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GCNL #48 10 MAR 1986

RHYOLITE RESOURCES INC. (RHY-V)

Vein	Type of Sample	Width	Oz. Gold/T	Oz. Silver/T
Silver Tip	Channel	4 Feet	0.597	1.55
"	"	4	1.209	2.48
"	"	4	2.614	3.65
"	"	4	1.193	1.74
"	"	4	2.082	2.90
"	"	4	1.811	1.70
"	"	3	0.964	1.60
Nancy Bell	Representative	4	0.259	2.22
"	"	4	0.761	3.44
"	"	4	0.212	3.16
"	"	4	0.665	2.00
Thyee	Channel	6	0.589	2.02
"	"	1	0.134	0.56
"	"	6	0.688	1.44

PROGRESS ON 2 GOLD PROPERTIES
ON TEXADA ISLAND IS REVIEWED

John A. Stewart, president of Rhyolite Resources Inc., announces that following a two-week shut down the gold ore concentrator on Texada Island, B.C. will continue a bulk sampling program on material from various locations. Ore from the Holly claim, which has averaged better than 0.5 oz. gold per ton to date, will continue to be the main test feed for the system. Initial commercial production is expected to be 50 tons ore per day with the prospect of an increase to 150 tons per day later in the year.

Also on Texada Island, the Surprise Mountain prospect, of 10 Crown granted claims, known historically as the Silver Tip-Nancy Bell-Thyee group, is being stripped and sampled. Assay results just received are as

shown in the table. All samples were cut at about 5-foot intervals along the vein across the approximate width shown.

GCNL #103 29 MAY 1986

RHYOLITE RESOURCES INC. (RHY-V)

ZONE	WIDTH	OZ. GOLD/T	OZ. SILVER/T
Silver Tip	4 Feet	0.597	1.55
	4	1.209	2.48
	4	2.614	3.65
	4	1.193	1.74
	4	2.082	2.90
	4	1.811	1.70
	3	0.964	1.60
Nancy Bell	4	0.259	2.22
	4	0.761	3.44
	4	0.212	3.16
	4	0.665	2.00

DRILL CORE ASSAYS AWAITED - Jon A. Stewart, president of FROM TEXADA ISLAND CLAIMS Rhyolite Resources Inc., announces that 11 diamond drill holes have been completed on their Nancy Bell-Silver Tip claims in the Surprise Mountain area of Texada Island. These new zones were found through geological exploration early this year. All 11 holes encountered gold, silver, copper, zinc mineralization. In 6 of the holes the gold was visible. The cores are in for assay. Drilling is continuing.

The Silver Tip zone has been traced for over 1200 feet on surface and is open at both ends. Drilling has indicated a true width of 4 to 8 feet. A 600 foot section was exposed and a series of trench samples taken at 50 foot intervals. Visible gold was present in the six holes on this zone. Drilling is continuing.

The Nancy Bell zone is indicated by geological mapping to have a potential length of 9,000 feet. A 1,000 foot section has been traced on surface, of which 250 feet were exposed. Drilling has indicated a true width of about 20 feet. Trench samples taken at 50 foot intervals returned assay results shown in the table. Five holes have been completed, all having mineralization.

Both the Nancy Bell and Silver Tip deposits are on major shear zone structures and so have potential for significant tonnage.

RHYOLITE RESOURCES INC. (RHY-V)
RODDY RESOURCES LTD. (ROD-V,T) 92F261
JOINT VENTURE FORMED ON - Rhyolite Resources Inc. and TEXADA ISLAND PROPERTY Roddy Resources Inc. have formed a joint venture whereby Roddy can earn 50% interest in Rhyolite's gold property and equipment on Texada Island, B.C., by paying the capital and operating expenses to production of \$310,000. Rhyolite will be operator. A management committee comprising a representative from each company will be responsible for developing the overall planning, implementation and production programs.

The mill will be completed with an initial capacity of 75 to 100 tons of ore per day, readily expandable to 200. Engineering has been completed and all permits and reclamation bonds are in place. Completion to start-up is expected to take about 60 to 90 days. Construction will start immediately.

GCNL #147 31 July 1986