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NO. 209 (1996)
OCTOBER 29, 1996

E. M. P. NO. 209 (1996)
OCTOBER 29, 1996

PRINCETON MINING CORPORATION

[PMC-T] 143,228,767 SHS.

SIMILCO EXPLORATION REPORT - Princeton Mining Corp. reports additional mineralization has been identified at its Similco mine near Princeton, southwest BC, for inclusion in a new long term mine plan. The most positive results from the first phase of the drill program currently underway are in the target area called the SP zone (see table overleaf P.4) where potential exists to increase the 98,000,000 ton reserve and significantly reduce the strip ratio. The SP target area encompasses existing reserves in the formerly producing Pit 2 and Pit 3 areas as well as extensions of known mineralization that occur between the two pits. SEE MAP OVERLEAF P.4. The three phase exploration drill program is expected to take several more months to complete with the objective of establishing sufficient low cost reserves for a 10 year mine plan. A total of \$1,000,000 is being spent on 40,000 feet of drilling in an effort to revitalize the gold-copper mine so it can withstand price swings in the copper market.

At the end of Phase I a preliminary reserve estimate for the SP target area can be calculated and a detailed review will direct future drilling strategies. Additional target areas, including the Oriole zone, are scheduled for drill testing later in the program. The first phase involves exploration of parts of the Alabama zone, the Oronoco zone and the SP target area.

The exploration target for the SP zone is to define a mineable reserve in excess of 100,000,000 tons grading 0.45% copper at a strip ratio of 1.5:1. Drill results from holes drilled to test barren zones within the SP zone are encouraging with the first three holes yielding favourable intersections. Existing mineral reserves in abandoned pits 2 and 3 include 39,000,000 tons grading 0.33% copper and 0.12 grams gold/tonne at a strip ratio of 1.78:1 and 59,000,000 tons grading 0.48% copper at a strip ratio of 2.32:1, respectively. Diamond drilling has been targeted to test areas currently defined as waste due to lack of drill data.

The Oronoco zone is located along the Virginia Alabama mineralized trend, 3,000 feet to the west of the Alabama zone. This zone had not been previously drill tested but backhoe trenches in the area intersected mineralized zones grading 0.94% copper across 150 feet and 0.42% copper across 250 feet, with an indicated strike length of at least 200 feet. Under the current program 12 drill holes tested the Oronoco zone over an area of 500 by 1,000 feet. Initial results were encouraging; however, a decrease in both grades and intersection widths in an easterly, up-slope direction suggest further work is not warranted at this time.

Phase I began in the Alabama zone where drill holes on the western end of the zone returned moderate to good grade intersections although results have not extended the zone as anticipated. Part of Phase III of the drill program will involve additional drilling in the Alabama zone to test for continuity of higher grade zones and to

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**SIMILCO MINE
NEAR PRINCETON, SOUTHWEST BC**

SIMILCO MINE ASSAY RESULTS

96A-33	513	146	186	40	0.37	264
96A-37	454	266	391	125	0.55	239
96A-39	500	338	491	153	0.31	164
96A-41	505	27	135	108	0.31	193
		371	505	134	0.31	139

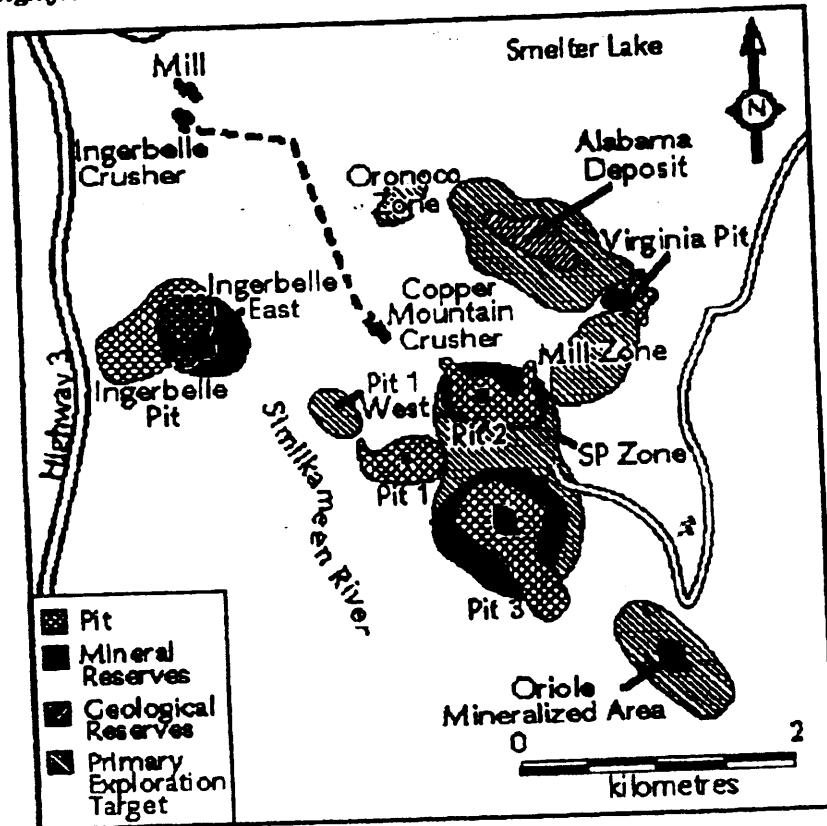
9 drill holes (no significant intersections on 5 holes)

ORONOCO	Length	Sampling From	To	Length (ft)	Cu (%)	Au (ppb)
96ORN-1	335	148	295	147	0.39	202
96ORN-3	313	235	313	78	0.43	212
96ORN-4	500	73	132	59	0.26	121
		192	334	142	0.27	101
96ORN-6	416	150	190	40	0.28	132
96ORN-8	255	57	86	29	0.33	141

12 drill holes (no significant intersections on 3 holes and assays pending on 4 holes)

SP ZONE	Length	Sampling From	To	Length (ft)	Cu (%)	Au (ppb)
96P5-1	745	450	611	161	0.49	59
96P5-2	920	660	781	121	0.42	270
		841	916	75	0.61	155
96P5-3	640	12	187	175	0.65	89
96P5-4	278	9	278	269	0.63	AP
96P5-6	500	52	85	33	0.34	AP
		192	275	83	0.44	AP

16 drill holes (no significant intersections on 2 holes and assays pending on 9 holes)



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