

<u>PRINCETON MINING CORPORATION (PMC-T)</u>		
<u>YEAR ENDED DECEMBER 31</u>	<u>1990</u>	<u>1989</u>
Revenue	\$126,416,000	\$141,850,000
Net Earnings (Loss)	10,808,000	30,602,000
Net Earnings (Loss) P/S F/D	45¢	1.32
Cash Flow Per Share	\$1.34	\$2.16

YEAR-END REPORT - Princeton Mining reported a revenue decrease of 11% in the year ended December 31, 1990. Lower revenue and earnings reflects reduced fourth quarter asbestos production due to the phase-in of the underground production at the Cassiar mine in northern B.C. At the Similco mine near Princeton, southern B.C., results were adversely affected by lower copper prices and production, and high operating costs.

Cassiar produced 86,568 tonnes of chrysotile fibre (asbestos), down from the 1989 level due to the decreased quality of stockpiled open-pit ore and phase-in of underground production.

The underground mine at Cassiar attained commercial production during February with the installation of a feeder-breaker which has successfully handled the oversize ore. Underground production is continuing at a reduced level during the current labour dispute, and the ore mined is being stockpiled.

The Similco copper mine produced 56,400,000 pounds of copper, 13,617 ounces of gold, and 311,660 ounces of silver in 1990. Copper production for the year was below forecast due to poor metallurgical results from the fine-grained ore from pit one. Fourth quarter results were lower than expected due to adverse weather conditions and reduced mill availability resulting from increased maintenance on the grinding mills.

The 1991 mine plan reduces the strip ratio after the first quarter for lower mining costs. The 1991 copper production is forecast at 59,000,000 pound.

Cassiar's working capital has been adversely affected by production shortfalls during the start up of the underground operation, compounded more recently by a labour dispute. The company is negotiating a convertible debenture financing to provide additional working capital

Cassiar Mining's disputed outstanding tax liability of \$4,500,000 has been recently resolved with the

receipt of a positive ruling from the B.C. government.
(SEE GCNL No. 46, 6Mar91, P.1 FOR MORE CASSIAR DATA)

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