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George Cross News Letter

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NO. 188 (1999)
SEPTEMBER 30, 1999

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CUSAC GOLD MINES LTD.

[CQC-T; CUSIF-OTC BB] 23,011,531 SHS.

NORTHERN BC PROJECT UPDATES - William H. Bird, president,
Cusac Gold Mines Ltd.,
reports results of 1999 exploration on the 272 square km property

104P 70

near Cassiar in northern BC. Exploration at the Taurus project surface gold deposit was carried out east of the 88 Hill zone, which contains a drill-indicated resource of over 12,300,000 grams of gold, in an attempt to define high-grade structures that could increase the overall gold potential of the project. Surface trenches uncovered two structures, which extended for 50 metres and contained quartz veins and veinlets. Seventy-six samples were collected across the structures and assayed at Acme Analytical Labs. Sixty-eight samples ranged in value from 0.01 to 7.09 grams gold/tonne. Eight of the samples returned much higher grades of from 10.72 to 71.12 grams/tonne. If the high-grade values are cut to a level equal to that of the upper end of the general sample population range (7.09 grams/tonne), the overall average of sample values is 2.48 grams/tonne. This is more than twice the 1.08 gram/tonne average of the 88 hill zone resource and three times the 0.80 gram/tonne average of the 50,000,000-gram gold mineral inventory of the entire Taurus project.

The summer's work at the Taurus project also included the deconstruction of the old Taurus mill and the clean-up of the mill site. As part of the agreement for Cusac's acquisition of up to a 70% interest in the Taurus project claims owned by INTERNATIONAL TAURUS RESOURCES INC. [ITS-V], Cusac made a commitment to manage the mill deconstruction and clean-up. With the completion of this commitment, Cusac will be deemed to have contributed \$50,000 toward the first \$300,000 of exploration work required to maintain its position in the Taurus project joint venture.

At the 100% owned Table Mountain Mine, shipments produced from the exploration and surface mining of the recently discovered East Bear vein have totalled about 21,700 grams of gold. The discovery and mining of the East Bear marks the first time that gold, similar in style to the traditional high-grade veins of the Table Mountain mines, has been produced from a vein east of the main Erickson Creek fault zone. The discovery significantly increases the potential for finding new high-grade veins on the property. The East Bear ore was processed at Cusac's Table Mountain mill and the concentrates were shipped to Engelhard Canada Ltd. and Cominco Ltd. Work continues on the rest of the property to maintain mining and milling capabilities for future production.

Cusac is also evaluating additional projects to expand its portfolio of mineral properties. (SEE GCNL NO.124, 29Jun99, P.3 FOR PREVIOUS TAURUS PROJECT INFORMATION)