



**PRINCETON**  
Mining Corporation

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## **PRESS RELEASE**

### **MITSUBISHI AND PRINCETON FORM ALLIANCE TO DEVELOP HUCKLEBERRY COPPER PROJECT**

Princeton Mining Corporation announced today that an agreement has been signed with Mitsubishi Materials Corporation of Japan to form a strategic alliance for the development of the Huckleberry open pit copper project in northern British Columbia. The Huckleberry project is 100 percent owned by New Canamin Resources Ltd. of Vancouver, B.C. On January 26, 1995, the Boards of Directors of Princeton and New Canamin approved a Letter of Intent for the amalgamation of the companies with Princeton being the ongoing company with 100 percent of the project.

Under the terms of the strategic alliance, Princeton will satisfy certain preconditions necessary for the development of the project and, subject to the satisfactory result of the Final Feasibility Study to be conducted by both parties, Mitsubishi will:

- a) provide a long term concentrate purchase agreement for the total mine production with competitive fixed terms for the initial five years;
- b) arrange a U.S. \$60 million fixed term project loan for the development on competitive terms;
- c) acquire from Princeton between 25 and 40 percent of the project at a price that reflects Princeton's cost and fund their proportionate share of the required equity financing.

Princeton and the Province of British Columbia's Investment Office are currently discussing an infrastructure loan to finance the mine power supply and the road access to the site.

The project has received environmental terms of reference from government agencies and New Canamin will file its application for a Mine Development Certificate in the next few weeks. The Company is not aware of any concerns which would delay the issuance of the permit.

The amalgamation of Princeton and New Canamin is subject to approval by New Canamin's shareholders which will be sought at an extraordinary shareholders meeting yet to be scheduled. The terms of the proposed amalgamation are 1.25 shares of Princeton for every share of New Canamin. In addition, each New Canamin shareholder will receive 1 share purchase warrant exercisable into 1 share of Princeton at a price of \$1.05 for a period of twelve months and thereafter at \$1.15 for a second twelve month term.

A successful amalgamation and project development will provide shareholders of both companies with a significant long term, low cost copper producer.

Princeton and Mitsubishi have completed their evaluations of the Kilborn Feasibility Study. Princeton believes the Huckleberry project will provide an attractive investment return and a diversified base for the Company's future.

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