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THE TIMELESS PRECIOUS METAL FUND

**BULLION RIVER GOLD CORP. (OTC BB:BLRV): FOLLOW-UP NO 4/May 12,2006**

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<b>BULLION RIVER GOLD CORP: RETURN ON USD 10,000 INVESTMENT</b>					
<u>Purchase Date</u>	<u>No. of Shares</u>	<u>Purchase Price</u>	<u>Cost (USD)</u>	<u>Price Today</u>	<u>Value Today</u>
September 16, 2004	18'200	0.55	10'010.00		
<b>Total</b>	<b>18'200</b>	<b>0.55</b>	<b>10'010.00</b>	<b>0.96</b>	<b>17'472.00</b>
<b>Profit</b>					<b>7'462.00</b>
<b>Profit (in %)</b>					<b>75%</b>



<u>SHARES ISSUED / FULLY DILUTED</u>	<u>MARKET CAP</u>
48,840,375 / 75,750,511	USD 46.9 Million
<u>52 WEEK LOW / HIGH</u>	<u>AVERAGE VOLUME OTC BB</u>
USD 0.4102 to 0.99	131,300 (200-day)
<u>RECOMMENDATION</u>	<u>RISK RATING</u>
BUY	HIGH

## **GOLD WITH A FOCUS ON CALIFORNIA AND NEVADA**

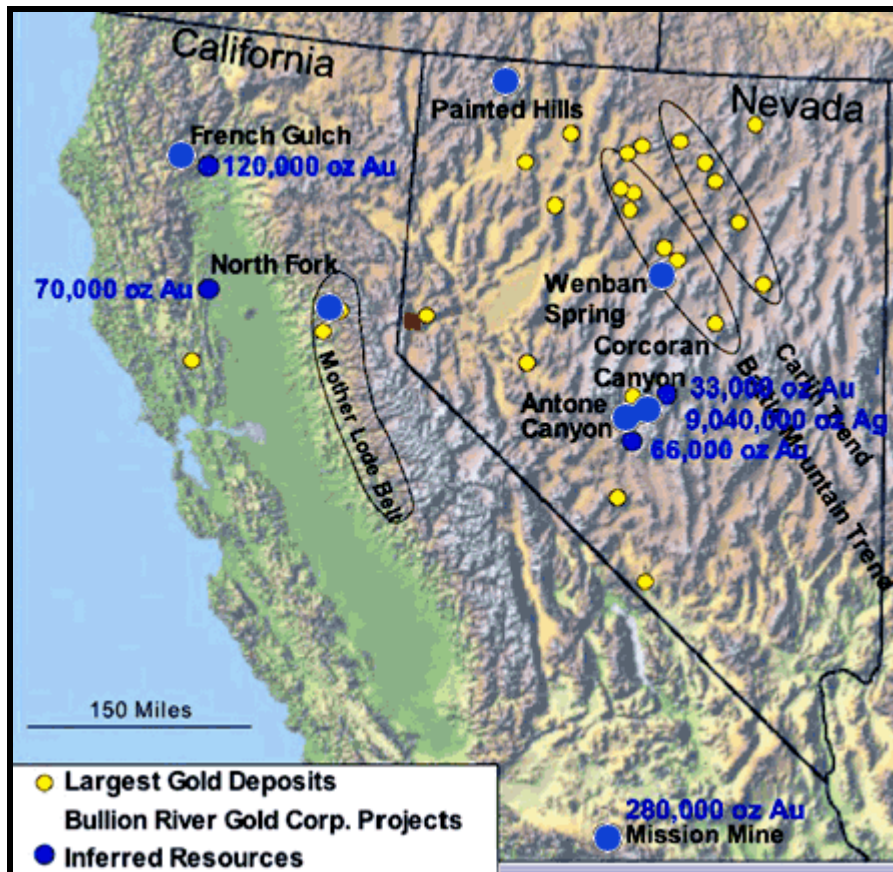
### **Business Summary**

is a mineral exploration company focused on discovering and mining gold and silver in the historically rich - and presently quite promising - **western United States**, including **Nevada and California**. Though less than three years old, Bullion River is poised to become a significant gold producer this year and into the foreseeable future.

Bullion River focuses on high-grade deposits with high-volume potential in the politically stable and predictable confines of the United States, thereby reducing shareholder risk while maximizing the potential for significant returns.

The primary focus is **Nevada's prolific Great Basin**, the world's third-leading gold producer. Bullion River also has interests in the historically rich **Motherlode belt of California**, which it feels hasn't been adequately explored.

All properties have produced high-grade samples.



## French Gulch Property

### Location and History

The French Gulch Project is located 15 miles northwest of Redding in Shasta County, northwestern California, and contains a **series of under explored high-grade, mesothermal gold-bearing quartz veins**. Historic underground mining at the Property's Washington and Niagara mines from 1852 through 1950 yielded an estimated 185,000 ounces of gold. During the mid 1990's, private companies mined approximately 19,000 ounces of gold at the Washington mine from ore grading about 1 opt Au, including 8,800 tons grading 1.13 opt Au.

### Property

French Gulch (Nevada) Mining Corp., a wholly owned subsidiary of Bullion River Gold Corp., controls approximately 2.3 square miles of patented and unpatented mining claims. The patented claims and most of the unpatented claims are under lease with an option to purchase, with some of the unpatented claims owned directly by French Gulch Mining/Bullion River Gold Corp. French Gulch Mining Corp. has exercised its option to purchase the property and has commenced making payments to the owner until the purchase price of \$1.5M has been paid.

### Potential

**The recent discovery of the Lucky-7 vein in 1990, points to the significant exploration potential of the property as a whole.** There has been very limited exploration drilling from surface and underground. The Washington and Lucky-7 veins in the Washington mine contain significant ore shoots that remain open to depth. In addition, field evidence and historic data indicate that significant potential exists for additional high-grade veins on the property, particularly along strike of the Washington and Niagara mine areas. The vertical extent of high-grade mineralization is also expected to be significant.

Although coarse visible gold is common, grades and vein thicknesses show a strong consistency within ore shoots. In the recently mined Lucky-7 vein in the Washington mine, channel samples across the vein showed consistently high grades over a strike length of 120 feet and a dip extent of 220 feet. Of 149 samples collected along the main ore shoot, the average grade was 2.79 opt Au across an average width of 4.6 feet; 78 of the samples graded above 1 opt Au.

### **Action Plan and Reserve Development**

Bullion River Gold began an aggressive program of underground core drilling and surface reverse-circulation drilling in January 2005, to test the down-dip projection of ore shoots at the Washington mine and test for vein extensions along strike. The underground drilling was designed to cross veins on grids that are spaced tightly enough to allow for reserve definition. **The program was successful in delineating a resource area that is expected to contain about 120,000 ounces of high-grade gold at the Washington mine.** In December 2005, Bullion River Gold broke ground to open the portal and drive the 1750-foot long underground decline access tunnel, which will serve as the main production access. The decline will access the previously drilled Lucky 7#, #2, Santa Maria and Washington veins and allow for test mining of these vein systems. A 3,000 to 5,000 ton test mining of the veins will be completed around the end of the first quarter 2006. The test mining will allow for a check on grade continuity and an evaluation of the milling facility. A transition to full-scale production is expected, based on the results of the test mining. Based on current drill results, the company anticipates production of about 60,000 ounces of gold in 2006. Additional development will advance from the new decline system to access the Niagara Mine as well as provide drill stations to explore the largely untested area between the Washington and Niagara Mines. This area is thought to contain additional porphyry dike intrusives, which are associated with the ore occurrences in the Washington Mine.

### **Mill**

**The property includes an on-site mill, which operated recently and can be refurbished and expanded for production needs.** A recent technical report on the mill is included separately within the website. Initial work on the mill will be to restore the facility to 150 tons per day throughput in order to process a proposed bulk sample. Depending on the results from the bulk sampling, the mill will be upgraded to 200-300 tons per day throughput for production operations.

### **Permitting for Production**

**All operating permits are in place, and reviews are continuing concerning all issues related to the property and future mining and processing. The company is recently revised the reclamation plan to reflect changes to planned operations. Reclamation bonds are in place with the Bureau of Land Management, California Regional Water Board, and the Shasta County Department of Resource Management.**

### **North Fork Property: Opportunities**

Given the high gold grades at North Fork, the limited development, the reported widths of the veins, and its location along strike with major gold vein systems at nearby Alleghany, the project has **excellent potential for the discovery of new high-grade reserves** amenable to underground mining. There has been no systematic modern exploration on the property.

### **Nevada**

#### **Regional Geology**

The project is within a regional north-trending mineralized belt that includes the volcanic-hosted and sediment-hosted gold-silver deposits of Goldfield, Tonopah, Midway, Manhattan, Round Mountain, Gold Hill, and Northumberland.

The district contains a significant Ag-Au resource, the "Silver Reef" deposit, defined by drilling in the 1980's. An indicated and inferred resource calculated in 1988 (Pre 43-101 standard) using 50-foot cross sections is:

**1.61 million metric tonnes 175 g/t Ag 0.86 g/t Au (3.086 g/t Aueq.).**

Examples of significant drilled Ag-Au intersections in the resource area include 79.2 meters grading 8.2 opt Ag and 0.008 opt Au and 20.4 meters grading 1.20 opt Ag and 0.068 opt Au.

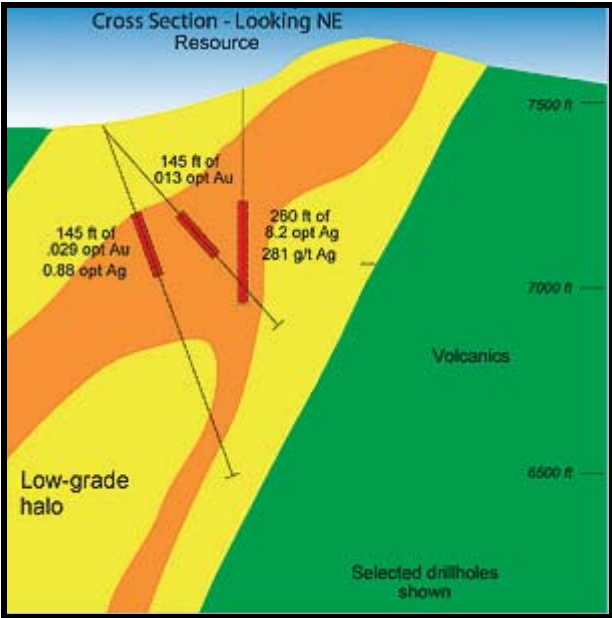
**Recent Work**

Fieldwork by Corcoran Canyon Mining Corp. in 2004 resulted in the recognition that the project contains mineralization with variable Ag:Au ratios. Recent rock-chip sampling has confirmed the presence of gold mineralization with a low Ag:Au ratio peripheral to the known Ag-Au resource. Examples include 1.47 g/t Au (9.5 g/t Ag) 1100m west of the resource and 1.7 g/t Au (9.5 g/t Ag) 400m south of the resource. Previous limited shallow drilling in these two areas has intersected gold mineralization, including .89 g/t Au (2.3 g/t high) over 15m with 4.1 g/t Ag at the first location and .75 g/t Au over 5m with 1.7 g/t Ag at the second. This Au-rich facies also contains higher As, Sb and Hg than Ag-rich mineralization.

A 3-dimensional drill model of the resource was completed in 2004, and it was recognized that gold-silver mineralization remains open along strike and at depth.

**Opportunities**

There is potential to significantly expand the known resource. Further, there is potential for mineralization to occur under post-mineral pediment cover (valley fill) east of the range front. The exposed mineral system extends to the range front, where Au-Ag mineralization and alteration occur. This site also coincides with a prominent sharp bend in the regional trends of the range-front fault system along the east side of the Toquima Range. Important Tertiary Au-Ag deposits in the Great Basin and surrounding area occur at flexure points along range-front fault systems (e.g., Round Mountain, Gold Hill, and Midway).



**Action Plan**

Plans for 2006 are to complete a phase-1 drill program to test for significant extensions to the known resource and test the pediment target. Drill sites are fully permitted and reclamation bonds are in place.

**DH 0.75 g/t Au over 5m  
1.68 g/t Au in outcrop**

### **Recent News: Bullion River Gold Corp. Breaks Ground at French Gulch Mine**

Bullion River Gold Corp. has broken ground to open the portal and drive the underground decline access tunnel. This will serve as the main production access. The company has commenced work in order to gain access to the area that the company identified for test mining from the drilling program that was completed in the first half of this year. Once the portal is set and secured the company will continue through to the bedrock with drilling and blasting until ample access to the veins has been reached. **Once the test mining and onsite milling has been completed and evaluated a decision to go to production will be made.** This decision should occur at the end of the first quarter of 2006. Based on current drill results the company anticipates production of 60,000 ounces in 2006. This will be accomplished utilizing the 220 ton per day mill that uses gravity and flotation methods only.

As an overall growth plan and development strategy for French Gulch, Bullion River Gold Corp. continues to drill and explore other areas of the French Gulch property in order to plan expansion for mining and increase production significantly in 2007. The surface drilling that begun on November 28 is the beginning of that expansion work at French Gulch.

Peter M. Kuhn, President of Bullion River Gold Corp. states: "We are very pleased with the progress we are making on our French Gulch property. After putting production bonds in place and preparing the new decline area for excavation, our crews are getting into the ground for this new decline, which will access the already drilled Lucky 7, #2, Santa Maria and Washington veins. These systems will be tested first, and, when successfully completed, provide the first gold production in 2006. In addition, this decline will allow underground access to the extensions of the known ore shoots to the west and the highly prospective Niagara vein system. Our goal is to expand the production volume to more than 100,000 ounces in 2007."

### **Fundamental Considerations**

For Bullion River, 2005 was a time to sow the seeds of prosperity. Bullion River believes in 2006 the company and its investors begin to reap the rewards.

The focus - discovering and developing gold and silver deposits in Nevada and California - has put them on the path to becoming a significant gold producer in 2006. Here is why:

### **French Gulch: Proven history, promising future**

Located in northwestern California, the French Gulch property is **a proven producer**, having yielded some 185,000 ounces of gold from 1852 through 1950 and another 19,000 ounces between 1998 and 2002. **Yet it remains under explored.** The company controls about 2.3 square miles of mining claims in this area, including an on-site mill, and last year it broke ground on an underground access tunnel that will serve as the main production access for historic gold-producing veins and for promising new formations. Bullion River also completed an environmental study that includes a solidified reclamation plan, and some 35,000 feet of exploration. It is now drilling from the surface to delineate more ore.

### **Completion of financing for French Gulch**

From November '05 to January '06, Bullion River raised more than sufficient funds in a non-brokered private placement to continue test mining at French Gulch and then to take it right into production.

### **North Fork: high-grade heaven?**

North Fork is literally part of the Mother Lode. That is, it is in the Alleghany mining district in the northern part of the Mother Lode Gold Belt in northeastern California. Bullion River feels this property also has not been adequately explored - a mistake it intend to exploit. It now controls 42 unpatented North Fork mining claims through a lease agreement. Given the historic high gold grades at North Fork, the limited development, the reported widths of the veins and its location near major gold vein systems at nearby Alleghany, the project has excellent potential. Last year it started rehabilitation of the existing decline in order to establish underground drill stations and initiate a drilling program to test

the vein system. The goal: establish an initial 250,000 ounces of high-grade mineralization. If this reserve-development program is successful we may build underground processing facilities to minimize mining operation surface impacts.

### 2006 is the year for production

The primary goal is to move into production and continue our exploration on several promising fronts.

### Technical Considerations



In 2005, investors seemed to have their doubts whether the company would be able to raise the necessary funds to continue aggressively with their production plans and their exploration programs.

From November '05 to January '06 however, Bullion River raised more than sufficient funds in a non-brokered private placement to continue test mining at French Gulch and then to take it right into production.

As we said, before, in bull market, the sellers of today are the buyers of tomorrow. In the case of Bullion River, those investors who sold last year around 50 cents, may well regret today having done so.



**Peter Zihlmann**



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**THE TIMELESS PRECIOUS METAL FUND**

is a shareholder in the company and will benefit from any increase in the company's share price.

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Disclosure: The author has not been paid to write this article nor has he received any other inducement to do so. The author is a shareholder in the company and will benefit from any increase in the company's share price.

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