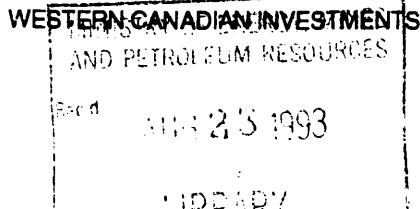


1710 - 609 GRANVILLE ST
PO BOX 10363
VANCOUVER BC
CANADA V7Y 1G5
(604) 683-7265 FAX 683-5306

George Cross News Letter

"Reliable Reporting"



COPYRIGHT
ALL REPRODUCTION
RIGHT RESERVED
PUBLISHED DAILY
SUBSCRIPTION RATE
\$315.00 PER YEAR

NO. 158 (1993)
AUGUST 18, 1993

NO. 158 (1993)
AUGUST 18, 1993

HABSBURG RESOURCES INC. [HAB-V] TIMMINS NICKEL LTD. [TMN-T]

HABSBURG RECOVERS GOLD MINE - Michael Pickens, president, Habsburg Resources Inc., has reported reaching an agreement with Timmins Nickel Inc. to cease all legal action and restructure the Dome Mountain joint venture, giving Habsburg an 80% interest in the gold mine near Smithers, B.C. Habsburg will immediately become the operator of the mine which has an estimated four-year reserve at a rate of 250 tons per day, grading 0.41 oz. gold/ton. Work will start immediately to develop a capital budget and new mine plant to enable resumption of production at the earliest possible date. An extension of the ore zone to the east of the existing ore body was outlined by induced polarization geophysics and limited drilling in 1990 and is available for further exploration and development. The property consists of about 35,000 acres containing numerous exploration targets with potential for development of several other ore bodies.

In consideration of the mutual release from all legal proceedings, turnover of the ownership and increase of Habsburg's interest from 20% to 80%, Habsburg has agreed to issue to Timmins Nickel 500,000 shares. Under the terms of the new joint venture, Habsburg has the

right to incur the first \$750,000 of expenditures after which each company will be required to fund exploration, development and operating expenditures in proportion to their respective participating interest. Habsburg will be entitled to receive distributions from the joint venture in respect of its participating interest in an amount equal to costs after which, Timmins Nickel's interest will increase to 40%. A new joint venture agreement is to be completed by 31Dec93 and the new agreement may also include Habsburg's exclusive option to purchase all of Timmins Nickel's right title and interest in and to the property and the joint venture at a price, terms and conditions yet to be negotiated. This agreement is subject to completion of documentation and the approval of all regulatory authorities having jurisdiction.

Habsburg also announced that the board of directors has accepted the resignation of Tim Brock and appointed Donald Moore, a Vancouver-based mining and financial consultant, to the board. (SEE GCNL NO.117, 18Jun93, P.2 FOR PREVIOUS PROJECT DETAILS)

93L 276