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George Cross News Letter

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PRINCESS RESOURCES LTD.

[PRL-V] 10,636,967 SHS.

HOME VENTURES LTD.

[HMV-V] 6,152,230 SHS.

B.C. GARNET VENTURE PLANNED - Clayton Waite, president, reports Princess Resources Ltd. and partner Home Ventures Ltd.'s subsidiary, Harrison Garnets Ltd., has entered an option agreement to acquire a property containing a significant deposit of top-quality industrial grade garnets. Princess owns 55% of Harrison Garnets with Home Ventures holding the remaining 45% interest. Under the terms of the agreement, the optionor will receive a cash consideration of \$130,000 and 150,000 Princess shares over three years. In addition, Harrison Garnets agreed to grant the optionor a 2% royalty, capped at \$2,500,000, to be paid out of production proceeds. Thereafter, Harrison Garnets will be left with an unencumbered 100% interest.

Testing to date on the Harrison garnet project, located 75 miles east of Vancouver, B.C., indicates a large deposit with potential for several million tons of material containing 65% to 90% garnet. The property has immediate access to highway, waterway and railway transportation to markets in the western U.S. and the Pacific Rim. A feasibility study is currently underway to develop this deposit into the first producing garnet mine in Canada. Subject to the outcome of this feasibility study, production is intended to start in 1995.

Market demand for industrial garnets has been steadily growing in recent years. The phasing out of traditional silica abrasives in the sandblasting industry due to health concerns is expected to create an even greater demand in the future.

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