

**ALTAI** RESOURCES INC.

111 Lynedock Crescent, Toronto, Ontario, Canada, M3A 2A7, Telephone: (416) 383-1328
 Fax: (416) 383-1686 • E-mail: altai@arex.com • Internet: <http://www.altairesources.com>

July 25, 2003

Corporate Finance
 TSX Venture Exchange
 The Exchange Tower, 3rd Floor,
 2 First Canadian Place,
 Toronto, Ontario, M5X 1J2



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03-AUG-03 7:21

By Fax

Attn: Ms. Jasmine Handanovic, Analyst, Corporate Finance

Dear Ms. Handanovic:

SUPPL**Re: Altai Resources Inc. ("Altai") - Incentive Stock Option**

On July 3, 2003, the following stock options have expired without being exercised.

<u>Name of Optionee</u>	<u>Position</u>	<u>No. of Option Shares Expired</u>	<u>Option Price</u>
Niyazi Kacira	Officer	133,000	\$0.35/share
Maria Au	Officer	<u>30,000</u>	\$0.35/share
		163,000 shares	

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On July 23, 2003 Niyazi Kacira has exercised stock option of 120,000 shares at exercise price of \$0.10 per share.

Including the above stock option cancellation and exercise, Altai's number of outstanding stock option shares is 1,753,000 shares, leaving 330,000 shares reserved for future stock option allocation under the 2002 Stock Option Plan.

Yours sincerely,

ALTAI RESOURCES INC.

Maria Au
 Secretary-Treasurer

c.c. Ontario Securities Commission
 Commission des Valeurs Mobilières du
 Québec
 British Columbia Securities Commission
 Alberta Securities Commission

✓ (By Mail)
 United States Securities & Exchange
 Commission
 - Attn: Office of International Corporate
 Finance