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George Cross News Letter

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CUSAC INDUSTRIES LTD.

[CQC-V,T; CUSIF-NASDAQ] 11,755,818 shs.

NEW UNDERGROUND - Guilford H. Brett, president, Cusac Industries GOLD DISCOVERY Ltd., the discovery of a rich underground oreshoot in conjunction with the successful ongoing mine development program at its 100%-owned Table Mountain high grade gold property near Cassiar, northwest B.C.

Having completed a 700 foot long, 9 by 12-foot decline to the West Bain Vein system in Dec. 1993, work began on drifting 100 feet along the vein in both an easterly and westerly direction. Previous surface drill results indicated the western boundary occurred 100 feet to the west of the decline's intersection with the Bain Vein. At this location drifting encountered a small 10-foot fault displacement and beyond it the discovery of a strong quartz-bearing structure with abundant visible gold.

Chip samples were taken by Matt Ball, M.Sc., project geologist, and sent to Min-En Laboratories in North Vancouver for fire assaying. This discovery in the "Western Exploration Drift" returned 176.0 feet of a continuous average grade of 1.237 oz.gold/ton across an average true vein thickness of 5.0 feet. As stated above, it was not indicated by previous surface drilling and subsequently not included in the West Bain Vein's ore reserves of 36,000 tons grading 0.687 oz.gold/ton.

It is planned to establish a nearby underground drill station to delineate the vertical extent of this oreshoot. Noteworthy, that based on past assay results of drill programs, the gold value gradient increases upwards towards the surface. This grade factor suggests the oreshoot could have an excellent tonnage potential of ore reserve tenor at depth below the drift level. With the vein wider than anticipated (7 to 10 feet) and this recent discovery, minable reserves in the West Bain Vein system are expected to exceed the earlier estimate of 36,000 tons.

Meanwhile, two four-by-four raises have been driven from the main drift up through the vein system to surface, a distance of about 200 feet. Following are fire assay results from the Bain West Raise:

BAIN WEST RAISE CHIP SAMPLES

SAMPLE NO.	INTERVAL FEET*	GOLD OZ/T	SILVER OZ/T	VEIN THICKNESS(FT)
26026	collar to 19.0	0.712	0.28	4.62
26029	collar to 34.8	2.514	0.50	4.29
26035	collar to 40.4	1.966	0.78	3.96
26038	collar to 46.2	0.519	0.36	0.99
Totals	27.2	5.711	1.92	
Weighted Avgs.		1.736	0.48	3.94

* A chip sample was taken on the raise face after each broken round.

Results indicate the first 27.2 feet of the West raise returned a continuous average grade of 1.736 oz.gold/ton and 0.481 oz.silver/ton across an average horizontal vein thickness of 3.94 feet. Further assays are expected shortly. The next phase of the underground program provides for the development of two stopes in preparation

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