



PHOENIX CAPITAL INC.

Suite 1805, 80 Richmond Street West, Toronto, Ontario, M5H 2A4
Tel. (416) 861-1940 Toll Free 1-888-448-7791 Fax (416) 861-0128

June 7, 1999

Dear Limited Partner,

Attached is a Notice of Change to the Offer previously forwarded to you to reflect the increase in the consideration.

Unitholders who tender their units and elect to receive debentures and concurrently sell them to Phoenix Bond & Equity Corporation will receive \$21,000 per unit subject to a limit of \$1,000,000.

Should you have any questions, please do not hesitate to call our office at any of the above numbers.

Yours truly,

(signed)

Jim Hamilton