

WARRANT EXERCISE LETTER

DATE

Dear Shareholder:

As of _____ post-effective amendment has declared effective with the Securities Exchange Commission.

Holders of redeemable warrants may not exercise their warrants in _____. We have outlined the procedure to follow in order to exercise your warrants in a timely fashion. Should you have any questions regarding this procedure, please contact either _____ or Carylyn K. Bell at Corporate Stock Transfer, Inc. (303) 282-4800.

STEP I: Determine the number of warrants you wish to exercise and multiply by the exercise price \$.013. (Two warrant to purchase one (1) share of Common Stock.)

STEP II: For quick delivery of your common stock after your exercise, have a cashier's check drawn. If time is not of importance to you for delivery of your stock, then write a check in for the amount that you have determined in STEP 1.

STEP III: Complete the back of you warrant certificate under the "Exercise" section. Make sure and sign it and have your signature guaranteed at your local bank.

STEP IV: Send your check and warrant certificate to:

Corporate Stock Transfer, Inc.
3200 Cherry Creek Drive South, Suite 430
Denver, CO 80209

NOTE: You should receive your new certificate within three (3) days of you sent a cashier's check. If you sent a regular check, you have to wait until it has cleared your bank, approximately one (1) week.

Sincerely,

XYZ Corporation