ton, 0.76% copper, 2.1% lead and 6% zinc.

George O.M. Stewart, president, reports that preliminary work, including the establishment of a trailer camp, has been completed. Site of the initial drill hole is 1300 feet southeast of the furthest drift face. It is to test for an apparent extension of the main mine vein. Confirmation of an extension of the vein would dramatically increase the known ore reserves. Additional drilling will also be undertaken on the main ore body to extend the known reserves to greater depth.

New Frontier recently raised \$170,000 by public financing (see GCNL No. 94 & 98(77)) and it is estimated that the initial diamond drill exploration and development program will cost approximately \$75,000.

NADINA EXPLORATIONS LIMITED

GCNL * 20 29-01-80
 SHARE CONSOLIDATION - A 4-old for 1-new share consolidation will be proposed at the annual meeting of Nadina Explorations Limited so that the 2,380,005 shares now issued would become 595,001 of the 5,000,000 to be authorized. Also to be proposed is a change of name to New Nadina Explorations Limited. 9342E

Nominees for election as directors are William F. McGowan, president, owning 176,000 shares; George Blore, sec., 3,500, and Edward D.H. Wilkinson, 3,000. Mr. McGowan reports that, in a search for a massive sulphide deposit on Nadina's Owen Lake property, south of Houston, B.C., (New Frontier Explorations Ltd.) during July and August drilled four diamond drill holes with inconclusive results. A report on their season's work is expected shortly. He comments, "Efforts to raise money for outside exploration were unsuccessful under the present company capitalization, hence the proposal for re-structuring the company."

Nadina received no new funds in yr. ended 31 Aug 77 and applied \$14,937, mostly on administration. Working capital stood at \$29,916 at 31 Aug 77.

NEW NADINA EXPLORATIONS LIMITED

GCNL * 20 29-01-80 093L 162 9342E
 REACTIVATION PLANNED - New Nadina Explorations Limited director E.D.H. Wilkinson announces that a private placement of 100,000 shares to be sold to four investors at 80¢ per share was arranged in November, 1979, subject to approval of regulatory authorities.

The proceeds of \$80,000 will be used to relieve the company's working capital deficit of about \$21,000, to start a work program comprising rehabilitation of the main tunnel and drifting on the No. 1 Vein on the Owen Lake property, with a reserve adequate for general corporate purposes.

This property lies some 35 miles south of Houston, B.C., being 15 miles from the Sam Goosly property of Equity Silver Mines Ltd. being brought to production by Placer Development Ltd. F