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George Cross News Letter

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SUBSCRIPTION RATE
\$315.00 PER YEAR

NOV 28 1994

M. P. R.

NO. 221 (1994)
NOVEMBER 18, 1994

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CUSAC INDUSTRIES LTD.

[CUSIF-NASDAQ:CQC-T.V] 13,198,237 SHS.

TABLE MOUNTAIN MINE UPDATE - Guilford H. Brett, president,
Cusac Industries Ltd., has
provided an update on recent mine-related developments.

The company stopped milling operations at its 100%-owned
Table Mountain Mine near Cassiar, northwest B.C. in order to
replace the ball mill liners and conduct other routine maintenance.
Reserves in the west lobe of the West Bain Vein have been mined
out. Due to lead times required to develop reserves in the east lobe of
the West Bain Vein and in order to avoid higher costs associated with
winter milling, management has elected to keep the mill closed until
March of 1995. During this period, the company intends to
complete the following:

- 1) Continue driving the recently begun 650-foot decline to the
Michelle High Grade Zone. Upon arrival at the zone, expected in
early January 1995, development ore will be stockpiled and mining
started as soon as possible. The Michelle High Grade Zone
comprises a number of veins where previous drilling has intersected
numerous high grade sections. Part of this zone, called the Michelle
High Grade Vein, is estimated by Cusac to contain a mineral deposit
of 24,000 tons with an average cut grade, including dilution, of
0.818 oz.gold/ton. The Michelle High Grade Vein remains open and
untested along strike and no reserve estimate have yet been made for
the other veins in the vicinity. Underground drilling to test these
veins will start in late November 1994.

The Michelle High Grade decline currently terminates on a vein
thought to be the extension of a previously drill intersected vein
called the Big Vein. Previous drill data only recently analyzed by
company geologists suggest that this vein may extend over 150
metres (500 feet) and average three to four feet in width. The portion
of the vein currently exposed in the decline assayed an average grade
of 15.14 oz.gold/ton over 2.2 feet. While these preliminary results
are encouraging, additional testing will be required before the
company is able to determine the economic potential of the vein. As
the decline towards the Michelle High Grade Zone progresses, the
Big Vein will be tested by underground drilling and workings.

- 2) Starting early January 1995, develop and prepare for mining
and milling in March 1995 probable reserves in the West Bain vein
of approximately 12,500 tons grading 0.256 oz.gold/ton. (SEE
GCNL NO.204, Oct.25/94, P.2 FOR INTERIM REPORT)

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