



**The O.T. Mining Corporation**

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**Montreal, August 26, 2005**

## **SHAREHOLDER UPDATE**

### **Dear Shareholders and Interested Parties,**

Following yesterday's news release, this letter is an update on O.T.'s very aggressive exploration program on our 10.3 square mile Ruby Property. Field season is in full swing (We have had up to 37 people in the field during July and August), and our field staff and contractors are all working long hours. There are many activities to report to you.

We have discussed the positive results from our 2004 North Anomaly drill hole #NA04-6 in our previous newsletters. This hole encountered 1,329 feet of continuous copper mineralization in a "porphyry". This porphyry is the same rock that hosts the "Richest Hill On Earth", 14 miles to the south in Butte, Montana. This drill hole has just been reentered with a larger core drill to determine how deep the mineralization extends from its last year's depth of 1,916 feet. We are excited to see what the deeper portions of the porphyry system look like.

A second drill core rig (both rigs are running two shifts a day) is at work near the past producing high-grade gold-silver Ruby Mine. Two drill holes totaling 2,168' have been completed and a third hole is nearing target depth. The 2 completed holes successfully intersected the Ruby structure, host to high-grade gold and silver mineralization. This core has been logged, sampled and shipped to SGS Mineral Services (Toronto) for assay. Results will be reported upon receipt of the assay data.

The survey crews have constructed 116 miles of grid lines on the Ruby West-Ruby Mine and North Anomaly projects. "Geochemical" and "geophysical" data are now being collected along these surveyed lines.

The geochemical procedure consists of collecting samples of soil every 85 feet for MMI (Mobile Metal Ions) analyses. The MMI technique has been described in past newsletters; it was successfully used to cite Hole NA04-6 in 2004. A crew headed by Dr. Mark Fedikow, O.T.'s Vice President of Exploration, is collecting additional samples from the North Anomaly to determine the location of new drill hole targets. A total of 2,730 samples have been collected to date, the survey is 80% complete.

The geophysical procedure being used is called "Quantitative Section Induced Polarization" and is being undertaken by Matrix GeoTechnologies Ltd. of Toronto, Canada. Matrix developed this proprietary method and is the only company in the world that can use this in-house technique. It involves a proprietary method of sending electrical current into the ground and measuring how it responds in areas where no mineralization is present, versus where buried precious and base metal mineralization is present.

The geophysical work is nearly complete in the Ruby West-Ruby Mine Area. The results indicate that two areas may be mineralized. One of these is related to the past-producing high-grade gold and silver Ruby Mine, and the second to a north-trending feature that cuts across the Ruby Mine. The geophysical data will be combined with previously collected MMI soil geochemistry to locate additional targets to be drilled later this year. The geophysical crew is scheduled to begin work on the North Anomaly project next week.

Disclaimer: This news release contains certain "Forward-Looking Statements". All statements, other than statements of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

OT continues to obtain necessary state and federal permits. We received an amended Plan of Operations from the U.S. Forest Service that allows us to construct additional roads and drill pads for 7 new holes into the North Anomaly porphyry system. We also received approval from the Montana Department of State Lands for an additional drill hole in the Ruby Mine area.

Rosemary and I spent late July and early August in Montana, reviewing the project and visiting with a number of local business people, regulators and elected officials. We were very pleased with the positive response we received from these individuals. A camera crew from INDR TV filmed a story on mining in Montana and on our Ruby project. Footage from the interviews will be available next week on the IDNR TV website at [www.resourceschannel.com](http://www.resourceschannel.com) and on O.T.'s website at [www.otmining.com](http://www.otmining.com) (a high speed internet connection is required to view the footage). DVDs will be available upon request.

During our visit, we also toured the nearby Golden Sunlight Mine (which is mining a resource exceeding 3 million ounces of gold), and went underground at the Lexington Mine in Butte. Montana Tech in Butte is using the latter facility to train underground miners and as an underground mining laboratory for mining engineering students. We were pleased to see that Montana Tech in Butte is training new miners.

Dr. Fedikow will be one of several experts participating in an international conference in Perth, Australia in September. Dr. Fedikow will deliver a symposium describing the successful application of the MMI technique on the Ruby Property to a gathering of senior and junior mining companies. Specifically he will describe how this method was used to assist in the discovery of our porphyry copper deposit in the North Anomaly project.

Rosemary and I will be in Butte from September 18th to October 5th. Shareholders who wish to visit the Ruby Property, meet the team and view the ongoing drilling program and Basin Mill facilities, please call us to make arrangements as early as possible.

Also, please feel free to contact us with any questions you might have and please do let us have your e-mail address should you have one, or a fax number if you don't.

Yours sincerely,

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James W. Hess  
President

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Rosemary L. Christensen  
Secretary-Treasurer

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