

interest in the project by buying 400,000 Oneida shares at \$1.75 with an option on a further 600,000 shares at \$2.25 to earn the full 60% interest.

PACIFIC HOUSTON RESOURCES INC. (PHU-V)
(formerly Houston Metals Corporation)

FEASIBILITY DATA COLLECTION PROGRAM UNDERWAY - Start of a 3 phase 1,600,000 underground development and drilling program was reported May 2, 1989 by Pacific Houston on the Silver Queen property. The objective of the program is to define sufficient reserves to warrant a decision to place the property locate 35 miles south of Houston, B.C. into production. The program will concentrate on the southerly and depth extension of the No.3 vein and

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per day and 24.1 million cubic feet of natural gas during the first three months of 1989, compared to 3.449 barrels of oil and 23.2 million cubic feet of natural gas during the 1988 period.

Total Energold Corporation is active in precious metals exploration, and oil and gas exploration and production. In 1989, the company plans to spend approximately \$17,700,000 on mineral exploration, with emphasis on the Tundra Gold Venture in the N.W.T. and the Erickson Gold Camp near Cassiar, B.C. The company's two oil and gas subsidiaries plan expenditures of \$18,000,000 on exploration and development. Total Energold holds 53.9% of the equity of Ranchman's and 63.5% of the common shares of Consolidated Trans-Canada.

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its offsets. The trend to the south shows a significant increase in precious metal values. The two latest diamond drill holes completed in December 1988 intersected the No.3 vein from the 2590 decline and encountered:

Hole No.	Width ft.	Oz. Gold/t	Oz. Silver/t	Zinc
No.56	8.2	0.27	11.8	10.9
No.57	12.5	.37	17.1	13.0

The Silver Queen property covers an area of approximately 5 sq. miles and consist of more than 30 parallel veins. Pacific Houston has spent \$10,600,000 to develop over two miles of underground workings. Diamond drill and underground exploration have established four main vein systems. Proven, probable, and indicated reserves are 1,900,000 tons including 209,680 tons proven at an average grade of 0.236 oz.gold/ton, 13.66 oz.silver/t and 10.84% zinc and 1,700,000 drill indicated reserves with no grade assigned. The proven reserves occupy a strike length of approximately 800 feet to a depth of 800 feet. Pacific Houston continues metallurgical tests.

The company has acquired the White Side III claim consisting of 20 units in the Bralorne area of B.C. for \$2,000 and 100,000 shares subject to regulatory approval.

On May 4, 1989 the company received regulatory approval to issue 844,363 shares at 75¢ each to 6 creditors to settle debts of \$633,727.80. On March 20, 1989 Houston Metals agreed to issue 440,000 post-consolidated shares at 78.75¢ each for proceeds of \$350,000 to CMP 1989 Resources Partnership with the funds to be used in the first phase of a three phase underground drilling program. Pacific Houston shares started trading on the Vancouver Stock Exchange March 30, 1989, following a 5 old for one new share consolidation with 3,522,042 shares issued including 58,500 shares in escrow, following the consolidation.

John Wayne Marsden has been appointed vice president finance and has been granted on option a 125,000 shares at 80¢ each to May 1, 1991.