84-#937 – 12701
10/85

ASSESSMENT REPORT

DIAMOND DRILLING

LAST LINK, GERALD D, HAROLD D, DANDY FRACTION,
PORTION OF VICTORIA, PORTION OF TEXADA, CLIMAX, LINDSAY,
AND CRACKER JACK FRACTION
(PART OF HOLLY GROUP)

Nanaimo Mining Division
NTS 92 F/10 E
Lat.: 49°44' N
Long.: 124°36' W

Owner: Stanley & Dianne [illegible]
4469 Belmont Avenue
Vancouver, B.C.

Operator: Rhyolite Resources Inc.
300 - 535 Thurlow Street
Vancouver, B.C. V6E 3L2

Work Carried Out: October 2, 3, 5, 7, 8, 13-17, 20, 1983
January 20-24; February 3-6, 1984

R. Wares, P.Eng. October 1984 Vancouver, B.C.

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LIST OF FIGURES

1. INTRODUCTION

In October, 1983 and January, 1984, a limited drill programme was carried out to assess strike and dip extensions of the surface mineralization.

1.1 Location

The Holly Group of claims is located on Texada Island, British Columbia, in the Nanaimo Mining Division (NTS 92F/10E). The claims are located 3 km southwest of Vananda (Fig. 1).

1.2 Access

Access to the claim group is by logging road from the (former) Ideal Cement haul road. The survey area is traversed by a number of haul roads that facilitate access. Four wheel drive transport is necessary.

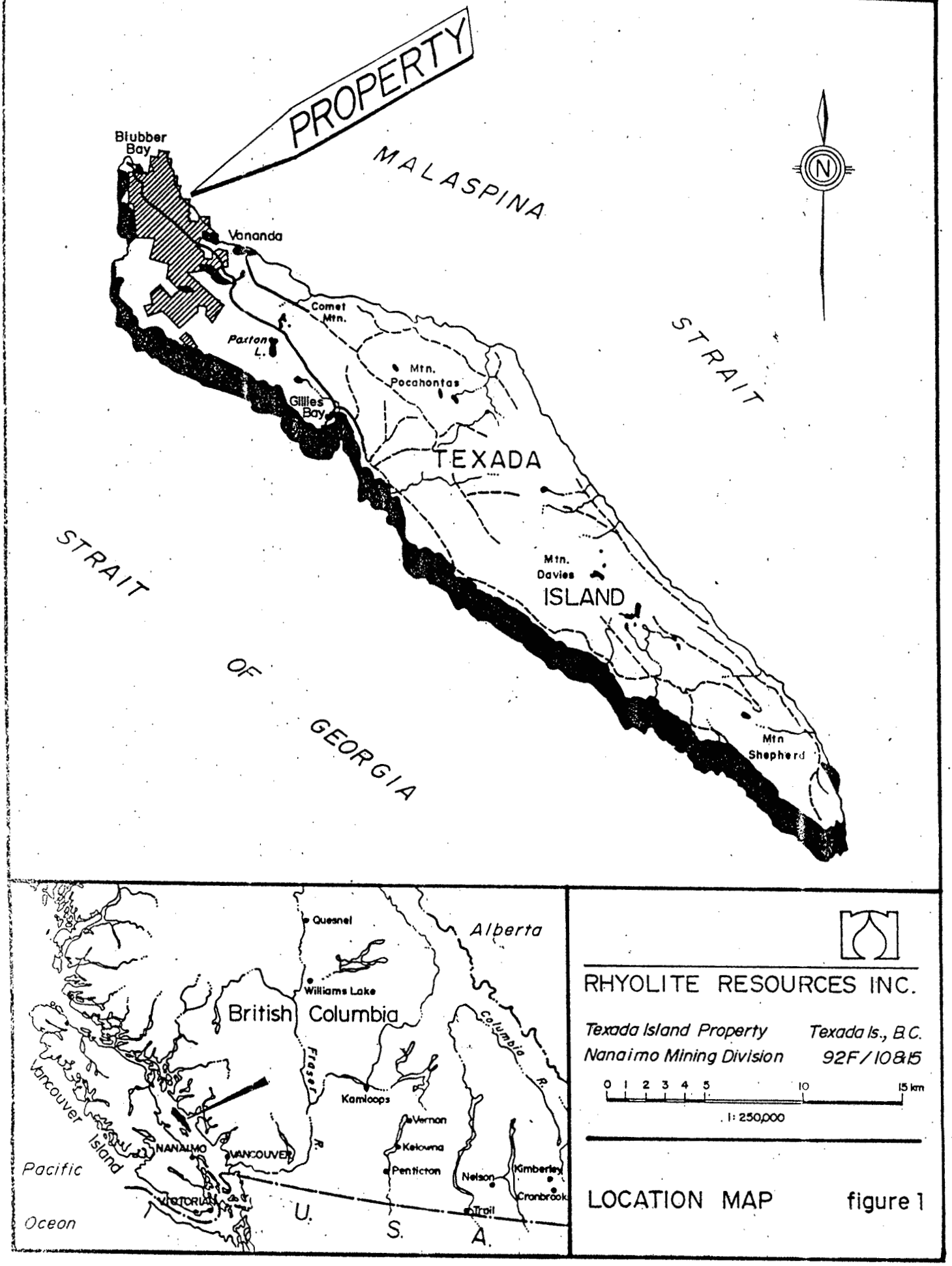
1.3 Topography

The survey area ranges in elevation from 150 to 220 m. The area has been partly logged. Isolated patches of naturally reseeded second growth is present.

1.4 Claim Status

The status of the claims (Fig. 2) is as follows:

Claim Name	Record No.	Owner	Date of Record
LAST LINK	109	S. Beale	October 1
GERALD D	110	"	October 1
HAROLD D	111	D. Beale	October 1
DANDY FRACTION	112	S. Beale	October 1
PORTION OF VICTORIA	179	"	October 4
PORTION OF TEXADA	180	"	October 4
CLIMAX	181	"	October 4
LINDSAY	182	"	October 4
CRACKER JACK FRACTION	183	"	October 4



RHYOLITE RESOURCES INC.

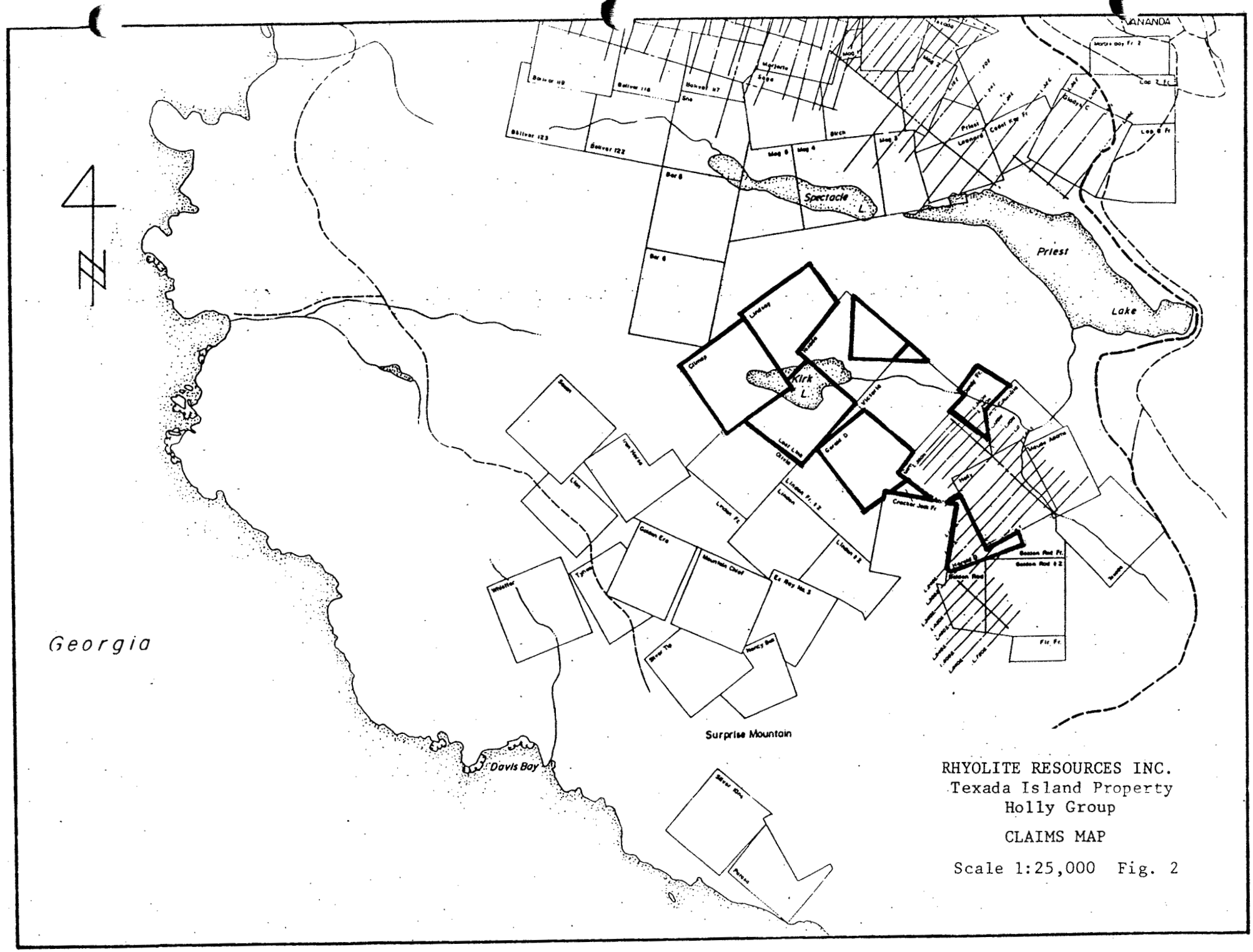
Texada Island Property — *Texada Is., B.C.*

Nanaimo Mining Division — *92F/10&15*

0 1 2 3 4 5 10 15 km

1: 250,000

LOCATION MAP figure 1



RHYOLITE RESOURCES INC.
Texada Island Property
Holly Group

CLAIMS MAP

Scale 1:25,000 Fig. 2

1.5 Previous Work

Previous work in the area comprised physical excavation of a gold bearing pyritic replacement zone along a fault. Prospecting activity resulted in delineation of this zone.

In September, 1983, a magnetometer survey was carried out to define (where possible) controls and distribution of the fault zone (as yet unnumbered assessment report).

2. GEOLOGY AND MINERALIZATION

2.1 Geology

The general geology of the survey area is that of a heterogeneous assemblage of volcanic breccias and volcaniclastic debris, cut by a number of strong fault linears. Small microdiorite dykes are emplaced along the fault linears.

These linears are evident in air photographs of the area. Initial interest in the area developed from the discovery of gold bearing mineralization on the flanks of a diorite dyke at 320 S, 600 W. Local prospectors hand cobbed a small shipment of material with good (> 2 oz. Au/ton) values.

Within the survey area, there are two major linears. One, termed the Golden Rod linear, trends from 300 S, 585 W, to 660 S, 850 W. Another linear, clearly evident in the field, runs from 360 S, 585 W, to 720 S, 690 W.

To the west of the Golden Rod linear, outcrops comprising matrix supported volcanic breccias are present. Bedding attitudes are indeterminable in the field.

2.2 Mineralization

The focus of attention on the property is the Golden Rod gold occurrence. This comprises a microdiorite dyke emplaced along the fault zone. The flanks of the dyke, up to 3 m wide, are marked by 0.1 to 0.4 m pyritic replacement zones. Minor and variable pyrite is present within the dyke itself. Isolated specks of native gold have been observed on the walls of the shear zone.

Along the linears, scattered pyrite has been observed in minor amounts. The linears are largely covered with debris and their economic significance is undetermined. Field observation shows some peripheral alteration along the linears. This is marked by pervasive chlorite-carbonate alteration in the flanking volcanic breccias.

3. DRILLING PROGRAMME

3.1 Objectives

The objectives of the drill programme on the Holly Group were to determine:

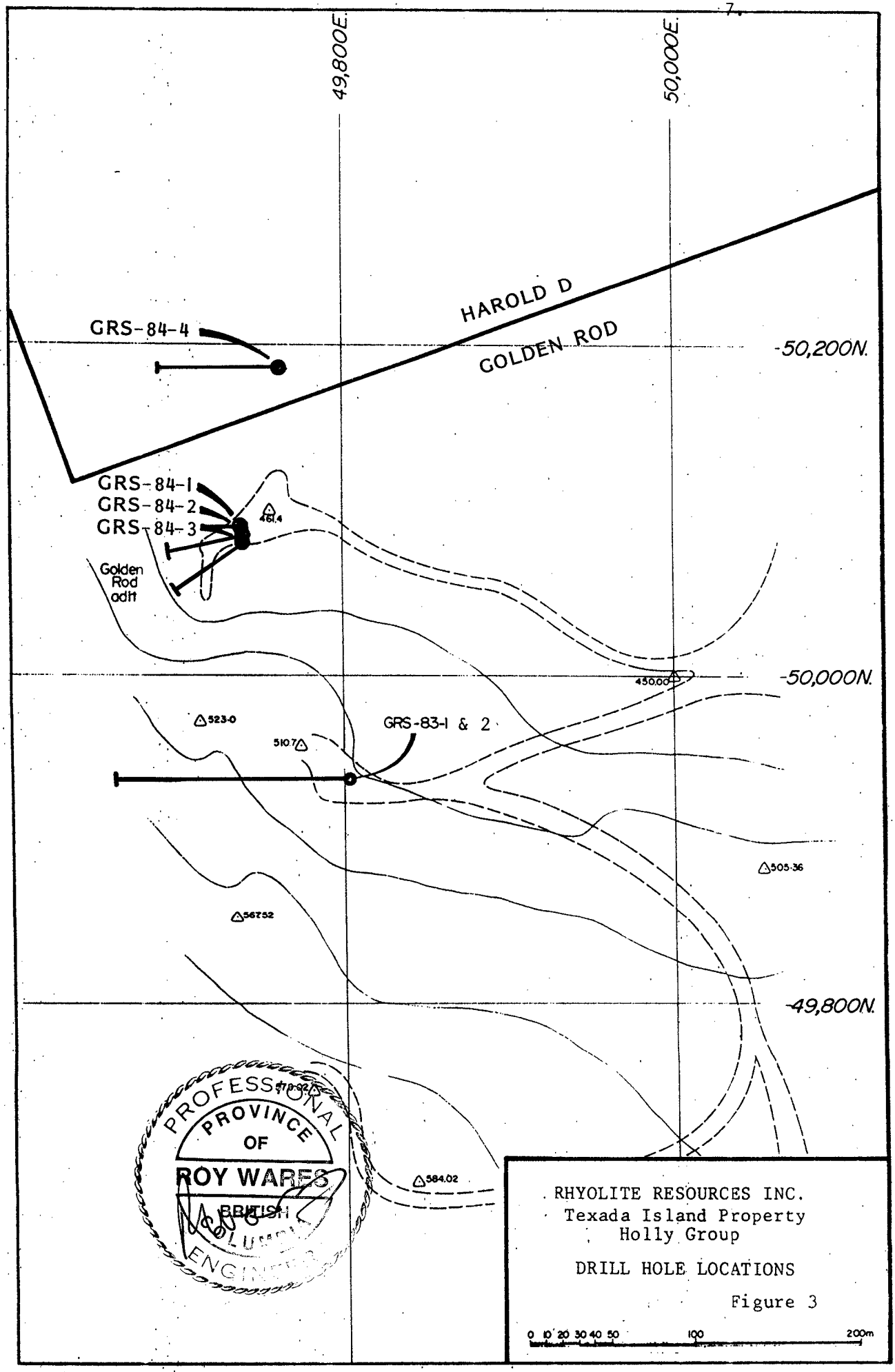
a) strike and dip extensions of the mineralization observed in the Golden Rod adit,
b) grade and control of the identified mineralization,
c) possibility of a limited tonnage accessible as mill feed.

The objectives were examined by flanking drill holes to the north and south of the surface mineralization (Fig. 3).

3.2 GRS-83-1, 2

These holes, totalling 147.25 m, were drilled to the south of the adit. They were drilled to intersect both the strike extension of the Golden Rod zone, but also to test the down dip extension of a stringer quartz zone observed on surface. The latter has been observed to produce some fine native gold in crushed samples.

Hole GRS-83-1 intersected a volcanic breccia to 27.95 m. It has subangular fragments of meta-basalt in a fine grained chlorite-carbonate matrix. A shear zone at 13.5 m had 3% disseminated pyrite in the margins. Pyrite is occasionally developed at the margins of the fragments. From 29.56 m to 33.1 m, the microdiorite dyke is present. The microdiorite dyke is in contact with a grey fine grained limestone, with a skarn zone from 34.7 to 35.5 m, carrying minor garnet. A shear zone was present from 41.8 to 42.4 m, with a mylonitic texture. The footwall zone is a medium to coarse grained volcanic arenite.


49,800E.
50,000E.
HAROLD D
GOLDEN ROD
GRS-84-4
-50,200N.
GRS-84-1
GRS-84-2
GRS-84-3
461.4
Golden Rod adit
450.00
-50,000N.
523.0
GRS-83-1 & 2
510.7
505.36
567.52
-49,800N.
584.02
PROFESSIONAL
PROVINCE
OF
ROY WARES
BRITISH
COLUMBIA
ENGINEER
RHYOLITE RESOURCES INC.
Texada Island Property
Holly Group
DRILL HOLE LOCATIONS
Figure 3
0 10 20 30 40 50 100 200m

Hole 83-2, drilled to a depth of 92.04 m, intersected the microdiorite dyke at 44.9 to 60.04 m. The dyke had 2-3% fine grained pyrite at the dyke margins. A thin limestone sequence was encountered. The footwall rocks were volcanic arenite, as above. Assay data in both holes were low and gave no economic interest.

3.3 GRS-84-1, 2, 3

The objective of these holes was to test the strike and down dip extent of the Golden Rod zone.

The holes were collared to the north of the adit (Fig. 3). Hole GRS-84-1 was drilled to a depth of 14.32 m. To 5.5 m, the core was broken, oxidized volcanic arenite. Traces of pyrite were observed in core chips, but recovery was low (10%). To 9.75 m, though recovery was low, the hole intersected broken microdiorite with some kaolin alteration. It was extensively oxidized. To 14.32 m, the hole intersected a grey/green volcanic arenite, with some secondary kaolin, overgrowth on feldspar clasts, and some sections with fine magnetite.

Hole GRS-84-2 was angled slightly to 84-1, to avoid the oxidation zone. To a depth of 6.71 m, core recovery was poor with sand seams, cobble material and fragments of volcanic arenite. From 6.7 to 20.43 m, the hole intersected the microdiorite dyke. Feldspars were epidotized and some secondary kaolin was present. Traces of pyrite are present in the dyke, with 2-3% pyrite both disseminated and in fine fractures from 18.29 m to 20.43 m. A 10 cm zone with chalcopyrite and traces of visible gold was observed at 9.75 m. Other thin quartz or quartz calcite stringer zones were observed. From 20.43 to 31.1 m, the hole intersected volcanic arenite, variable in grain size with some fine magnetite present. Minor pyrite was observed.

Hole GRS-84-3 was drilled at an oblique angle, under the "short" adit. The hole was cased to a depth of 5.79 m. From 5.79 to 8.84 m, it intersected a fine grained dyke with 3.5% disseminated pyrite. It then cut a 0.60 m section of a schistose zone and then, to 11.28 m, a grey, sheared, limestone. From 11.28 m to 24.09 m, the hole cut an altered microdiorite dyke, with a sheared contact at 24 m. Some kaolin is associated with this zone. Pyrite is low but shows an increase towards the margins. The rest of the hole, from 24 m to 32.12 m, cut a fine grained volcanic arenite.

Assay data on all three holes returned values of less than economic interest. The best value (#23334) of 0.06 oz. Au/ton was found over a 1.0 m sample.

3.4 GRS-84-4

This hole was drilled to a depth of 41.16 m. The objective of the hole was to test the northern extent of the Golden Rod zone.

The hole was cased to a depth of 6.6 m. From 6.6 m to a depth of 23.48 m, the hole encountered a dark green volcanic arenite with epidotized feldspar clasts. The core was soft and chloritized over a considerable width but with no concomitant fault break. A clay admixture with a fault breccia was present at 23.2 m.

From 23.48 m to a depth of 41.16 m, the core intersected a zone of texturally uniform volcanic arenite with 30-35% secondary hornblende. The core was broken and blocky.

No sulphides on the control dyke were encountered.

3.5 Interpretation

The drilling data has shown that the host geological structure has a limited strike extension to the north of the surface workings.

The surface and drill information shows that the micro-diorite dyke that is spatially associated with the gold bearing zone, is not always on the footwall of the fault zone. This is clearly shown in GRS-83-1 and 2. The stratigraphy, as revealed in Section #1, is a flat lying trace. The narrow limestone in GRS-84-3 suggests a simple northerly dip.

The basic data suggests a displacement of the Golden Rod zone between GRS-84-1 and 84-4. Some displacement is also present in 84-3.

Gold values show a discrepancy between surface values and down dip values. In part, this may be attributed to surface enrichment and also to a change in character of sulphides from a narrow but massive pyrite zone (in the adit) and a wider but disseminated zone in 83-1 and 2.

4. SUMMARY AND CONCLUSIONS

1. The drill programme on the Holly Group was directed at delineating strike and down dip extensions of the gold bearing pyritic zone observed on the face of a short adit.

2. The Golden Rod shear zone hosts the pyritic replacement zone. The shear zone carries a microdiorite dyke. The footwall of the zone is masked by a narrow, auriferous pyrite replacement zone with scattered marble gold.

3. The shear zone and dyke cut a heterogeneous assemblage of volcanic breccias and volcaniclastic nodes.

4. The drill data shows lateral change from narrow massive pyrite to a broader disseminated pyrite zone along strike. To the north, the Golden Rod shear zone appears to be cut off by a transverse fault.

5. Gold values in drill core show low, non-economic values. There is a distinct possibility of some surface enrichment of gold values in the adit.

6. The area of the showing does not appear to offer economic encouragement. Prospecting along the fault linears still has some merit.

STATEMENT OF EXPENDITURES

Phase 1, October, 1983:

Supervision, core logging, R. Wares - Oct. 3,5,7,8,13,14,15,16 - 8 days @ $150/day	$ 1,200.00	
Room/Board, 8 days @ $11/day	88.00	
Drill Moves, Oct. 2,3,17,20 - 14 hrs @ $75/hr	1,050.00	
Lowbed Moves	300.00	
Assays	570.15	
Diamond Drilling, 489' at $18/ft	8,802.00	
Ferries, Field Cost	657.80	
Field Transport - 15 days at $30/day	450.00	
- 420 km at 0.30/km	126.00	
		$13,243.95

Phase II, January and February, 1984:

Supervision, core logging, R. Wares - Jan. 20,21,22,24, Feb. 3,4,5,6 - 8 days @ $150	$ 1,200.00	
Room/Board, 8 days @ $11/day	88.00	
Drill Moves, Jan. 20-25 - 30 hrs. @ $80/hr	2,400.00	
Lowbed Moves	350.00	
Assays	462.00	
Diamond Drilling, 391' at $18/ft	7,038.00	
Ferries, Field Cost	1,207.20	
Fuel, Drill Parts	1,112.40	
Field Cost	980.00	
Field Transport	250.00	
		$15,087.60
TOTAL, Phase I and II:		$28,331.55

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
ROY WARES

R. Wares, P.Eng.

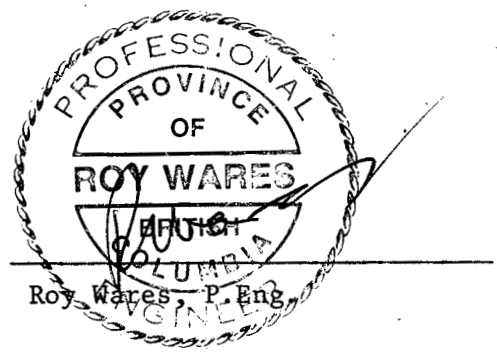
CERTIFICATE OF QUALIFICATIONS

I, ROY WARES, with a business address in the City of Vancouver, British Columbia, do hereby certify that:

1. The work described herein was carried out under my supervision in the field.

2. I am a registered member in good standing of the Association of Professional Engineers of British Columbia.

3. I have practised various levels of my profession in Canada, the U.S.A. and the U.K. for the past nineteen years.



Roy Wares, P.Eng.

Vancouver, B.C.
October 1984

APPENDIX I

Drill Logs

DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-83-1

DIP TEST		
	Angle	
Footage	Reading	Corrected

Hole No. _____ Sheet No. _____ Lat. _____ Total Depth _____

Section _____ Dep. _____ Logged By _____

Date Begun _____ Bearing _____ Claim _____

Date Finished _____ Elev. Collar _____ Core Size _____

Date Logged _____

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE	AU/T.	AG/T.		
0	1.82m		Casing								
1.82	27.95		Volcanic breccia, fragments of dark grey sub-angular								
			metabasalt in chlorite/carbonate matrix; from 12.8 to								
			14.32 m., fine grained chlorite schist with sec. hbl. and								
			3% diss. py.; core broken at 13.5 to 13.7 m.; from	23725	10.1	10.5	0.4 m.	0.006	0.10		
			10.05 to 10.30 m., shear zone with 3% py. at 40° to CA;								
			sparse filaments of sec. calcite present; vuggy sec.								
			calcite at 11.3 m. to 13.72 m; from 12.8 to 13.1 m, 3%	23726	12.81	13.41	0.60	0.001	0.01		
			py. in margins of shear zone; scattered coarse sec.	23727	13.41	14.41	1.0				
			calcite blds. present; remnant fragments often have								
			fine pyrite present in alteration kernels.								
27.95	29.56		Finer grained zone, transitional from above with scattered								
			sec. hbl; cleavage at 55° to CA; sec. calcite across								
			foliation at 60° and 30° to CA;								
29.56	33.10m		Microdiorite dyke, fine to med. grained; fine grained,								
			sheared at 29.6 to 30.1 m.; fine grained phase from	23728	29.25	29.75	0.50	0.010	0.02		
			31.8 to 32.1 m., with traces py. present; lower contact	23729	30.5	31.5	1.0	0.001	0.01		
			at 50° to CA; scattered sec. calcite filaments at 30° to CA; from 31.2 to 31.6 m.								

DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-83-1

DIP TEST		
	Angle	
Footage	Reading	Corrected

Hole No. _____ Sheet No. _____ Lat. _____ Total Depth _____

Section _____ Dep. _____ Logged By _____

Date Begun _____ Bearing _____ Claim _____

Date Finished _____ Elev. Collar _____ Core Size _____

Date Logged _____

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE	AU./T.	AG./T.		
33.1	34.74		Limestone, grey, fine grained with fine lamination at	23731	34.74	35.34	0.60 m.				
			60° to CA; fine trough structure presentat 34.2m.,								
			suggests "tops" up hole; sparse filaments of sec. calcite								
			present.								
34.74	35.50		Skarn zone, with sec. silicification, sec. feldspar, some								
			hornblende and scattered garnet at contact; 3% py.								
			present diminishing to trace at 35.50 m.								
35.50	41.80		Volcanic arenite, altered, with chlorite-calcite-hornblende								
			matrix; sec. calcite amygdules and sec. hbl. present;	23730	41.8	42.4	0.60				
			finer grained from 38.7 to 40.2 m., with diffused contact;								
			sec. calcite in shear at 40° to CA at 40.7 m.								
41.80	42.40		Shear zone, with mylonitic texture, sec. feldspar present;								
			5% diss. py. present; 2 cm. qtz-py stringer at 42.03 +								
			42.18 m., some sec. calcite filaments present.								
42.40	56.99		Volcanic arenite, med. to coarse grained, with chlorite-								
			calcite matrix, sec. hbl. and scattered amygdules of								
			calcite; becomes darker and finer grained from 47.8 to								

DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-83-1

DIP TEST		
	Angle	
Footage	Reading	Corrected

Hole No. _____ Sheet No. _____
Section _____
Date Begun _____
Date Finished _____
Date Logged _____

Lat. _____
Dep. _____
Bearing _____
Elev. Collar _____

Total Depth _____
Logged By _____
Claim _____
Core Size _____

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE
			49.3 m.; 4 cm. qtz. vein at 55° to CA at 49.6 m. with				
			py. in margins at 49.45 to 49.75 m.; passes back to				
			volcanic arenite as above; epidote-calcite parphyroblasts				
			become more prominent from 50 m. onwards.				
			56.99 m., End of Hole.				

PROFESSIONAL ENGINEER
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ROY WARES

DIAMOND DRILL RECORD

SUMMARY LOG

PROPERTY _____ **HOLE No.** GRS-83-2

DIP TEST		
	Angle	
Footage	Reading	Corrected
0	-60°	

Hole No. 83-2 **Sheet No.** 1 of 1
Section _____
Date Begun _____
Date Finished _____
Date Logged _____

Lat. _____
Dep. _____
Bearing 270°
Elev. Collar _____

Total Depth 92.04 m.
Logged By R. Wares
Claim Golden Rod
Core Size N. Q.

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE	Au. ozs./T	Ag. ozs./T		
0	1.82		Casing								
1.82	24.4		Volcanic breccia, sub angular basaltic fragments in								
			chlorite-carbonate matrix, 8 cm. qtz-calcite vein with cpy,								
			sph. at 13.86 m.								
24.4	29.7		Limestone, five grained calcsiltite, contact sheared at 20°	23732	13.65	14.15	9.50 m.	0.005	0.12		
			to CA; scattered pyrite at the	23733	40.8	41.3	0.50 m.	0.002	0.01		
			lower contact.	23734	44.3	44.8	0.50 m.	0.003	0.01		
29.7	44.9		Volcanic arenite, some grain size variations,	23735	44.8	45.3	0.50 m.	0.001	0.01		
			2 cm. qtz-cpy stringer at 41.1 m,	23736	45.3	45.8	0.50 m.	0.001	0.02		
44.9	60.04		Microdiorite, contact broken & sheared,	23737	45.8	46.3	0.50 m.	0.010	0.02		
			2-3% f. gr. diss. py. in finer grained	23738	46.3	46.8	0.50 m.	0.004	0.01		
			contact zone from 44.9 - 50.8 m. & 59.4	23739	46.8	47.3	0.50 m.	0.005	0.01		
			to 60.04 m.	23740	59.7	60.2	0.50 m.	0.007	0.01		
60.04	92.04		Volcanic arenite, with irregular	23741	60.2	60.7	0.50 m.	0.007	0.01		
			grain size variations; 2% f. gr. py.	23742	60.7	61.2	0.50 m.	0.003	0.08		
			in qtz-calcite shear at 20° to CA, at 78.33 m.	23743	77.0	77.5	0.50 m.	0.003	0.09		
				23744	77.5	78.0	0.50 m.	0.003	0.03		
			92.04 m., End of Hole.								

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
ROY WARES

DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-83-2

DIP TEST		
	Angle	
Footage	Reading	Corrected
	-63°	

Hole No. GRS-83-2 Sheet No. 1 of 3
Section _____
Date Begun 8/10/83
Date Finished 11/10/83
Date Logged 12/10/83

Lat. _____
Dep. _____
Bearing 270°
Elev. Collar _____

Total Depth 92.04 m.
Logged By R. Wares
Claim Golden Rod
Core Size N.Q.

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE	Au. ozs/T	Ag. ozs/T		
0	1.82m		Casing								
1.82	24.4		Volcanic breccia, grey/green chlorite-carbonate								
			matrix with sub angular fragments of								
			meta-basalt; scattered augen of secondary								
			calcite present; 5 cm. qtz. vein (barren) at								
			20° to CA. at 5.3 m; occasional thin 4 cm.	23732	13.65	14.15	0.50 m.	0.005	0.12		
			shears at 30° to CA; 8 cm. qtz-calcite vein								
			with cpy, sph at 40° to CA; at 13.86 m;								
			vuggy calcite at 12.9m., 14.95 m; core becomes								
			blocky & broken from 23.5 to 24.4 m.								
24.4	29.7m		Limestone, dark grey, fine grained calcsiltite;								
			contact sheared at 70° to CA. at 24.4m; occ.								
			thin filaments of secondary calcite at 26.4 to 28.5 m., at								
			30° & 50° to CA.; core broken in								
			thin slips at 40° to CA. at 27.7 m.; rare specks								
			of pyrite at lower contact.								

DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-83-2

DIP TEST		
	Angle	
Footage	Reading	Corrected

Hole No. _____ Sheet No. 2 of 3 Lat. _____ Total Depth 92.04 m.

Section _____ Dep. _____ Logged By _____

Date Begun _____ Bearing _____ Claim _____

Date Finished _____ Elev. Collar _____ Core Size _____

Date Logged _____

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE
29.7	44.9m		Volcanic arenite, green, with 30% feldspar clasts in green,				
			fine grained chlorite-carbonite matrix; irregular contact				
			with 1st, at 70° to CA., with "tops" up hole; secondary				
			calcite amygdules present; grades to darker	23733	40.8	41.3	0.50 m.
			grey, fine grained phase from 33.5m. to 39.5m.; secondary				
			hornblende present; 39.5 m. to 41.5 m., dark basaltic				
			aspect;	23734	44.3	44.8	0.50 m.
			2 cm. qtz-cpy stringer at 41.1 m.	23735	44.8	45.3	0.50 m.
				23736	45.3	45.8	0.50 m.
44.9	60.04m		Microdiorite, contact zone broken & sheared;	23737	45.8	46.3	0.50 m.
			fine grained from 44.9 to 50.8 m., and	23738	46.3	46.8	0.50 m.
			59.4 to 60.04 m.; qtz-calcite stringer at	23739	46.8	47.3	0.50 m.
			30° to CA., at 45.1 m.; 2-3% fine disseminated				
			pyrite in fine grained margins, diminishing to trace				
			in the medium grained hornblende microciorite from				
			50.8 to 59.4 m.				

DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-83-2

DIP TEST		
	Angle	
Footage	Reading	Corrected

Hole No. _____ Sheet No. 3 of 3
Section _____
Date Begun _____
Date Finished _____
Date Logged _____

Lat. _____
Dep. _____
Bearing _____
Elev. Collar _____

Total Depth _____
Logged By _____
Claim _____
Core Size _____

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE
60.04	92.04m		Volcanic arenite, grey/green; shear zone at	23740	59.7	60.2	0.50 m.
			40° to CA. at 61.56m.; dark, fine grained	23741	60.2	60.7	0.50 m.
			metabasalt with sec. calcite amygdules from	23742	60.7	61.2	0.50 m.
			60.04 to 63.1 m.; chlorite matrix with 30% feldspar clasts				
			(?) to 67.97 m.; more massive in character from 67.97 to				
			69.49 m.; volcanic arenite from 69.49 m. to 74.37 m.; 10				
			cm. qtz-calcite shear at 30° to CA. at 71.62 m.; finer				
			grained unit again at 74.37 to 78.33 m.,	23743	77.0	77.5	0.50 m.
			with secondary hornblende; 2% f. gr. py. in qtz-calcite	23744	77.5	78.0	0.50 m.
			shear at 20° to CA. at 77.33 to 79.4 m.; volcanic arenite				
			with chlorite matrix & 30-40% feldspar clasts from 79.4 to				
			92.04 m.				
			92.04 m., End of Hole.				

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ROY WARES

DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-84-1

DIP TEST		
	Angle	
Footage	Reading	Corrected

Hole No. 84-1 Sheet No. _____ Lat. _____ Total Depth 14.32 m.

Section _____ Dep. _____ Logged By R. Wares

Date Begun Jan. 16/84 Bearing 270° Claim Golden Rod

Date Finished Jan. 19/84 Elev. Collar _____ Core Size N. Q.

Date Logged Jan. 28/84

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE
0	5.5m	10%	Broken, oxidized, shattered volcanic arenite, with				
			sparse sec. calcite amygdules; 10 cm. sand seam in core,				
			traces py. observed in core fragments.				
5.5	9.75	25%	Broken, oxidized microdiorite, fractures // core axis;				
			extensively oxidized, traces py., some secondary kaolin.				
9.75	14.32	90%	Volcanic arenite, grey/green, 25% scattered feldspar clasts				
			with overgrowth; secondary hornblende to 30%, with some				
			pin heads kaolin in the matrix, hornblende developed				
			around calcite (after feldspar); magnetite rich section				
			(10%) over 10 cm: at 14.15m.				
			14.32 m., End of Hole.				

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DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-84-2

DIP TEST		
	Angle	
Footage	Reading	Corrected

Hole No. 84-2 Sheet No. 1 of 1 Lat. _____ Total Depth _____

Section _____ Dep. _____ Logged By _____

Date Begun Jan. 19/84 Bearing 255° Claim _____

Date Finished Jan. 21/84 Elev. Collar _____ Core Size _____

Date Logged Jan. 28/84

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE	AU/T.	AG/T.		
0	6.71m	10%	Intermixed rubble and sand seams, largely volcanic arenite								
6.71	20.43		Grey green, occasionally cream, altered microdiorite dyke,	23777	6.70	9.75	3.05 m		single sample		
			with scattered epidotized feldspar and sec. chlorite after	23778	9.75	10.37	0.62				
			hornblende, some secondary kaolin present; matrix								
			destroyed from 9.75 m. to 11.28 m., and 18.90 to 20.43;	23347	15.2	16.2	1.0 m				
			3" qtz./calcite stringer at 5° to CA at 11.12 m.; traces	23348	16.2	17.2	1.0				
			py. throughout with 2-3° diss. py., in fine fractures	23349	17.2	18.2	1.0				
			from 18.29 to 20.43 m.; broken stringer zone at 9.75, over	23350	18.2	19.2	1.0				
			5 cm., with cpy, trace visible gold. zone broken at 10°								
			to CA; stringer zone at 18.29 & 19.20.								
20.43	24.39	90%	Volcanic arenite, fine ground with '30% sec. hornblende &								
			stringer zone with py. at 20.43 to 21.64 m., at 20° to CA.								
24.39	26.83		Volcanic arenite, fine grained dark, with fine magnetite								
			to (2%) & sec. calcite amygdules.								
26.83	31.10		Gradation back to volcanic arenite with sec. hornblende;								
			epidote-hemalite alteration at 27.89 to 28.10 m.								
			31.10 m., End of Hole.								

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DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-84-3

DIP TEST		
	Angle	
Footage	Reading	Corrected

Hole No. 84-3 Sheet No. _____ Lat. _____ Total Depth _____

Section _____ Dep. _____ Logged By _____

Date Begun Jan. 21/84 Bearing 225° Claim _____

Date Finished Jan. 23/84 Elev. Collar _____ Core Size _____

Date Logged Jan. 28/84

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE	AU/T.	AG/T.		
0	5.79m		Casing								
5.79	8.84		Green/grey, epidotized and fine grained microdiorite	23317	6.40	6.9	0.50	0.001	0.01		
			dyke, extensively altered, 3-5% diss. py. with qtz.-	23318	6.9	7.40	0.50	0.001	0.01		
			calcite stringer at 70° to CA.								
8.84	9.45		Chlorite schistose sear zone with 1-3% py.	23319	7.40	7.90	0.50	0.001	0.01		
9.45	11.28		Limestone, grey, with shear foliation at 40° to CA; 8 cm.	23320	7.90	8.40	0.50	0.053	0.01		
			qtz. vein at 10.97 m.	23321	8.40	8.90	0.50	0.002	0.01		
11.28	24.09		Grey/green altered microdiorite dyke, somewhat sheared	23322	8.90	9.9	1.0	0.030	0.01		
			with trace to 2% pyrite (disseminated), sec. chlorite	23323	9.9	10.90	1.0	0.001	0.01		
			after hornblende; sulphide content shows increase to	23324	10.90	11.90	1.0	0.001	0.01		
			margins; some kaolin appearing at 19.81 to 20.5 m;	23325	16.35	17.35	1.0	0.026	0.01		
			broken contact at 24.09.	23326	11.90	12.90	1.0	0.001	0.01		
				23327	18.35	19.35	1.0	0.001	0.01		
24.01	32.12		Volcanic arenite, fine grained, with clasts of sec.	23328	19.35	20.35	1.0	0.012	0.01		
			feldspar and scattered sec. amygdules of calcite; occ.	23329	20.35	21.35	1.0	0.001	0.01		
			fine magnetite.	23330	17.30	18.30	1.0	0.023	0.01		
			32.12 m., End of Hole.	23331	21.3	22.3	1.0	0.006	0.01		

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ROY WARES

DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-84-3

DIP TEST		
	Angle	
Footage	Reading	Corrected

Hole No. _____ Sheet No. _____
Section _____
Date Begun _____
Date Finished _____
Date Logged _____

Lat. _____
Dep. _____
Bearing _____
Elev. Collar _____

Total Depth _____
Logged By _____
Claim _____
Core Size _____

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE	AU/T.	AG/T.		
				23332	22.3	23.3	1.0	0.020	0.01		
				23333	23.3	24.3	1.0	0.002	0.01		
				23334	24.3	24.8	0.5	0.060	0.01		
				23335	24.8	25.3	0.5	0.046	0.01		
				23336	25.3	25.8	0.5	0.020	0.01		

DIAMOND DRILL RECORD

PROPERTY _____ HOLE No. GRS-84-4

DIP TEST		
	Angle	
Footage	Reading	Corrected
0	-55°	

Hole No. _____ Sheet No. 1 of 1
Section _____
Date Begun Jan. 23/84
Date Finished Jan. 25/84
Date Logged Feb. 5/84

Lat. _____
Dep. _____
Bearing _____
Elev. Collar _____

Total Depth 41.16 m.
Logged By R. Wares
Claim _____
Core Size N. Q.

DEPTH FROM	DEPTH TO	RECOVERY	DESCRIPTION	SAMPLE No.	FROM	TO	WIDTH OF SAMPLE	AU/T.	AG/T.
0	6.40m		Casing						
6.40	23.48		Volcanic arenite, dark green, with epidotized feldspar						
			clasts, & sec. calcite amygdules; core soft and chloritized,						
			but no fault break at 13.5 to 17.2 m.; core soft with clay						
			mixture at 21.4 to 23.48 m.; fault breccia and gouge at						
			23.2 to 23.48 m.						
23.48	41.16		Andesite (volcanic arenite?), fine grained grey/green,						
			with 30-35% sec. hornblende; texture generally uniform;	23779	20.42	21.34	0.92 m.		
			core blocky & broken.						
			41.16 m., End of Hole.						

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ROY WARES

APPENDIX II

Assays

MIN-EN LABORATORIES LTD.
705 WEST 15TH STREET, NORTH VANCOUVER, B.C. V7M 1T2
PHONE: (604) 980-5814 OR (604) 988-4524

Certificate of Assay

TO: Rhyolite Resources
301-1285 W. Pender St.,
Vancouver, B.C.

PROJECT No. Bolivar Golden
DATE: October 14/83
File No. 3-1234

SAMPLE No.	Ag oz/ton	Au oz/ton				
23725	.10	.006				
26	.01	.001				
27	.02	.002				
28	.02	.010				
29	.01	.001				
30	.02	.001				
23731	.01	.001				

MINE-EN Laboratories Ltd.
CERTIFIED BY: .....

MIN-EN Laboratories Ltd.
Specialists in Mineral Environments
705 WEST 15th STREET NORTH VANCOUVER, B.C. CANADA V7M 1T2

PHONE: (604) 980-5814 OR (604) 988-4524 TELEX: 04-352828

CERTIFICATE OF ASSAY

COMPANY: RHYOLITE RESOURCES
PROJECT NO: GOLDEN ROD
ATTENTION: ROY WARES

FILE NO: 4-46
DATE: FEB. 2/84

We hereby certify that the following are assay results for samples submitted.

SAMPLE NUMBER	AG OZ/TON	AU OZ/TON
23309	.01	.001
23310	.01	.001
23311	.01	.001
23312	.01	.001
23313	.01	.001
23314	.01	.001
23315	.01	.001
23316	.01	.001
23317	.01	.001
23318	.01	.001
23319	.01	.010
23320	.01	.053
23321	.01	.002
23322	.01	.030
23323	.01	.001
23324	.01	.001
23325	.01	.026
23326	.01	.001
23327	.01	.001
23328	.01	.012
23329	.01	.001
23330	.01	.023
23331	.01	.006
23332	.01	.020
23333	.01	.002
23334	.01	.060
23335	.01	.046
23336	.01	.020

Certified by Eric Marks

MIN-EN LABORATORIES LTD.