

020340

Cusac Attains 50 TDP Mining-Milling Gold Ore In B.C. Table Mtn. Mine

by Doug Huber



Vancouver-based Cusac Industries, whose Table Mountain gold mine was B.C.'s only new gold producer in 1982, reports the company's 50-ton-per-day mill is now fully operational.

Cusac President Guilford H. Brett told International Prospector that initial surface mill feed is being obtained from the Dino vein where an earlier 280 tons of quartz ore averaged 2.19 ounces gold per ton.

Company President Brett also reported that underground work that commenced in early October has now advanced beyond 150 feet from the portal.

The seven-foot-by-seven-foot track drift is being driven by adroitly named B.C. mining contractors, Jackpot Mining.

The crews' 900-foot-distant-target is the Line Number 9 vein, where drilling results ranged between 0.25 and 0.60 ounces gold per ton over widths varying between 2 and 6 feet. It is expected the vein will be encountered at approximately 150 feet below surface, a location where the stratum has already yielded some bonanza-like gold values.

"Evaluation of drilling results from our Line Number 9 vein shows there's a \$3 million ore shoot of gold — at present prices — available to us in 1983" the Cusac executive stated. "The gold's running in the .5 ounce per ton range and our mining and milling costs should not exceed \$100 per ton."

Said "Gil" Brett, "Much of the planned drift is through an area of highly favourable, but as yet untested, geologic structure." To date Cusac has explored in detail only 7% to 8% of this 58-claim-units on 3,600 acres adjoining another gold producer, the Erickson Mine operation of Nu-Energy Development Corporation.

Like the Erickson, Cusac's ground is multi-veined and its widely established gold is found right to boundary limits.

In its most productive month of 1982, Nu-Energy recovered 3,840 ounces of gold and 2,653 ounces of silver from the Erickson Mine.

It's Guilford Brett's belief that Erickson's recently discovered Maura vein lies in widths of up to 20 feet plus and shows indications for better mineralization at greater depths and, in his opinion, equally good results can be expected in the Cusac deposits. Free gold has been found in four

locations in trenches on Cusac's present area of development. In 11 vein widths that measured one foot to 25 feet, gold ranged from 0.03 to 4.709 ounces and silver 0.31 to 8.81 ounces per ton. Cusac's "Gil" Brett released the following table:

WIDTH			
2'	4.709 oz./ton Au	—	1.79 oz./ton Ag
2'	4.12 oz./ton Au	—	8.81 oz./ton Ag
1'	3.083 oz./ton Au	—	1.25 oz./ton Ag
24'	0.030 oz./ton Au	—	7.52 oz./ton Ag
1½'	0.894 oz./ton Au	—	0.80 oz./ton Ag
1'	0.634 oz./ton Au	—	0.75 oz./ton Ag
7'	3.29 oz./ton Au	—	0.70 oz./ton Ag
6'	0.215 oz./ton Au	—	0.31 oz./ton Ag
25'	0.78 oz./ton Au	—	0.60 oz./ton Ag
23'	0.048 oz./ton Au	—	21.17 oz./ton Ag

Professional Engineer John R. Poloni and Dr. W.D. Groves whose recommendations the Cusac board has been following, states in a report to the company "high grade material was calculated to be 36,252.7 tons at 0.43 ounces gold per ton and 0.24 ounces silver per ton".

The above tonnages reflect only the upper portion of the veins drilled to approximately 100 ft. of depth. Similar gold bearing quartz veins being mined in the Erickson, adjoining to the north of Cusac, persist to depth, with no decrease in grade. Therefore it is expected that testing below the 100 foot level should increase tonnages significantly. To date gold bearing veins have been identified over an elevation distance of at least 3000 vertical feet.

Dr. C.J. Hodgson, Associate Professor of Geological Sciences at Queens University, said in part "—the Cusac Table Mountain property must be considered a highly favorable geological environment for the major type of gold mineralization which occurs in eastern Canada." The entire Table Mountain 58-claims-block is 100% Cusac owned and to date Cusac has completed 11,000 feet of diamond drilling.

The ground is easily accessible with three miles of company built road to service mill and mine and with the mine camp only ¼ mile off the Stewart Cassiar highway.

At time of writing Cusac had repaid better than 80% of the company's \$250,000 loan from a chartered Canadian Bank that assisted the company in reaching production status.

The Cusac Board of Directors are unanimously confident of their company's continued progress and growing production. "We have taken measures to ensure adequate working capital and best deployment of cash flow at every level of development."



1 Left to right a chunk of the Cusac Table Mountain gold quartz ore, a pile of the mine's jewellery gold and eleven gold bars .999 fine.
2 Drill and crew on location, drilling one of the 1982 sites that extended Cusac's known gold reserves on ground adjoining the producing Erickson Gold Mine.
3 Cusac's President "Gil" Brett at Table Mountain Mine 7 foot x 7 foot adit where drill crews have now drifted more than 160 feet toward their 900 foot target, the Line Number 9 vein.

104 P070

TOPN003 (12/82)

VANCOUVER BASED ANGLO BOMARC SETS FURTHER DRILLING & EYES 1,000-TON-PER-DAY PRODUCTION ON OPEN PIT SILVER GRADING 3.93 OUNCES PER TON WHERE DRILLING SHOWS 2 MILLION TONS OPEN ON 3 SIDES

Review of Exploration Data Shows Anglo-Bomarc Silver Set for "Early Production"

by Doug Huber

Anglo-Bomarc's Idaho silver property is at a stage where it can be put into production at "a very early date" Company President "Les" Hart told an afternoon gathering of shareholders, brokers and securities salesmen, in Vancouver November 23.

Furthermore, the Anglo Bomarc President said, that with the cost of borrowing going down and the price of silver rising, management considers it can bring its 100% owned giant Hercules rhyolite silver deposits, in the Cuddy Mountains of Idaho's Washington County, to 1000 tons per day production through its own financial resources.

Latest reserve calculations on a zone known as the Hercules Adit gave the area measured, inferred and indicated reserves of 1 million tons plus, grading 3.93 ounces silver per ton. Significant values in lead and zinc are also present with zinc generally averaging from 1% to 2%.

Drilling of another area in the immediate vicinity of the Hercules Adit, the Fish Pond, roughly outlined a mineral zone containing about 2 million tons grading between three and four ounces silver per ton. The area is definitely an open pit situation and the mineral zone is opened ended in all directions except the south.

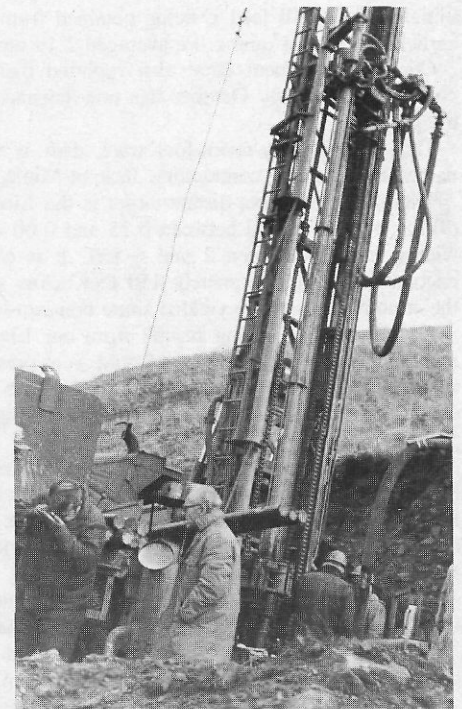
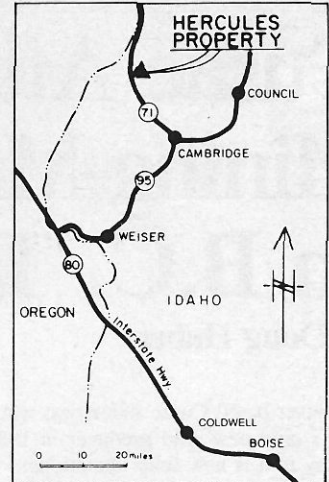
Additional drilling already planned for 1983 could double or triple reserves in the Hercules' Fish Pond area.

Irrespective of which, Company President Hart stated his confidence that established and inferred reserves, supported by an upcoming feasibility study, were more than adequate for bank support.

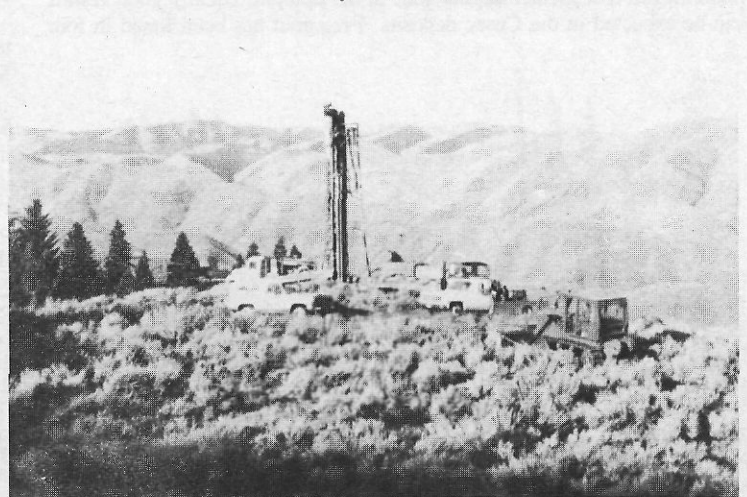
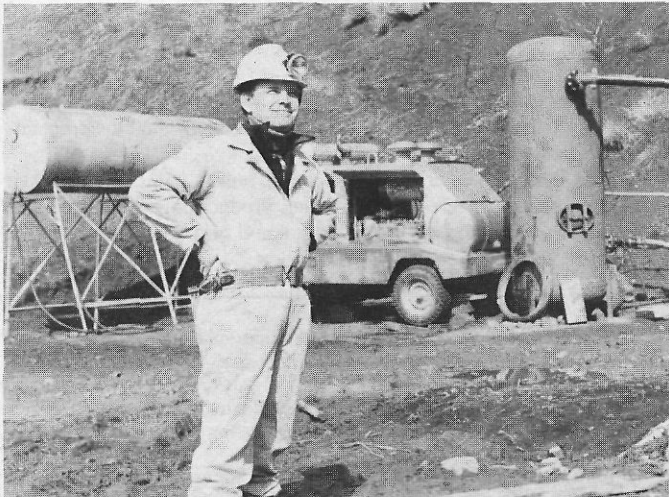
Spokane Geologist Frank Crowley, Regional Exploration Manager for Canadian Superior Mining (U.S.) Ltd., who gave a graphic map-and-diagram-illustrated address on the nature of the Hercules deposits, said they were layered, folded, tilted steeply down and may run surprisingly deep. "There is no doubt in my mind but this is a mine," said Geologist Crowley who added "I've only said that [about a mining prospect] once or twice before."

Delivering a few well chosen words, Past President Ann Mark told the group that in an assessment of 1982 economics, Anglo-Bomarc had scaled down from production projections as high as 30,000 tons per day and \$200 million installation costs in booming 1980 to a realistic 1,000 tons per day for approximately \$8-10 million in 1983. Supporting President Hart's readiness to go-it-alone she pointed out there were at least 6 more potentially high grade zones awaiting intensive exploration.

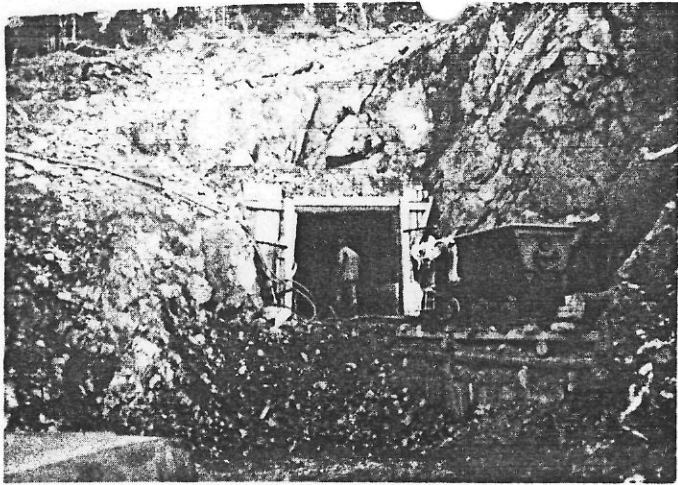
Anglo-Bomarc Director Bern Brynensen, Professional Engineer and eminent Vancouver mining figure who founded B.C.'s copper-moly Brenda Mine, described Hercules as one of the most promising in his experience "with a potential we are only beginning to assess."



Engineers examine cuttings from big reverse churn rotary drill on a Hercules drill site.



At left Anglo-Bomarc President Les Hart, geared for underground inspection of the Hercules Adit on his company's Idaho silver property. And on right big rotary drill dominates the skyline and the Anglo-Bomarc exploration vehicles on the vast Idaho range land setting of the Hercules silver deposits.



HARD ROCK GOLD PROSPECTS WANTED

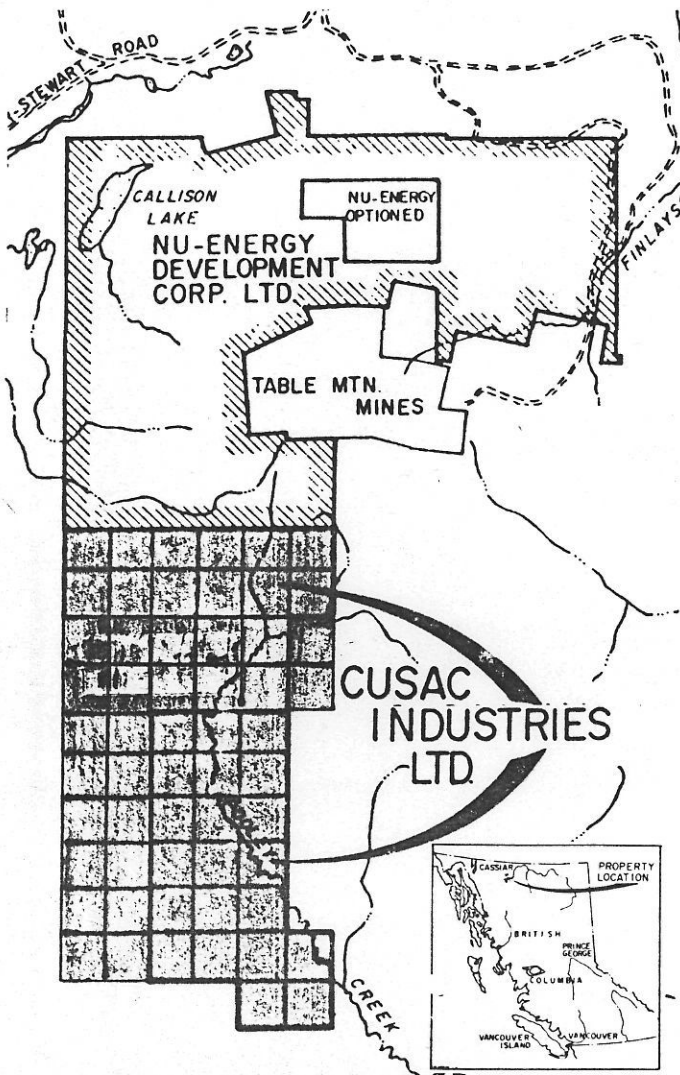
for

Purchase, Option or Joint Venture
contact

Emerald Star Mining Exploration Ltd.

432 - 8th Street,
New Westminster, B.C.
V3M 3R7

(604) 521-3422



U.S. Financial Publication Rates Cusac No. 1

In a table that summed up present American gold mining companies the Wilsonville, Oregon — published International Investor's Viewpoint of 5th October 1982 rated Cusac as of number one value to stock buyers presuming gold to drop to \$250.00 or even as low as \$150.00 per ounce. At \$350.00 per ounce Cusac rated 4th place, where the company still ranked at the future level of \$600.00 gold. But at \$850.00 Cusac had significantly climbed to 3rd place. (2)



THE LETTER SHOP LTD.

INSTANT PRINTING . DUPLICATING . PHOTOCOPYING
TYPING . ADDRESSING . MAILING

Serving downtown Vancouver for over 60 years.

811 WEST PENDER STREET,
VANCOUVER, B.C. V6C 1K6

PHONE: 685-9422 685-4616

LOW GRADE GOLD CONCENTRATES REQUIRE LOW COST PROCESSING

Zen Precious Metals Ltd. of Vancouver, B.C. offers rapid, low cost hydrometallurgical processing of hardrock and placer concentrates containing a minimum of 5 ounces ton of gold and or platinum. Minimum lot size of one ton.

For further information contact:

Jonathan Vanderloop
Zen Precious Metals Ltd.
P.O. Box 397,
Aldergrove, B.C. V0X 1A0
(604) 856-9726

Giovanni Zen, President,
Corporate Office,
Zen Precious Metals Ltd.,
#12, 3683 East Hastings,
Vancouver, B.C. V5K 4Z7
(604) 299-9526