

CUSAC



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December 6th, 2000

TSE: CQC
OTCBB: CUSIF

NEWS RELEASE

NON-BROKERED FLOW-THROUGH PRIVATE PLACEMENT

Guilford H. Brett, Director, President & CEO (TSE: CQC, OTCBB: CUSIF) - reports that the Company proposes a non-brokered private placement of 1,250,000 Flow-through units, consisting of one flow-through common share and one flow-through share purchase warrant at a price of \$0.20 per unit, for gross proceeds of \$250,000. The transaction is subject to regulatory approval.

The offering will be completed by January 5th, 2000. A confidential offering memorandum will be distributed in conjunction with the offering, in compliance with applicable securities legislation. All proceeds raised under the offering will be used to finance Canadian exploration expenditures on Cusac Gold Mines Ltd.'s Canadian resource properties, mainly the Clearwater Platinum Project, as per the December 6th, 2000 news release concerning the "*Large Scale Drill Program Recommended on Disseminated Nickel, Cobalt Chromium and Platinum Zones*" by Dr. Bruce Perry, P. Geo., FGAC (PRO-GEO Exploration and Mining Services Inc., Kamloops, BC).

The Federal Government has recently passed new legislation providing investors with a 15% investment tax credit to enhance exploration in Canada in addition to the regular flow-through incentives available to investors.

CUSAC GOLD MINES LTD.

Per/

"Guilford H. Brett"
GUILFORD H. BRETT
DIRECTOR, PRESIDENT & CEO

For more information contact:

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The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.