



Southern Rio Resources Ltd.

Southern Rio Expanding New Gold-Silver Zone

After exploring in South America for about 10 years, Southern Rio Resources Ltd. [SNZ-TSXV] underwent a management change in the summer of 2001 and concluded there was no place like home. Headed by Lindsay Bottomer, P.Geo., president/CEO, the company has four mineral projects in central British Columbia, the 3T's, Dani, Trout and Sam, one in southern BC, the Duke, and one in northwest Ontario called the Minnitaki. The 3T's property, the company's primary focus, has generated encouraging exploration results from last year's and this spring's work and is currently the subject of an exploration program designed to expand the known gold/silver zones.

Located at the southern end of the Nechako Plateau about 200 km southwest of Prince George, the 3T's project comprises the Tsacha, Taken and Tam claim groups encompassing an area of some 34 square km. A total of nine mineralized veins have been discovered on the three claim groups with more veins likely lurking beneath the cover of the glacial till. While both the Tsacha and Tam claims are known to host low sulphidation epithermal gold/silver veins, the current work is following up last fall's good drill results on the Ted Vein, located on the 100%-owned Tam claims (1% net smelter return royalty).

In October 2002, a four-hole diamond drill program on the Ted Vein returned 26.90 metres grading 1.29 grams gold/tonne and 237.2 grams silver/tonne in hole TT-10 that included two higher-grade sections, the first of which returned 1.9 grams gold/tonne and 358 grams silver/tonne and the second assaying 2.12 grams gold/tonne and 426.3 grams silver/tonne over 3.2 metres. This works out to a gold equivalent of 4.68 grams/tonne for the entire 26.90-metre intercept. Drill hole TT-11 returned 11.4 metres grading 1.4 grams gold/tonne and 341 grams silver/tonne and hole TT-13 returned 12.2 metres of 2.8 grams gold/tonne and 55 grams silver/tonne.

The most recent program has yielded even better assays from the Ted Vein. Drill hole TT-16 intersected 28 metres (true width



Lindsay Bottomer, president of Southern Rio Resources, examines the Ted Vein outcrop on the Tam claim group at the 3T's property.

Photo courtesy Southern Rio Resources Ltd.

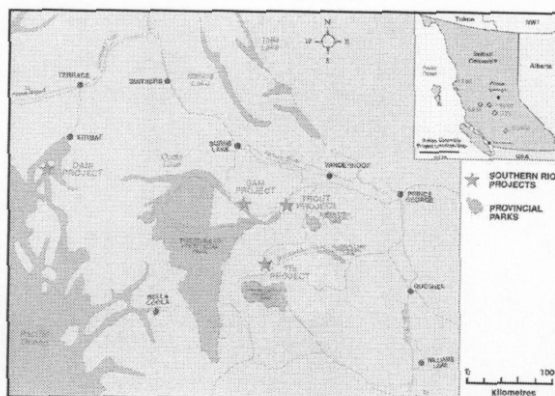
approximately 12 metres) averaging 3.78 grams gold/tonne and 137.5 grams silver/tonne that began at a down-hole depth of about 100 metres. This intercept has a higher-grade section that assayed 5.96 grams gold/tonne and 136.6 grams silver/tonne over 16 metres (true with 6.9 metres). These good widths open the possibility to develop an open pit mining operation.

The Tam claim group was drill-tested back in 1996 by Phelps Dodge which, in a limited drilling program, cut 8.5 grams gold/tonne and 383 grams silver/tonne over 23 metres in hole DDH-9. Although Phelps Dodge dropped the project due to the low gold prices at the time and a mining-unfriendly provincial government, today's higher prices and a mining-friendly government means further exploration is now warranted. Exploration on the 3T's claim groups by previous operators totals about \$2.5 million. Larry Diakow, a geologist working for the BC Geological Survey first discovered mineralization on the 3T's property in 1993.

The steeply-dipping Ted Vein, located on the southern part of the Tam property, has now been traced for over 300 metres with true widths ranging from eight to 12 metres and remains open along strike to the north, the south and to depth.

In the central part of the Tam property, the Mint Zone has also returned encouraging metal values. Six shallow holes were drilled in two "fences" in an area where numerous mineralized "float" boulders occur on surface. The drill holes encountered wide zones of quartz veins in altered rhyolite (an extrusive igneous rock) host rocks. Drill hole TT-27 returned 2.0 metres grading 8.08 grams gold/tonne and 80.4 grams silver/tonne over 2.0 metres, for a gold equivalent grade of 9.42 grams/tonne. One hundred metres further south, hole TT-25 returned 2.0 metres grading 5.48 grams gold/tonne and 127.3 grams silver/tonne for a gold equivalent grade of 7.6 grams/tonne. The Mint Zone remains open along strike and to depth.

The Tsacha property, which mostly surrounds the Tam property,





mining stocks to watch



A half-section of diamond drill core from hole TT-16 showing typical high-grade gold-silver mineralization from the Ted Vein. This hole returned 28 metres grading 3.78 grams gold/tonne and 137.5 grams silver/tonne.

Photo courtesy Southern Rio Resources Ltd.

hosts multiple gold/silver epithermal veins in a geological environment similar to that at the Blackdome Mine to the south as well as veins at the Midas Mine in Nevada and the El Penon Mine in Chile. Southern Rio may earn a 100% interest in the Tsacha claim group from Teck Cominco by spending \$1.2 million on exploration over three years. Previously, Teck Cominco (then Teck Corp.) had drilled over 16,000 metres on the Tsacha property and identified seven mineralized veins. The Tommy Vein has an inferred resource of 470,000 tonnes grading 7.40 grams gold/tonne and 65.22 grams silver/tonne for a gold equivalent of 8.33 grams/tonne. This resource represents 112,000 contained ounces of gold and 987,000 contained ounces of silver down to a depth of about 150 metres. Last fall, drilling by Southern Rio extended the Tommy Vein for 400 metres to the north, bringing the known length of the Tommy Vein to nearly one km while remaining open to the north.

The Taken property, located in the northeast part of the 3T's claim groups, is subject to an option agreement whereby Southern Rio can earn a 100% interest from Phelps Dodge Corp. by spending \$250,000 on exploration over three years. Earlier prospecting by Phelps Dodge located mineralized float boulders grading up to 19.2 grams gold/tonne and 148 grams silver/tonne. This property has yet to be drilled.

The summer exploration program at

the 3T's property will include geological mapping, prospecting and geophysical surveys. This work will lead to a late summer or fall drilling program that will target various prospective areas on the large property.

The 100%-owned Trout and Sam properties are also located in the Nechako Plateau region and, again, Southern Rio is seeking economic epithermal gold/silver targets. Located 60 km and 100 km southwest of Vanderhoof, respectively, the Trout and Sam properties have seen some past drill programs that provided

encouraging assays. The Trout claims returned 3.82 grams gold/tonne over 20.0 metres and the Sam claims returned 7.12 grams gold/tonne and 27.5 grams silver/tonne over 1.5 metres. The company is planning an initial exploration program on the Trout and Sam claim groups for this summer.

"The entire district on the Nechako Plateau is prospective for mineralization," says Robert Weike, P.Geo., consulting geologist for Southern Rio. "We are looking at other attractive mineral property acquisitions in the district." 