

LOGTUNG RESOURCES LTD.

TELEPHONE: (604) 684-2285

680718

94B/1040

SUITE 1424, MARINE BUILDING
355 BARRARD STREET
VANCOUVER, B.C.
CANADA V6C 2G8

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Press Release

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The 1977 final report by AMAX on the Logjam Creek tungsten-molybdenite property, located in close proximity to the Alaska Highway 155 km west of Watson Lake, Y.T., has been received.

The report states that:

Quote: Mineralization consists of a 2 km by .1 km northerly elongate tungsten-molybdenite bearing quartz vein stockwork...

Drill results obtained in the mineralized area indicate near surface geological reserves of 214 million tons grading 0.12% WO_3 and 0.051% MoS_2 . The zone remains open to the north, west and at depth.

Mineral zoning comprising a central zone of molybdenite-scheelite, an intermediate zone of scheelite and an outer zone of scheelite-sphalerite is consistent with a stockwork type deposit and may be indicative of a larger deep Mo or Mo-W system.

...there is a good possibility of higher grade tungsten (approximately 0.3% WO_3) near LT-77-9 and 10, higher grade molybdenum (approximately 0.1% MoS_2) north of LT-77-6, 7 and 8 and higher grade tungsten-molybdenum mineralization at depth.

Preliminary tonnage and grade calculations indicate that the Logtung property represents a large system with economic potential. Unquote.

The 1977 program included preparation of base maps, improvement of a 13 km access road from the Alaska Highway, geological mapping, geochemical soil surveys, 78 km of linecutting on a grid, and 2839 metres of diamond drilling in fourteen holes which range from 98 to 363 metres deep.

Further diamond drilling, geological mapping, geophysical surveys, surveying, metallurgical studies and a preliminary financial evaluation are recommended for a continuing program to be carried out in 1978.

AMAX can earn a 60% interest by spending \$2,000,000 on property exploration and making option payments of \$1,000,000. Property exploration expenditures to date exceed \$500,000, and option payments as a result of AMAX paying Logtung the March 1, 1978 option payment of \$100,000, now total \$300,000.

Released by authority of
the Board of Directors


W. J. Coulter, President