



PRINCETON
Mining Corporation

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PRESS RELEASE

PRINCETON MINING CORPORATION AND NEW CANAMIN RESOURCES LTD. (VSE-NNI) PROPOSE AMALGAMATION TO DEVELOP HUCKLEBERRY DEPOSIT

The Boards of Directors of Princeton Mining Corporation ("Princeton") and New Canamin Resources Ltd. ("New Canamin") are pleased to announce that the two companies have entered into a letter of intent for the proposed amalgamation of their companies in order to develop the Huckleberry copper deposit in Northern British Columbia.

A feasibility study recently prepared by Kilborn Engineering has confirmed viability of the project at U.S. \$1.00 per pound copper. Development is based on an eighteen year mine life, with mineable ore reserves of 91 million tonnes grading 0.517% copper, 0.064 grams per tonne gold, 0.014% molybdenum and 2.78 grams per tonne silver. Production is projected in excess of 60 million pounds of copper annually, during the initial 5 years with a cash cost of U.S. \$0.64 per pound which includes smelting and transportation costs based on a 73 cent Canadian dollar. The mine will create some 200 new permanent mining jobs for the province and will cost approximately \$135 million to put into production.

The project has received environmental terms of reference from the Province of British Columbia and New Canamin will file its application for a mine development certificate in March of this year.

The amalgamation is based on a share exchange whereby each New Canamin share will be exchanged for 1.25 Princeton shares and a 1/2 share purchase warrant exercisable for 14 months at a strike price of \$1.15 per Princeton share. Princeton currently has 75 million shares outstanding and New Canamin

has 9.7 million shares outstanding. Post amalgamation Princeton will be the surviving entity and will have approximately 87 million shares outstanding.

The amalgamation is subject to several conditions including regulatory approval, shareholder approval and satisfactory due diligence results.

Princeton and New Canamin are pursuing discussions with potential concentrate purchasers, financing institutions, government agencies etc., with the objective of obtaining comfort that the project will be advanced after the amalgamation.

New Canamin Resources will be holding its Annual Meeting of shareholders on April 12, 1995 at which approval of the Amalgamation will be sought. The record date for shareholders is March 1, 1995.

Princeton Mining Corporation is a Canadian mining company with the Similco open pit copper mine in Princeton, B.C. and the advanced stage Mina Elenita oxide copper deposit in Chile, which is currently in pre-feasibility stage. In addition, Princeton is drilling its Rio Lluta porphyry copper target in Northern Chile and has financed a drilling program on the Nancagua epithermal gold target in Central Chile.

For information regarding the amalgamation, please contact Mr. Mark Kucher at Princeton Mining Corporation at (604) 688-2511 or Mr. Alan Savage at New Canamin Resources at (604) 986-3376.