

## HOUSTON METALS CORPORATION (HML-V,T)

**BUDGET SET FOR FEASIBILITY STUDY** - A feasibility study is to be completed by Oct.15, 1988 on the Silver Queen project, 35 miles south of Houston, B.C. by Cominco Engineering Services Ltd. for Houston Metals. The first phase of the development plan to provide information for the feasibility study calls for a \$2,300,000 budget to include \$1,400,000 in exploration work and \$320,000 for metallurgical testing. The second phase, costing \$640,000, is to drive the decline to the 2400 foot level and the third phase, costing \$1,278,000, is to drive the decline to the 2150 foot level, plus 1,200 feet of drifting and 600 feet of raising. This work is designed to better define ore shoots in the No.3 vein system below the 2600 foot level. The weighted average assays of 25 diamond drill holes drilled in 1981 below the 2,600 foot level is 8.99% zinc, 0.237 oz.gold/t, 10.91 oz.silver/t across an average of 6.3 feet. The total feasibility budget is \$4,218,000.

Cominco Engineering has recommended a change in the proposed concentrating plant flow sheet to emphasize precious metal recovery rather than base metals to improve the economics. The modified flow sheet will deal more effectively with oxidation and deleterious metals. The flow sheet will include a cyanidation process to recover gold and silver on site and a process to deal with the arsenic in the ore by forming inert compounds to be disposed of in the tailings. As part of the ore is refractory it will be pre-treated by biological oxidation.

The flowsheet contemplates production of a zinc concentrate and a bulk sulphide concentrate to be bioleached and cyanided. No copper or lead concentrates will be marketed.

Fresh samples for this testwork have been taken from the mine. Metallurgical testing is underway at both Coastech Research Inc. and Lakefield Research Ltd.

Germanium and indium are expected to report in the zinc concentrate and attempts will be made to market these metals in this form.

## MONTORO RESOURCES INC. (MNQ-V)

**ADAM PLATEAU DRILLING PLANNED** - Montoro Resources Inc. shares were posted for trading 25Apr88. Leslie M. Hart, president, has reported Montoro is exploring the Gold Hill property in the Adam's Plateau area, north of Kamloops, B.C. Montoro has an option to acquire a 40% interest in the project.

The two parallel vein systems 40 meters apart, will be the targets of the current drill program. Diamond drilling is expected to begin May 15.

## CENTAUR RESOURCES LTD. (KNL-V)

**GOLD TRENCHES TO BE DRILL TESTED** - Centaur Resources Ltd. has started a 1,000 foot diamond drill program on its Head Bay property near Tahsis, Vancouver Island. During the 1987 field season, geological mapping, prospecting, geochemical sampling and ground geophysics outlined the Road Zone on surface and resulted in the discovery of several strong geochemical anomalies. The Road Zone is a diorite-hosted shear zone composed of narrow parallel pyrite-quartz veins with assays up to 5.87 oz gold/t. Trench #2 from 1987 averaged 0.38 oz gold/t across 3.3 feet.

The current diamond drilling program, scheduled to begin May 3, will test the Road Zone at depth under the 1987 trenches. In addition, prospecting will be directed at finding bedrock sources for the strong geochemical anomalies discovered during 1987.

## INVERNESS PETROLEUM LTD. (IES-T, Alberta)

<u>NINE MONTHS ENDED 31 MARCH</u>	<u>1988</u>	<u>1987</u>
Revenue	\$17,515,000	\$8,114,000
Cash Flow	10,647,000	3,618,000
Net Income	1,931,000	(41,000)
Per Share	10¢	(13/100)¢

## SKYLINE EXPLORATIONS LTD. (SKX-V,T)

**MILL CONSTRUCTION EXPECTED IN MAY 1988** - Mill construction is expected to be completed at the end of May 1988 at the Johnny Mountain 200 ton per day mine of Skyline Explorations Ltd. 60 km north of Stewart, B.C. Test runs of the mill will be underway by the end of May 1988 with production commencing by the middle of June 1988.

The lower level adit has progressed to 1900 feet from the portal and has intersected the 16 vein, 150 feet below the upper level drift where excellent grades were obtained over a strike length of 465 feet.

Initial sampling of the lower adit 16 vein has assayed 0.75 oz gold/ton across 5 feet. Gold contained in a footwall stockwork zone further increased the mineralized width to 7 feet containing 0.60 oz gold/ton.

The intersection of the 16 vein by the lower level adit confirms the continuity of the vein to the lower level and that the vein is open at depth. This will enable the company to increase reserves from the 16 vein.