

**CUSAC INDUSTRIES LTD.**

510 - 700 West Pender Street, Vancouver, B.C. Canada V6C 1G8
Telephone (604) 682-2421 Fax. (604) 682-7576

NEWS RELEASE--NEWS RELEASE--NEWS RELEASE

TSE: CQC. NASDAQ: CUSIF. VSE: CQC.

MAY 3, 1995

**MAJOR GOLD MINERALIZED SYSTEM EMERGING
NEAR CASSIAR, B.C.*****CYPRUS DRILLING AND I.P. RESULTS HIGHLY PROMISING******DRILL PROGRAM EXTENDED***

Guilford H. Brett, President, is pleased to report results of Cyprus Canada's winter exploration program on Cusac's claims near Quartz Creek in the Cassiar area of Northern B.C. Diamond drilling on Cusac's ground by Cyprus has indicated the presence of a massive zone of gold mineralization over 2,000 feet wide and over 500 feet thick. Induced polarization surveys and previous drill data suggest that the zone is over 1.5 miles long and open to the west, east and south.

The ground under option to Cyprus comprises approximately 15 square miles of Cusac's 96 square mile Cassiar area property. Cyprus can earn a 50% interest in the claims by spending \$2 million over 3 years and a 70% interest by carrying Cusac to production. Cyprus has also optioned adjoining property held by International Taurus Resources Inc.

The 5,000 foot drill program consisted of 7 holes spaced 350-700 feet apart designed to test previous I.P. anomalies on the "88-1" zone straddling the Cusac/Taurus claim boundary. Assays from the 1995 winter program and previous drilling in the "88-1" zone by Taurus are as follows:

COMPANY	HOLE NO.	FROM (FT)	TO (FT)	DRILLED WIDTH (FT)	OZ. PER TON
Taurus	T95-1	55 155	70 169	15 14	.065 .034
Taurus	T95-2	NO MINERALIZATION			
Cusac	T95-3	26 Incl. 300	590 590	564 290	.019 .031
Cusac	T95-4	36 Incl. 42	616 133	580 90	.016 .030
Cusac	T95-5	21 Incl. 110	588 385	567 275	.015 .019
Taurus	T95-6	65	174	109	.031
Cusac	T95-7	NO MINERALIZATION			
Taurus	T88-5	21	105	88	.054
Taurus	T88-6	7	118	111	.049
Taurus	T88-7	43	160	117	.039
Taurus	T88-8	37	184	147	.037
Taurus	T88-9	49	137	88	.022

The initial IP survey, conducted by Lloyd Geophysics Ltd., covered 51 line kilometres (31.6 miles) and yielded very encouraging results. Much of the 1.6 mile X 1.3 mile survey area returned moderately anomalous chargeability values. Within this area, several broad areas of intense chargeability have been identified. 95% of the holes drilled to date have been within the moderate chargeability feature. The survey did not define the full extent of the anomalous area with a number of intense zones developing at the perimeters of the grid.

The 1995 drilling focused on an area called the "88-1" zone which is a near surface, strataform, pyritic, low grade gold system with the potential to host several hundred million tons of mineralization. Gold grades in this zone from Cyprus and Taurus drilling to date range from .018 to .15 oz/ton. Preliminary metallurgical testing suggests that portions of the mineralization may be amenable to direct cyanidation heap-leaching.

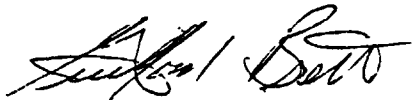
Cyprus has decided to extend their winter program to include six additional drill holes on the Cusac property. The new holes, scheduled for mid-May, will test IP targets to the west and south-west of the first seven.

A large scale exploration program is planned for the summer of 1995 on the Cusac/Taurus properties. Three or four drill rigs will test new targets and further define known areas of mineralization. The IP survey will be significantly expanded and detailed geological mapping will begin.

The Cyprus/Cusac/Taurus properties are well located for potential mine development. Situated near the junction of the Cassiar-Stewart Highway and the Cassiar road, the site is 5-6 miles from the former Cassiar Asbestos mine and town and about 6 miles from Cusac's currently operating Table Mountain gold mine.

Cusac Industries Ltd.

Per/



Guilford H. Brett
President

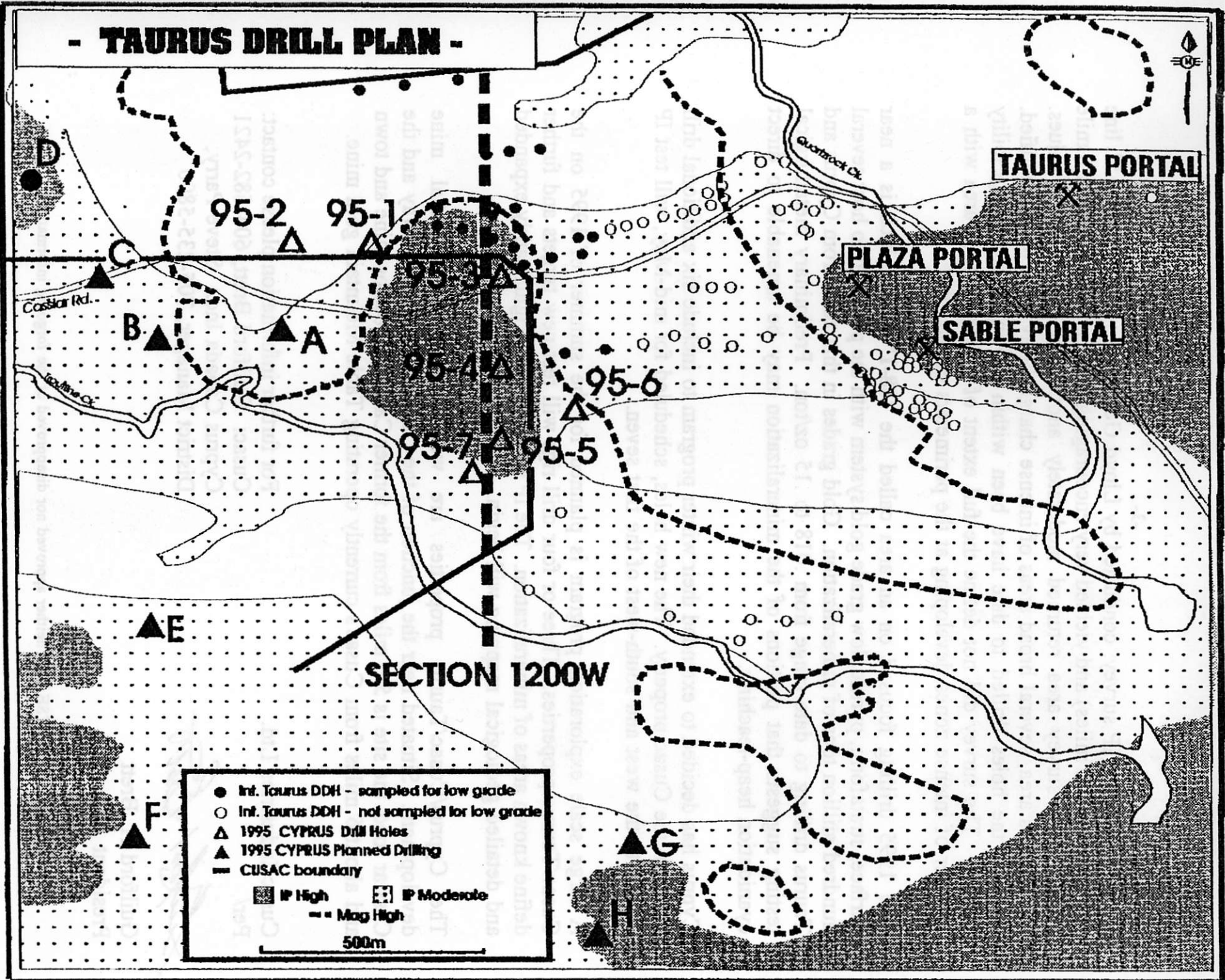
For further information please contact:

Cusac: Guilford Brett, 604-682-2421

Cyprus Canada Inc.: Steve Parry,

District Manager, 705-235-5800

- TAURUS DRILL PLAN -



● Int. Taurus DDH - sampled for low grade
 ○ Int. Taurus DDH - not sampled for low grade
 ▲ 1995 CYPRUS Drill Holes
 ▲ 1995 CYPRUS Planned Drilling
 — CUSAC boundary
 ■ IP High □ IP Moderate
 == Mag High
 500m