

July 5, 2004

Dear Shareholder:

The following comments are from John Kaiser, who writes a popular newsletter entitled "Kaiser Bottom-Fishing Report":

"Another junior I would like to emphasize at this stage is Bactech Mining Corp (BM-V: \$0.50), whose 55% owned Tonkin Springs project is turning out to have a prime Cortez Trend location. Bactech is focused on putting the near surface Tonkin Springs deposit into production, and consequently has down-played the potential for bigger and higher grade deposits at greater depths in the northern part of its property. But I suspect it will not be long before the market discovers Bactech as a way to combine a bread and butter emerging producer story with Cortez Trend discovery potential sizzle. With 63 million shares fully diluted and a 55% net interest, Bactech's Tonkin Springs play is carrying an implied project value of \$57 million, an amount which may soon look very cheap compared to White Knight and Victoria. I'll have more to say about Bactech later."

The complete article can be accessed at <http://www.kaiserbottomfish.com>, under "Hot off the Press, July 1, 2004".

Sincerely,

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