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George Cross News Letter

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CUSAC GOLD MINES LTD.

[CQC-T; CUSIF-NASDAQ] 18,496,531 SHS.

TABLE MOUNTAIN DRILL RESULTS - Guilford H. Brett, president, reports Cusac Gold Mines Ltd. has received new high-grade gold drill intersections on various structures being explored on the 100% owned and operated Table Mountain Gold Mine near Cassiar in north-central BC. Cusac's summer /fall exploration program, still underway, has involved three diamond drills, two underground and one on surface.

On surface, the intent of the program was to identify eastern extensions of veins mined by previous owners in an area called the Main Mine. Past production from the Main mine was 280,719 tonnes grading 0.482 oz. gold/tonne (135,393 ounces recovered). One intersection, previously reported, assayed 8 ounces gold/tonne over 2 feet and is now believed to be the extension of the Dease Vein. Another vein, the Bear Vein, has now been intersected with the following significant results:

HOLE NO.	INTERVAL METRES	LENGTH METRES	GOLD OZ/T
97MX-19	35.1-36.9	1.8	0.847

The above intersections are about 80 metres (260 feet) east of underground workings where the Bear Vein was mined underground. The Bear Vein remains open on strike and down dip. The close proximity of the above intercept to surface and existing underground workings make the Bear Vein an attractive target for possible near term development and mining. Follow-up drilling is now underway.

Underground, one drill is testing a new target near the Michelle Highgrade Zone that has confirmed ore-grade mineralization adjacent to the Cusac decline. Significant results include:

HOLE NO.	INTERVAL METRES	LENGTH METRES	GOLD OZ/T
97MHG-1	16.2-17.7	1.5	1.970
97MHG-3	9.5-10.55	1.05	0.324

Stope-definition drilling will begin shortly and should result in an increase in near-term high-grade mining reserves.

Also underground, "wildcat" drilling north of the Melissa Vein has identified a promising new vein. The as yet unnamed vein is a strong, wide, well mineralized structure within an extensive

alteration zone typical of ore bearing veins on the property. The intersection returned only low grade gold values, assaying 0.075 oz. gold/ton over 10.5 feet. This intersection, however, based on current information, is projected to be well below the expected ore bearing horizon. Additional holes are now being drilled to test this promising new structure up-dip and on strike.

Underground development work consisting of two raises on a narrower section of the productive Lilly Vein has yielded high gold grades in chip samples, with multiple ounce values ranging up to 13.408 oz. gold/ton over 0.35 metres (1 foot). Drilling data in this area is limited, and the intent of this and further development work is to further define near term reserves while also generating high grade mill feed. (SEE GCNL NO.171, 5Sept97, P.2 FOR PREVIOUS TABLE MOUNTAIN DRILL RESULTS)

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