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

September 9, 1977

Report to ShareholdersLOGJAM CREEK - TUNGSTEN/MOLYBDENUM PROSPECT

Amax Inc. has released to Logtung assay results for the first five holes drilled at Logjam Creek. The results are as follows:

HOLES 1-5 SUMMARY OF RESULTS

(IN METRES)

(METRES X 3.28 = FT.)

<u>HOLE #</u>	<u>ZONE</u>	<u>FROM</u>	<u>TO</u>	<u>INTERCEPT</u>	<u>% WO₃</u>	<u>% MoS₂</u>
LT 77-1	B.C. Zone (including)	2 20	123.2 (END) 22	121.2 2	.04 .07	.01 .113
LT 77-2	B.C. Zone	4	107.4 (END)	103.4	.04	.007
LT 77-3	B.C. Zone (including)	1.8 10	145.6 (END) 14	143.8 4	.04 .21	.003 .0015
LT 77-4	B.C. Zone	6	60 (END)	54	.037	.006
LT 77-5	Central Zone (including)	6 128	223.3 (END) 146	217.3 18	.092 .146	.036 .103

The first four holes were spotted on the "Br. Columbia" showing while the fifth hole represents the first of three holes to be drilled approximately 400 metres to the north on the "Central" showing.

Amax has advised that;

- a second drill has been delivered to the property and has started drilling on the "Yukon" showing which is located about 400 metres to the north-west of the Central showing,
- hole six on the "Central" showing has been completed,
- hole seven on the "Central" showing is at 160 metres and still drilling,
- this year's drilling objective is a minimum of 1500 metres of which 850 metres have been drilled to date.

The drill results to-date indicate that the property may have the potential to host a large low grade tungsten, molybdenum deposit amenable to mining by open pit methods.

TROUT LAKE - URANIUM PROSPECT

Canex Placer Limited has advised that its work on this prospect to August 31 has included;

- Aerial scintillometer and magnetometer surveys,
- the staking of additional claims,
- ground scintillometer and geochemical surveys,
- the commencement of a Track Etch Cup survey.


The exploration program on this property has not advanced far enough at this time for Canex Placer to offer an opinion with respect to the type of uranium deposit that may exist.

FINANCIAL STATEMENTS

Enclosed with this report is an unaudited financial statement covering the period from incorporation to July 31, 1977. The company is in good financial shape with a working capital of approximately \$250,000.

Developments of significance will be reported to the shareholders as they occur.

Released by consent of the
Board of Directors



W. J. Coulter

President

LOGTUNG RESOURCES LTD.

UNAUDITED STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR PERIOD

FROM APRIL 4, 1977 - DATE OF INCORPORATION -
TO JULY 31, 1977

April 4 to
July 31, 1977

SOURCE

Property Option Payments Received Receivable	\$ 30,000.00 75,000.00
Issue of Treasury Shares	<u>280,000.00</u>
	<u>\$385,000.00</u>

APPLICATION OF FUNDS

Administration:

Accounting & Audit	\$ 1,250.00
Bank Charges	4.75
Legal	10,272.80
Management Retainer	4,000.00
Rent & Secretarial	1,950.00
Office Supplies, Postage & Xerox	84.99
Printing	1,592.97
Telephone	184.82
Transfer Agent	555.66
V.S.E. Listings	<u>3,000.00</u>
	\$ 22,895.99
Less Interest Earned	<u>517.81</u>

Net Administration Expense: \$ 22,378.18

EXPLORATION & DEVELOPMENT

Property Payment	\$100,000.00
Consultants (Cordilleran Engineering Limited)	<u>11,340.53</u>

Net Exploration & Development Expense 111,340.53

Total Expenses: 133,718.71

Working Capital
End of Period \$251,281.29

Approved by the Board:

W. J. Coulter
[Signature]