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WESTERN CANA

CALPINE RESOURCES INCORPORATED (CLP-V)

TWENTY-THREE NEW HOLES - The current drilling program **HAVE EXPANDED 21 ZONE** began in August 1988 and has completed 69 holes totalling 53,478 feet. Significant gold and silver mineralization up to 170 feet thick over a minimum strike length of 1500 feet has been established.

Intercepts in the most recent 23 holes have been completed on the 21 Zone and are up to 100 feet in width and have added approximately 750 feet to the strike length. The zone remains open to the northeast and at depth. Visually recent holes CA89-86 and CA 89-87 suggest the zone is widening with depth.

Approximately 4,500 meters of fill-in drilling is planned on 25 meter centres along 1,000 feet of strike. All infill holes have intersected mineralization as anticipated. Field crews are now exploring the remainder of the Eskay Creek project beyond the 21 Zone. A third diamond drill will be mobilized to the property within 30 days to begin testing outside targets.

The current exploration program has been budgeted at \$4,000,000 and will run through mid-October. A second phase, with a budget of \$3,000,000 will begin immediately after and is expected to be completed by December 1989.

(SEE GCML No.119, 21Jun89 for program details; No.111, 9Jun89 for reserve estimates; and No.90, 19May89 for winter drilling results and map).

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