



ASHURST SUBSIDIARY COMPLETES AGREEMENTS WITH UKRZOLOTO TO DEVELOP GOLD MINES IN UKRAINE

Hamilton, Bermuda, March 25 - Ashurst Technology Ltd. (OTC Bulletin Board: AHRLF; London: AHR; Toronto: ASH.UN) ("ATL") and Ashurst Technology Canada Inc., are pleased to announce that ATL's wholly owned subsidiary, Ashurst Resources International Ltd. ("Ashurst"), and the State Owned Closed Joint Stock Company "Ukrzoloto" have issued the following joint press release on the signing of certain agreements:

"Kyiv, Ukraine - March 25, 1997 - The State Owned Closed Joint Stock Company "Ukrzoloto" and Ashurst Resources International Ltd. ("Companies"), are pleased to announce the completion of agreements which define their mutual cooperation in developing five advanced gold projects and three additional exploration prospects. The rights for these properties were assigned to Ukrzoloto by decree of the Cabinet of Ministers of Ukraine.

In accordance with a proposal submitted by Ashurst, Ukrzoloto will assign the rights to exploit the properties to the Ukrainian company "Resourci Ukraini," which shall be 100% owned by an international company, Ukraine Gold International Ltd., ("UGI"). Initially, UGI will be owned 100% by Ukrzoloto. UGI is to be organized in accordance with internationally accepted standards of accounting, financial controls and governance. Its Board of Directors will be comprised of Ukrainian and Western business experts and it will be co-chaired by Sergiy Chukmassov, Chairman and CEO of Ukrzoloto, and Benton H Wilcoxon, Chairman and CEO of Ashurst Technology Ltd.

Ashurst, as consultant to Ukrzoloto, shall perform the task of project manager on behalf of, and in conjunction with Ukrzoloto, in return for a 5% equity interest in UGI. Additionally, Ashurst is to provide between US\$20 million and US\$30 million in financing to complete feasibility studies for the five projects in return for an additional 20% equity interest in UGI. It is anticipated the UGI will seek project financing on the international capital markets.

Two of the advanced projects, Serhiivske and Balka Zolota, are situated in the Dnipropetrovsk Oblast. Balka Shiroka, further south in the Dnipropetrovsk Oblast, is completing a production shaft currently at 120 meters. The other advanced projects, Klintsivske and Yuriivske are situated in the Kirovohrad Oblast. Klintsivske is currently prepared for underground bulk sampling, having completed a shaft and horizontal development.

According to Ukrzoloto and Derzhkomhea (State Committee of Ukraine on Geology and the Use of Deposits) geologists and based upon several years of detailed drilling, the five projects have an aggregate indicated and inferred resource of between 500 to 600 tonnes of gold, (16 million to 19 million ounces), with an average grade of 6 to 8 g/t gold. Additional exploration prospects available to the Companies are in the Surska Structure (500 sq. km), Chertomlyska Structure (512 sq. km), and Kirovohrad Ore Field (1240 sq. km.) which have potential resources of more than 1,000 tonnes of gold (32 million ounces).

Gold is hosted by quartz, quartz-carbonate and quartz-sulphide veins averaging 1.5 to 2 meters in width. The five advanced projects are all located in Precambrian crystalline rocks which are covered by 30 to 40 meters of loam. The rock types include metamorphosed volcanic, sub-volcanic, acid and mafic igneous and metasedimentary rocks, similar to the Canadian shield.

Preliminary metallurgical tests indicate that about 70% of the gold can be extracted using gravity methods, with an additional 20 to 25% of the gold extractable from a sulphide concentrate using conventional methods.

Excellent infrastructure, including electrical power, rail lines, paved roads, and water supply exist at, or in close proximity to, each of the project sites. Ukraine has a well established mining industry and as a result, a skilled workforce is available in the immediate area of each of the projects.

The new mining company will have its main offices in Kyiv with an experienced project management team consisting of Western and Ukrainian mine managers, geologists, mining engineers, and hydro-metallurgists. Regional offices will be established to support the teams in the advanced projects as well as exploration for new prospects. Pre-feasibility programs are underway for each of the projects.

Ukrzoloto and Ashurst are pleased to begin the development of Ukraine's first gold mining industry. The extensive gold resources identified above, together with the country's excellent geological potential, indicate a promising future for this new venture and Ukraine.

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Ashurst contracted with MineTech International Limited in Halifax, Nova Scotia to review preliminary data and visit the five project sites in Ukraine in late January 1997. In February, MineTech issued a preliminary evaluation report on the five projects. At this time, Ukrzoloto and Ashurst staff are compiling data on the five projects from over 1,000 drill holes averaging 300 meters depth, and more than 30,000 fire assays, which showed over 700 interceptions of ore zones, of which approximately one quarter contained visible gold. On the three exploration prospects over 300 drill holes have been completed between 200-300 meters in depth.

"The new gold project is an important addition to our Ukrainian operations and will draw upon ATL's experience in mining and processing of metals at its Zhovti Vody mining operations in Ukraine," said Benton H Wilcoxon, Chairman and CEO of ATL.

With principal operations in Kyiv, Ukraine, and Baltimore, Maryland, ATL is in the business of developing and commercializing North American and Ukrainian advanced materials and technologies. ATL is active in the development of gold resources in Ukraine as well as the mining and processing of scandium. ATL's near-term strategy is to penetrate aerospace, automotive, marine and sports equipment industries with new aluminum-scandium alloys and metal matrix composites. ATL is also developing energy storage devices, fibers, novel coating systems and other light metal alloys including porous titanium and magnesium.

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