



# Houston Lake Mining Inc. NEWS

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## Houston Lake Reports Fourth Quarter Results

**Sudbury, Ontario – July 29, 2008 – Houston Lake Mining Inc. (TSX.V: HLM)**, an advanced exploration company seeking gold, platinum group and rare metal deposits in Ontario, today released its report for the fiscal 2008 fourth quarter and fiscal year ended March 31, 2008.

### Fourth Quarter Highlights

- Initiated 5,000-metre winter drill program at West Cedartree
- Matrix Geophysics conducted deep probe IP geophysics survey
- Extended length and depth of structure hosting Dubenski Shaft Zone
- Reported high grade gold assays from Dubenski Shaft Zone
- Completed a detailed aerial topographic survey of all 8 West Cedartree gold properties
- Appointed corporate advisory firm for investor outreach function

### Subsequent to Fourth Quarter

- Reported high grade gold assays from Dogpaw Lake property
- Raised \$1.4 million for further exploration in two equity financings
- Hosted site tour of West Cedartree for mining analysts, investors & media

“The fourth quarter was the most active period in Houston Lake’s history,” said Grayme Anthony, President & CEO. “We launched an extensive IP geophysical survey as well as a large 5,000-metre winter drill program at our West Cedartree gold project and aggressively pursued the program to its conclusion in May.”

The two-part program saw drills turning on the Dubenski and Dogpaw Lake properties, with the aim of upgrading the two historic gold resources to modern standards. Significant gold results were returned from each of the first 27 drill holes thus far received. Drilling at Dubenski intersected some of the highest grade drill results ever reported from the property. Drilling also extended the known gold mineralization at the Dogpaw No. 1 Vein laterally and to depth.

In addition to drilling, Houston Lake also conducted extensive stripping, trenching, channel sampling and mapping activities. Geophysical IP surveys identified a 1.7 kilometre trend that encompassed the Shaft, Central and East Zones at Dubenski. Eight quantitative sections were undertaken at eight key locations to provide IP responses to depths of up to 400 metres along the IP trend.

“This high level of exploration intensity during the fourth quarter kept us on track to achieve our near-term goal of proving up historic resources of Dubenski and Dogpaw to modern standards,” Mr. Anthony said.

During the quarter the Company initiated a search for a new partner to develop its Tib Lake PGM project located near Thunder Bay, Ontario. The action followed receipt of notice from Magma Metals Ltd. of Perth, Australia that it had withdrawn its option on the property.

Exploration outlays, salaries and other outlays were funded from treasury. During the fiscal year ended March 31, 2008 Houston Lake invested \$1.9 million in the mining properties. Of the total:

- \$1.16 million was incurred in acquisition and exploration costs for the Dubenski property;
- \$0.46 million was devoted to exploration on the Dogpaw Lake property;
- \$0.30 million was expended on the West Cedartree property; and
- \$22,000 was spent on the Pakeagama Lake and Tib Lake properties.

Expenses during the 12 months increased to \$0.8 million from \$0.4 million, reflecting higher shareholder and investor relations costs, stock option compensation, consulting outlays and staff expenses.

Houston Lake issued 1.8 million flow-through common shares and 1.4 million common shares during the fiscal year, for total gross proceeds of \$2.0 million.

At March 31, 2008, working capital totaled \$0.4 million, compared to \$0.9 million at the same time last year. The Company’s current rate of cash consumption, excluding expenditures on work programs, is approximately \$25,000 per month.

### **Subsequent Events**

Subsequent to March 31, 2008, Houston Lake completed a 3,209 metre delineation drill program at Dogpaw Lake in May. Significant gold mineralization was encountered in each of the first 10 drill holes and results of the remaining 20 holes are pending. A new 2,000 metre drill program at the property commenced in July.

The Company raised \$1.4 million by issuing flow-through common shares and common share purchase warrants in two non-brokered private placements. The offerings were completed in June.

Houston Lake hosted a site tour of West Cedartree properties in June. Participants included mining analysts, investors and business news media. The initiative was integral to the Company’s investor outreach function, which is increasing in importance.

### **Outlook**

During the second half of 2008, management will continue to focus on exploration and development of the West Cedartree Gold Project.

“Our exploration results have shown that there is extensive gold mineralization at West Cedartree,” said Mr. Anthony. “With that established, we are moving steadily toward our goal of determining whether sufficient mineral resources exist to justify an onsite mill.”

A mining permit application for Angel Hill is being carried out by Cook Engineering of Thunder Bay, Ontario. Completing the application will require lake bottom testing, which is scheduled for this fall. The next recommended step in evaluating the Angel Hill gold resource is a 10,000 tonne bulk sample.

Houston Lake is awaiting a report from Watts Griffis and McOuat consultants on a recent drill program at the Shaft Zone of the Dubenski property. This report, plus the results of the deep penetrating IP survey last winter and ongoing geological mapping will be combined to guide the next phase of drilling at Dubenski.

Houston Lake has made considerable progress on its development timeline, which can be viewed at [www.houstonlakemining.com](http://www.houstonlakemining.com).

### **About Houston Lake Mining Inc.**

Houston Lake is an advanced, vertically integrated resource exploration company. The Company is actively exploring for gold, platinum group metal and rare metal deposits in northwestern Ontario with a strategic focus on the West Cedartree gold project. Houston Lake’s objective is to become a gold producer by surface mining its West Cedartree gold project and developing its 100% owned and optioned properties. The Company has a total of 29,435,246 common shares issued and outstanding.

### **Company Contacts**

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### **Forward-looking Statements**

*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. This release includes certain statements that may be deemed “forward-looking statements”. All statements in this release, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, Investors should review the Company’s registered filings what are available at [www.sedar.com](http://www.sedar.com).*

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