PRIME CAPITAL CORPORATION

Newsrelease

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CALPINE RESOURCES INCORPORATED

Calpine Resources Incorporated ("Calpine") is pleased to announce that assays have been received for ten additional drill holes from the ongoing program of stepout and infill drilling on the 21 Zone at the Eskay Creek Project. The Project is funded on a 50/50 Joint Venture basis between Calpine and Consolidated Stikine Silver Ltd. Prime Explorations Ltd. is the operator of the Eskay Creek Project.

A total of 23 holes have been completed on the step-out drilling portion of the 1989 Phase I exploration program. The majority of this drilling involves 50 metre step-outs along the strike extent of the 21 Zone mineralization. Drilling completed thus far on the property has traced the mineralization over a minimum strike length of 1,100 metres from Section 2+00S to 9+00N, as presented in the attached revised Longitudinal Section of the 21 Zone. CA89-109, located on Section 9+00N, intersected significant visible gold mineralization as reported in a prior news release. This hole represents the furthest test of the 21 Zone to the northeast; the zone remains open at depth and to the northeast.

The following table outlines assay results for two step-out drill holes.

STEP-OUT DRILLING ASSAY RESULTS:

HOLE #	SECTION (metric)	DIP	INTERVAL (Feet)	LENGTH (Feet)	GOLD (oz/t)	SILVER (oz/t)
CA89-93	5+00ท	-86	242.7-334.5 including	91.8	0.453	16.91
1			246.0-288.6 and	42.6	0.897	32.20
	•		255.8-268.9	13.1	2.53	102.20
CA89-101	5+50N	-45	223.0-278.8 including	55.8	0.867	19.92
			249.3-272.2	22.9	1.91	43.77
			370.6-381.8	11.2	0.272	7.36

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A total of 23 holes have now been completed on the infill drilling. This program is designed to infill the previous drilling pattern for the upper 100 metres of the 21 Zone, on 25 metre sections and 25 metre centres between 1+25N and 1+75S. Results received to date have been as expected, or better.

Assay results have previously been released for seven of the infill holes. The following table outlines assays received for the next eight infill holes.

INFILL DRILLING ASSAY RESULTS:

	SECTION		INTERVAL	LENGTH	GOLD	SILVER
HOLE#	(metric)	DIP	(Feet)	(Feet)	(oz/t)	(oz/t)
CA89-83	0+75N	-62	324.7-337.8	13.1	0.055	0.06
CA89-88	0+50N	-62	311.6-347.7	36.1	0.043	0.05
CA89-90	0+25N	-73	311.6-321.4	9.8	0.164	0.32
			364.1-393.6	29.5	0.352	0.45
			including			
			367.4-383.8	16.4	0.593	0.80
CA89-91	0+25N	-89	469.0-482.1	13.1	0.345	1.50
CA89-95	0+00	-60	337.8-350.9	13.1	0.060	0.14
CA89-96	0+00	-70	351.0-364.1	13.1	0.254	3.12
			including			
			354.2-357.5	3.3	0.873	11.82
CA89-97	0+25S	-77	324.7-357.5	32.8	0.203	1.75
CA89-99	0+75S	-75	285.4-364.2	78.8	0.140	1.73
			including			
			288.7-311.7	23.0	0.200	0.71
			and			
			344.5-357.6	13.1	0.215	2.08

ON BEHALF OF THE BOARD OF DIRECTORS

Murray Pezim

President

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