



SAWTOOTH, INC. COMPLETES EXPLORATION AGREEMENT WITH BLACKBRUSH OIL AND GAS II L.P.

HOUSTON, TX – March 16, 2007 – Avalanche Resources, Ltd. today announced that its wholly-owned oil and gas exploration and development subsidiary, Sawtooth, Inc., has recently completed an exploration agreement with BlackBrush Oil and Gas II L.P.

Under the terms of this agreement, BlackBrush will manage the drilling of a test well to evaluate the Smackover Formation in the Cedar Creek Field, Henderson County, Texas.

As consideration, Sawtooth received cash, a Carried Working Interest, and an Overriding Royalty. BlackBrush Oil and Gas will operate the project.

Moreover, Sawtooth retained the shallow formations in its leasehold positions, and will immediately seek working interest partners to evaluate the Rodessa, Pettit, and Travis Peak Formations.

Sawtooth also announces that it is currently negotiating with several parties for the divestment of its properties in Brazoria and Fort Bend Counties for an estimated \$2.5 Million. It is anticipated that the closing of these transactions will occur within the next 60 days.

About Avalanche Resources

Based in Houston, Texas, Avalanche Resources is a venture capital company that provides capital for growing organizations across North America. The company provides funding and advisory services to entrepreneurial organizations that demonstrate vision and passion in their business endeavors and illustrate a clear competitive advantage in their marketplace. Visit the company's website at www.avalancheresources.com.

Safe Harbor Statement: The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking information made on the Company's behalf. All statements, other than statements of historical facts which address the Company's expectations of sources of capital or which express the Company's expectation for the future with respect to financial performance or operating strategies, can be identified as forward-looking statements. Such statements made by the Company are based on knowledge of the environment in which it operates, but because of the factors previously listed, as well as other factors beyond the control of the Company, actual results may differ materially from the expectations expressed in the forward-looking statements.

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