

NO.251(1990)
DECEMBER 31, 1990

George Cross

Reliable

CONSOLIDATED RHYOLITE RESOURCES INC.
(PROPOSED NEW NAME)

RHYOLITE RESOURCES INC.

(Cease traded VSE Nov.10,1989)

REACTIVATION PLAN AND FUNDING - Jack Lovelock,
SEEKING REGULATORY APPROVALS secretary, has reported
Rhyolite Resources' plan
to reactivate. J.Kowalchuk, J. Bissett and Jon Stewart
have resigned as directors. New directors are: Anthony
Papalia, Robert Papalia, Jack Lovelock and Brent Griffin.

By a May 15,1989, joint venture agreement, Anthony
Papalia and Robert Papalia undertook to fund the
exploration on the Yew Group Exclusion claims on Texada
Island, 110 miles north of Vancouver, B.C. to the extent
of \$200,000 for a 50% property interest. They have
provided additional funds to expand the mill from 50
tons per day to 200 tons per day. Additional equipment
is currently being installed. The mill is scheduled to
be tuned up in February and start production testing in
March. The mill feed for the test is estimated to grade
2% copper, 0.50 oz. gold/ton.

A Nov.27,1990, report by Neil Y.Froc, P.Eng.,
concluded the total value of the estimated contained
metal on the property at \$2,400,000. The company
reported, two vertical shear zones, one 10 feet and, one
70 feet wide by over 200 feet long, have been
uncovered. Both contain some visible gold and massive
sulphides. A drilling program to define reserves along
strike and at depth is planned to begin mid January 1991.

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