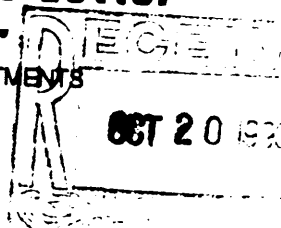


1716¹ 609 GRANVILLE ST
PO BOX 10363
VANCOUVER BC
CANADA V7Y 1G5
(604) 683-7265 FAX 683-5306

George Cross News Letter

"Reliable Reporting"
WESTERN CANADIAN INVESTMENTS



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

NO. 199 (1993)
OCTOBER 18, 1993

NO. 199 (1993)
OCTOBER 18, 1993

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

JOINT VENTURE RESTRUCTURED - Michael Pickens, president,
reports Habsburg Resources

Inc. has completed the restructuring of the Dome Mountain joint venture with Timmins Nickel Inc., giving Habsburg operatorship and an 80% undivided interest in the gold mine located near Smithers, B.C. The mine, which ceased operations in April of this year, has an estimated four-year reserve at a production rate of 250 tons per day, with a grade of 0.41 oz. gold/ton. In consideration of the mutual release from all legal proceedings, turnover of the operatorship 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 pro rata. Habsburg will be entitled to receive distributions from operating profits in respect of its participating interest in an amount equal to 200% of all cash payments made toward exploration, development and operating costs after which, Timmins Nickel's interest will increase to 40%. The new joint venture is subject to regulatory approval.

Habsburg has retained Roscoc Postle Associates Inc. and G.A. Harron & Associates to develop a capital budget and revised mine plan to enable resumption of production at the earliest possible date. This work is expected to be completed in November 1993.

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 Dome Mountain property, comprising some 35,000 acres containing numerous exploration targets, has potential for development of several other ore bodies.

Habsburg also reports it has been joined in a legal action commenced against Timmins Nickel by several creditors. Habsburg believes there is no merit to it being joined in this action and is filing a defense. Habsburg has received several financing proposals. (SEE GCNL NO.158, 18Aug93, P.2 FOR PREVIOUS RELATED DETAILS)

93L 276