

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

George Cross News Letter

"Reliable Reporting"

RECEIVED

WESTERN CANADIAN INVESTMENTS

APR 12 1994

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

NO. 68 (1994)
 APRIL 11, 1994

E. M. P. R.

NO. 68 (1994)
 APRIL 11, 1994

93L 276

HABSBURG RESOURCES INC.

[HAB-V] 6,872,579 shs.

DOME MOUNTAIN FUNDING ARRANGED - M.W. Pickens, president, reports Habsburg Resources Inc. has not completed its previously announced brokered private placement with Canaccord Capital Corp. as announced 12Jan94. The placement has now been replaced with Habsburg agreeing to sell on a private placement basis up to 1,500,000 units at a price of 28¢ per unit, each unit consisting of one share and one warrant. Each warrant is good to buy an additional share at 31¢ per share the first year and at 40¢ the second year. The company has agreed to pay a commission of 9% to Canaccord under the terms of the brokered private placement. The placement and commission is subject to regulatory approvals.

The proceeds from the placement will provide additional working capital to fund the engineering and exploration work program as recommended by Roscoe Postle and Associates on Habsburg's Dome Mountain gold mine located near Smithers, B.C. Habsburg is currently completing initial mine planning which includes a systematic re-evaluation of the underground operations. An underground program consisting of re-sampling and diamond drilling is to commence immediately following break-up.

The large Dome Mountain property contains at least eight mineralized quartz veins with significant gold, appreciable amounts of silver and copper/zinc/lead sulphides. Current in-situ reserves of the Boulder and Argillite Veins are estimated as follows:

	<u>TONNES</u>	<u>GOLD OZ/T</u>
Probable	20,700	0.514
Probable	161,080	.425
Possible	39,650	.369
Total	221,330	.435

For this estimate, high grade assays have been cut to 1.5 oz.gold/ton. The amounts of dilution have been modified, the cut-off grade has been increased to 0.30 oz.gold/t, and the minimum mining width has been increased to 1.6 metres (horizontal) and 2.0 metres (vertical) from previous calculations. Reserves contained within the Cabin Vein, Federal Zone, Elk Vein, Forks Vein and Jane Chisholm veins have not been included in these reserves.

Results to-date indicate excellent potential for additional tonnage along strike and down plunge of the currently defined shoots of gold mineralization within the Boulder Vein and Argillite Zones.

Habsburg also reports C.D. Huston P.Eng. has been appointed a director and was granted a 250,000-share incentive stock option. In addition, Habsburg has also granted M.W. Pickens a 400,000-share

incentive stock option. Both Messrs. Huston and Pickens' options have an exercise price of 32¢, for two years ending 5Apr96, subject to regulatory and a shareholder approval. The previously announced 180,000 share stock option plan to D.A. Huston & Associates has been rescinded. (SEE GCNL NO.199, Oct.18/94, P.3 FOR PREVIOUS RELATED INFORMATION)