



# CUSAC

gold mines ltd.

TSX: CQC OTCBB: CUSIF

An Exploring Producer

**Cusac Gold Mines Ltd. (TSX - CQC, OTCBB-CUSIF)** Founded in 1966, Cusac has achieved a goal that very few junior mineral companies ever attain. The company discovered, developed, placed into production, and generated profits from a gold mine. Its 100% owned gold mine, located in the Cassiar Mountain Range in north central British Columbia, has produced 400,000 ounces of gold since 1978. The mine ceased producing when gold prices dropped dramatically in 1997.

**The vision for Cusac is to build itself into a leading mid-tier gold producer.** To achieve its goals Cusac is working on: furthering gold exploration at Table Mountain in 2005, bolstering overall gold reserves through possible acquisitions and preparing to recommence mining operations at Table Mountain in 2005.

#### Today's OPPORTUNITY

- **Spring 2005 – Drilling to Commence at Table Mountain.**
- 2004 Drill Program - Cusac Discovers Rory Gold Vein System
- Cusac is poised to recommence gold mining at it's 100% owned, fully permitted gold mine.
- Potential for new ore zones at depth.
- High grade past producer
- Eligible for B.C.'s "super flow-through" tax-advantaged investment program.
- Highly experienced management team.

#### Recent News Headlines

- **Dec 21/2004 - \$324K Exploration Financing**
- **Nov 22/2004 – Cusac releases Mineral Resource Estimates and Future Plans.**
- **Nov 19/2004 – Cusac Management Changes, New CEO, David Brett.**
- **Nov 2/2004 – \$304,000 Exploration Financing**
- **Jul 28/2004 - Rory Vein Continues to Yield High Grade Intercepts**
- **Jun 29/2004 - New vein yields more high grade.**
- **Jun 8/2004 - Cusac discovers new vein system, Gold grades encouraging.**
- **May 10/2004 - Cusac initiates extensive drill program at Table Mountain.**
- **January 12/2004 - \$1.2 million flow through financing with Canaccord Capital to fund exploration activities closed.**
- **September 20/2002 - Cusac outlines 24,000 uncut oz. in 24,000 tons at East Bain Vein during the 2002-drilling season.**

#### Table Mountain Gold Mine

- 80 square mile property.
- \$20 million infrastructure.
- Mine has been under care and maintenance since 1999. All permits are up-to-date.
- High grade mineralization (.86/oz/ton AU in 1996, showing .19 cents/share earnings).
- Mine is near ready to produce. No 3-4 year permitting process to endure.
- Historic production – 400,000 oz / averaging .45 oz/ton. Geological inferred resource – 400,000 oz.

#### Rory & East Bain Vein - Mineral Resource:

The Rory and East Bain Veins combined contain a total Indicated Mineral Resource of 44,157 tons @ 0.493 oz/ton and a total Inferred Mineral Resource of 3,369 tons @ 0.963 oz/ton.

#### Additional Cusac Properties

**Taurus Project** – A few kilometres north of Cusac's Table Mountain Mine is the Taurus Open Pit gold target. This target is a mineralized zone that underlies claims owned by Cusac and International Taurus Resources Inc. Approximately 25% of the deposit is on ground owned by Cusac.

#### Share Capital Structure

Issued and Outstanding	43,316,112
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#### Investor Relations

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Toll free CAN: 1.800.670.6570

Toll free USA: 1.800.665.5101

Visit [www.cusac.com](http://www.cusac.com) today.



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## Goals

- Next 12 months:
  - Complete Pre-Feasibility Study
  - Recommence Production
  - Continue Exploration
  
- Next 2-3 Years:
  - Grow production at Table Mountain
  - Grow Resources at Table Mountain
  
- Long Term
  - Acquire new properties
  - M&A activity

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## Location & History

### Historical Production:

- 400,000 oz Total
  - 75,000 oz Placer (1874-1895)
  - 325,000 oz Lode (1979-1999)

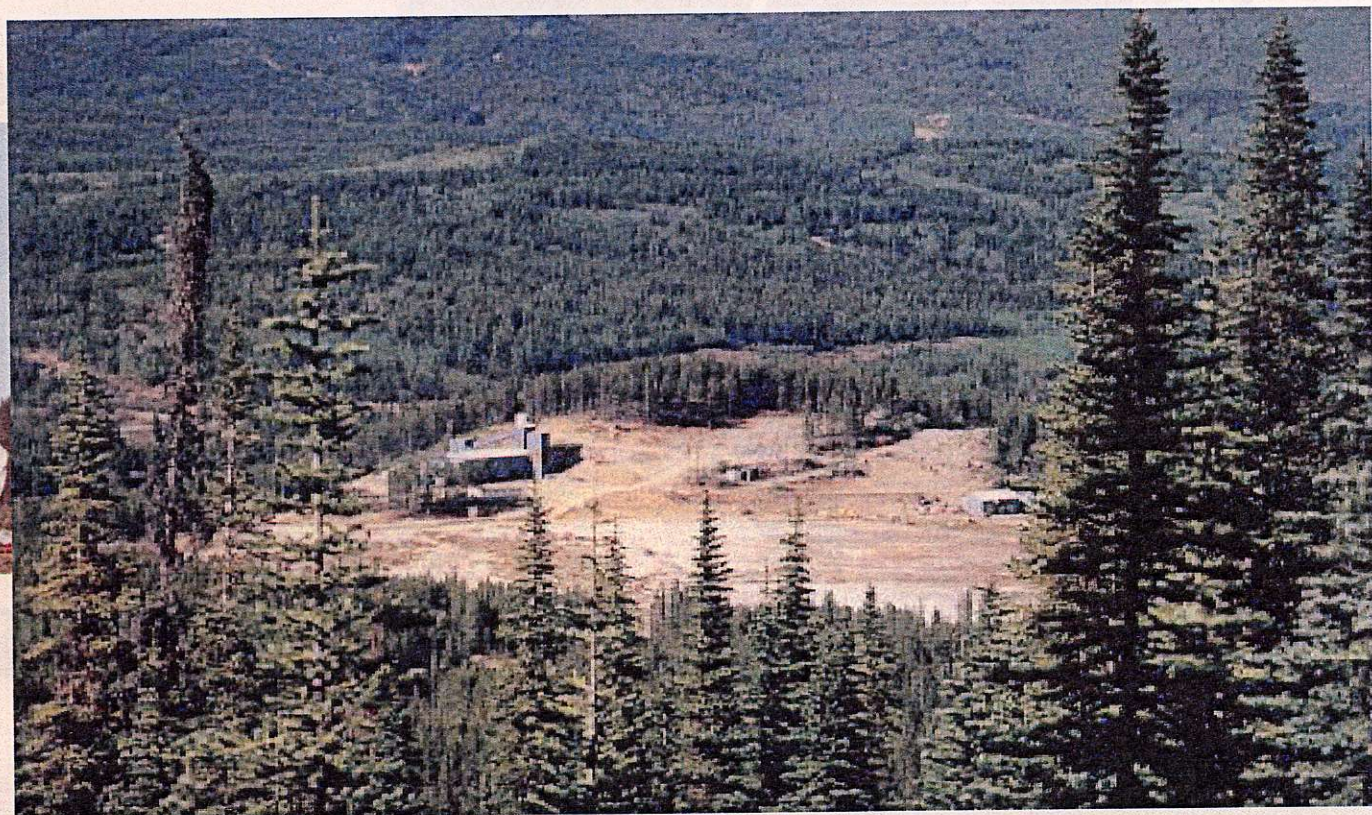




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View of Mill and 'Old' Tailings Pond from Table Mountain

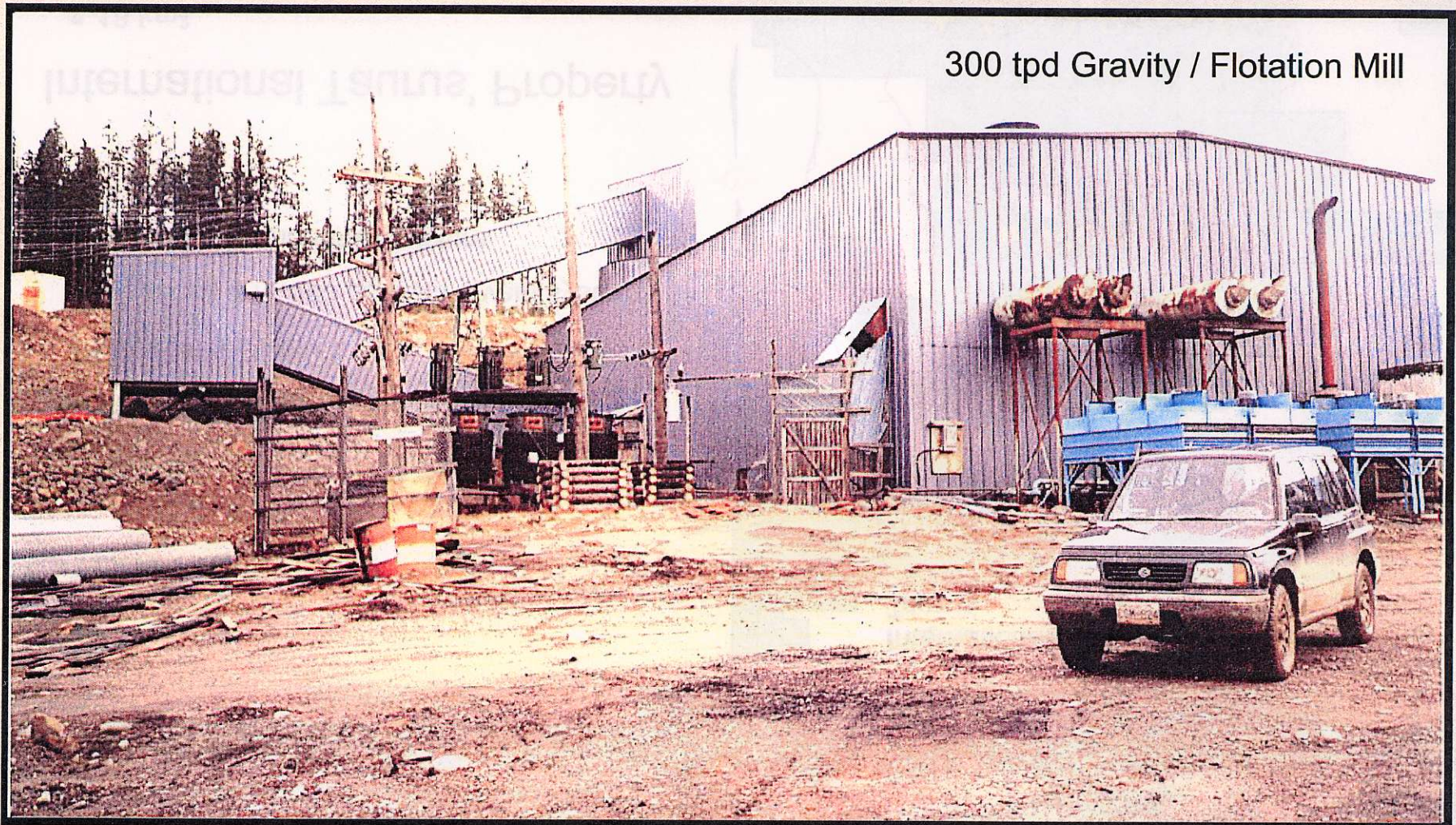


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300 tpd Gravity / Flotation Mill





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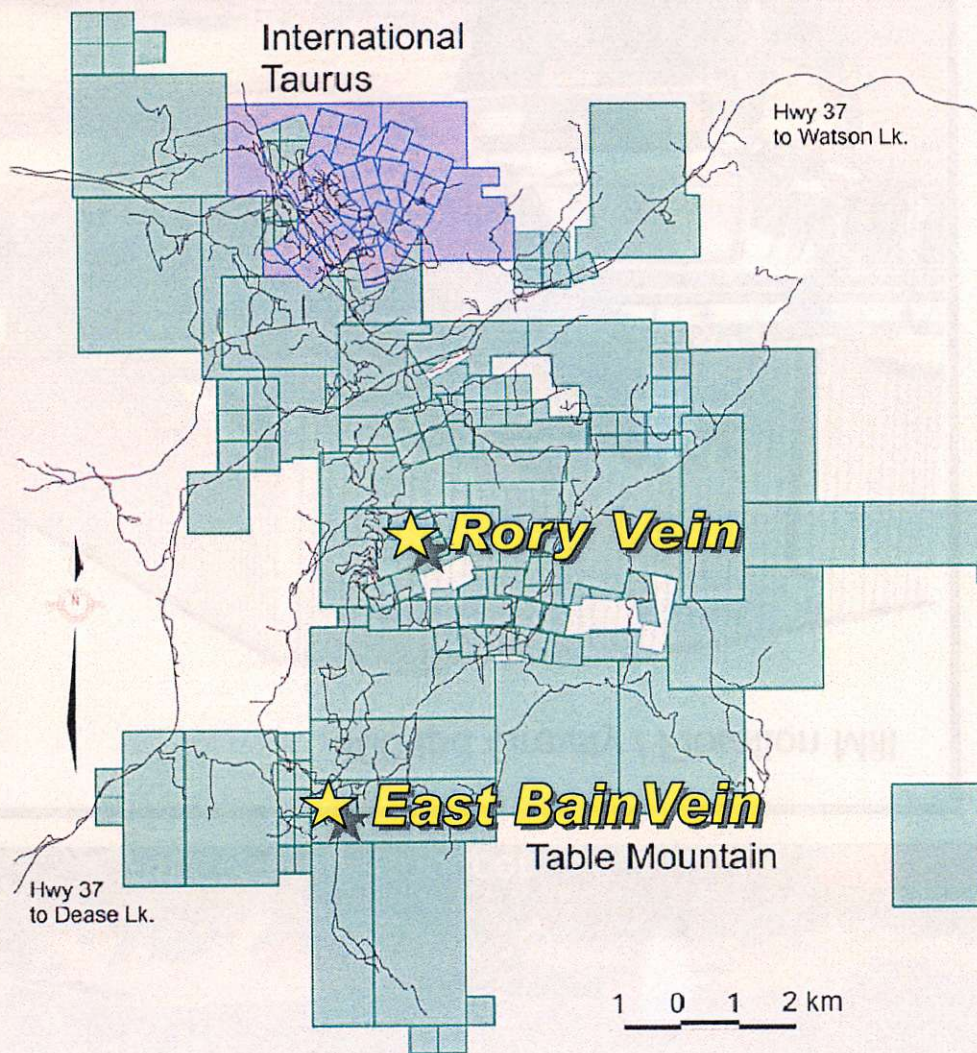
# Claims

## Table Mountain Property

- 100% owned and operated by Cusac
- 144 km<sup>2</sup> property
- Produced 315,000 oz from 4 vein systems
- 300 tpd mill and infrastructure

## International Taurus' Property

- 18 km<sup>2</sup>
- 38,000 oz Produced





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## Taurus (88 hill) gold deposit

- Bulk Tonnage open pit target drilled by Cyprus Amax and International Taurus
- Straddles Taurus/Cusac claim boundary
- ~ 25% of target is on Cusac ground

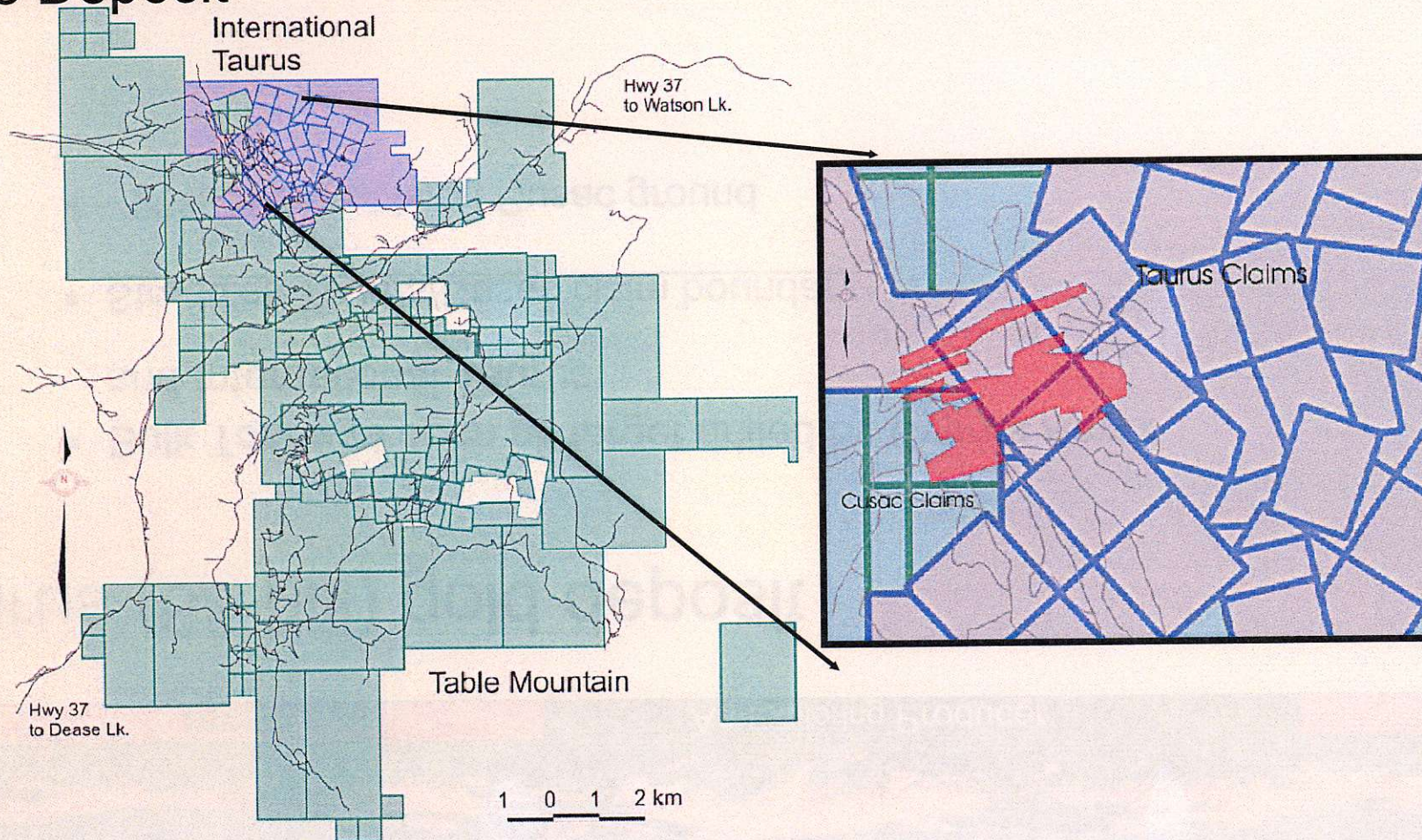


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# Taurus Deposit







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# Mining Strategy

## Lower Mining Costs:

- Efficient Narrow Vein Mining
- Employing skilled experienced narrow vein miners minimizes overbreak/dilution

## Realizing Economies of Scale:

- Utilizing existing processing facilities at 100% capacity
- Utilizing a small efficient multi-tasking management/technical staff to supervise concurrent mining and exploration

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December, 2004

## 2005 could be the year for Cusac Gold Mines

**By Marc Requier**

In the world of junior gold companies, Cusac Gold Mines Ltd. stands out with a unique profile. Firstly, the company has been in business for 40 years. Second, the company is not just an explorer; it has solid gold production experience as well, having produced some 60,000 ounces of gold in the mid 1990s. Listed on the Toronto Stock Exchange since 1987 (symbol CQC) and trading in the USA since 1980 (Symbol CUSIF, OTCBB), Cusac owns 100% of the Table Mountain Gold Mine in BC's far North. Table Mountain has a well maintained 300 ton per day mill that last operated in the late 1990's. The infrastructure at the mine is extensive and mining operations can restart with a small fraction of the cost required to build a mine from scratch.

Founded in 1966 by its Chairman Guilford Brett, son David Brett recently took over Cusac as CEO. David Brett has an MBA and many years of experience in the mining industry to draw on. His vision for Cusac is to build on the strong foundation that is in place and grow the company so that can take its place among the leading

mid-tier gold producers in the world. Cusac's management team includes seasoned geologist Lesley Hunt, VP of Exploration, who has spent much of her 20+ year career at Table Mountain.

"Cusac has a lot going for it compared to many junior gold companies," said CEO David Brett. "Listed on the Toronto Exchange and trading south of the boarder for many years, we have a strong following in the investment community. With the ability to produce gold in the near term, Cusac has the profile of a good exploration bet as well as a revenue generating company."

Table Mountain can be described as a high-grade underground gold mine where tonnages are never as big as their surface deposit counterparts. Total uncut resource stand at 44,157 tons @ 0.591 oz/ton indicated and 3,369 tons @ 2.245 oz/ton inferred. Meanwhile, Cusac's claims in the area also cover part of the Taurus gold deposit, a much larger scale, multi-million ton bulk-tonnage gold target. 2005 could be a good year for Cusac Gold Mine Ltd.

# The Northern Miner

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## Rory vein augurs well for Table Mountain

VANCOUVER — Diamond drilling at Cusac Gold's (CQC-T) Table Mountain property in north-central British Columbia has yielded high-grade results over wider intervals than those previously mined. Cusac has been eager to resume operations at the shut-down mine.

A new vein, known as Rory, has been traced in a gold-bearing structure over a 130-metre strike length (open in both directions) and a maximum defined dip extent of 45 metres. The structure strikes north-northeast and dips 75° to the west.

The vein averages 3 metres in true width, and visible gold has been noted in eight of the drill holes that intersected it.

Highlights include hole 22, which cut a true width of 8.1 metres grading 13 grams gold per tonne at a down-hole depth of 131 metres (including 3.48 metres of 29.36 grams gold). This hole also intersected 1.5 metres of more than 100 grams gold at a down-hole depth of 149.4 metres.

Situated in the Cassiar camp, the Table Mountain property contains

numerous occurrences of gold-bearing quartz veins, many of which have been mined underground, and a few from surface. The veins are hosted by the Devonian to Triassic assemblage of regionally metamorphosed metavolcanics, metasediments and ultramafics of Lower Cretaceous age. In the mine area, the assemblage comprises greenstones, argillite, serpentinite, listwanite and quartz veins.

The Cassiar camp has produced more than 400,000 oz. gold, mostly from Table Mountain. The mine was one of the highest grade gold mines in Canada, but low gold prices forced it to close in 1997.

Cusac has been trying to get Table Mountain back into production over the past year. An engineering study in February 2003 suggested a US\$4 million profit could be realized in the first year of mining at a gold price of US\$325 per oz. Cash costs of US\$180 per oz. were projected. The initial phase of mining would concentrate on the East Bain vein, which averages 5 ft. wide

and is nearly vertical. East Bain contains about 24,400 tons grading 1 oz. gold per ton.

A 1999 geological report estimated that 1.6 million oz. gold are contained in an area north of the main mine and that this resource is minable by open-pit methods. Also, the tailings pond was estimated to contain more than 28,000 oz. gold in material grading 1.25 grams gold per tonne.

The lowest portion of the Rory vein is 25 metres above the historic 14-level drift, which would provide tracked underground access back about 2,000 ft. into the lower levels of the mine.

The portal to the 14-level drift needs to be re-timbered, says Cusac President Guilford Brett. "We have to go a hundred and fifty feet east from the fourteen-level to reach the Rory vein," he says. "The material could then be brought to surface along the track."

Exploration continues to test the extent of the new vein, with results pending. Meanwhile, resources are being updated.