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NEWS RELEASE

For Immediate Release

TSXV: RYE

Rhyolite samples 42.67 grams per tonne of gold at Brothers Project in Suriname and announces election of new strategic Board Members

Channel samples return 15.54 and 7.59 grams per tonne gold over 2 meters

VANCOUVER, BC, January 4, 2021 – Rhyolite Resources Ltd. (the “Company” or “Rhyolite”) (RYE-TSXV) is pleased to report that the initial field work exploration program in December at the Brothers Project in Suriname has expanded on the gold potential of the concession. Prospecting by small-scale miners working within the Brothers concession have opened new sites exposing quartz veins in the soil profile. High-grade rock samples and channel samples continue to expand the extent of the gold bearing structures at Brothers.

Highlights:

- 41 rock grab samples with the highest values of 42.67 and 20.54 grams per tonne (g/t) of gold (Au). In total, 9 samples were 5 g/t or higher (22%) and 19 were greater than 1 g/t (46%). Good reproducibility was noted in duplicate assaying.
- Two-meter channel samples were collected wherever small-scale miners opened small trenches to prospect. Out of 25 samples, four were over 2 g/t and thirteen were over 0.2 g/t (52%) including:
 - 15.54 g/t over 2 meters and 7.59 g/t over 2 meters near the Mike and Jordel workings.

Richard Graham, President and Chief Executive Officer of Rhyolite, commented: “The identification of additional targets returning multiple high-grade samples indicates the significant potential of the Brothers concession that lies only 45 kilometers south of Newmont’s Merian Mine which is producing 500,000 ounces of gold per year. Also, we are very pleased to welcome Tony Chedraoui and Michael Leskovec to our Board. The

addition of Tony and Michael not only strengthens our financial capabilities but also greatly enhances our corporate governance as we look to grow significantly over the next year. We would also like to thank Demetrius Pohl and Michael Basha for their many years of service on the Board and we wish them well.”

All sampling covered areas of small-scale mining that are within or close to drainages and water (Figures 1 and 2). The mineralized quartz veins are associated with structural and silicified zones within granite country rock. Visible gold and high gold values are associated pyrite, silicification, tourmaline and minor chalcopyrite. Further scouting and sampling is planned in January. A Lidar survey, ground geophysics, soil (auger) sampling and trenching are planned to select drill targets in the coming months.

New Board Members

The Company also reports that Tony Chedraoui and Michael Leskovec were elected as new members of the Rhyolite Board of Directors at its Annual General Meeting held on December 14, 2020.

Mr. Chedraoui is the founder, Chief Executive Officer and Chief Investment Officer of Tyrus Capital, which is an alternative asset manager with offices in Monaco and London. Tyrus was a lead investor in the creation of TSX-listed Torex Gold Resources Inc. (TSX-TXG), which was transformed from a gold exploration company to a 500,000-ounce-per-year gold producer with a \$1.6 billion market value. In September 2018, Mr. Chedraoui was appointed as a member of the Hautes Etudes Commerciales (HEC) Paris International Advisory Board, providing advice and guidance to HEC and assisting in its strategic development. Mr. Chedraoui has a MSc in Finance from the HEC in France and a BSc in Computer and Communication Engineering from the American University of Beirut.

Mr. Leskovec is a Chartered Professional Accountant with over twenty years of financial experience with publicly listed companies and capital markets. Mr. Leskovec is the Chief Financial Officer of Northfield Capital Corporation, a well-known TSX Venture-listed investment holding company (TSXV:NFD.A) and a significant shareholder of Rhyolite. Prior to this, Mr. Leskovec served as an officer of Gold Eagle Mines Ltd., which was involved in the development of the Bruce Channel deposit in Red Lake, Ontario, and was sold to Goldcorp Inc. for \$1.5 billion in 2008. Mr. Leskovec earned his CPA, CA designation while working in the public company audit and assurance practice for Smith Nixon LLP, and holds an Honours Bachelor of Accounting Degree from Brock University in Ontario, Canada.

Figure 1. Grab sampling in active small-scale mining areas, December 2020.

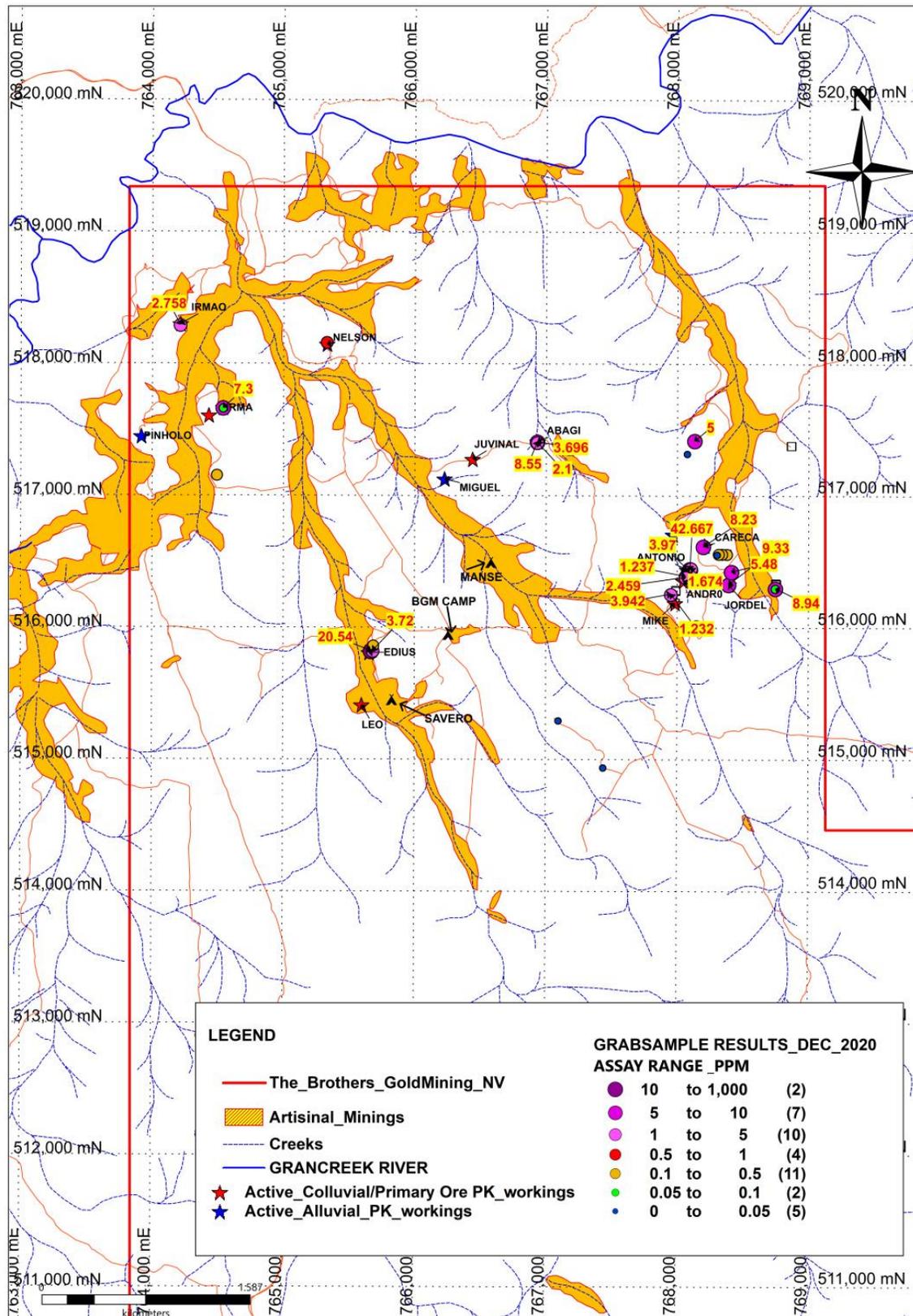
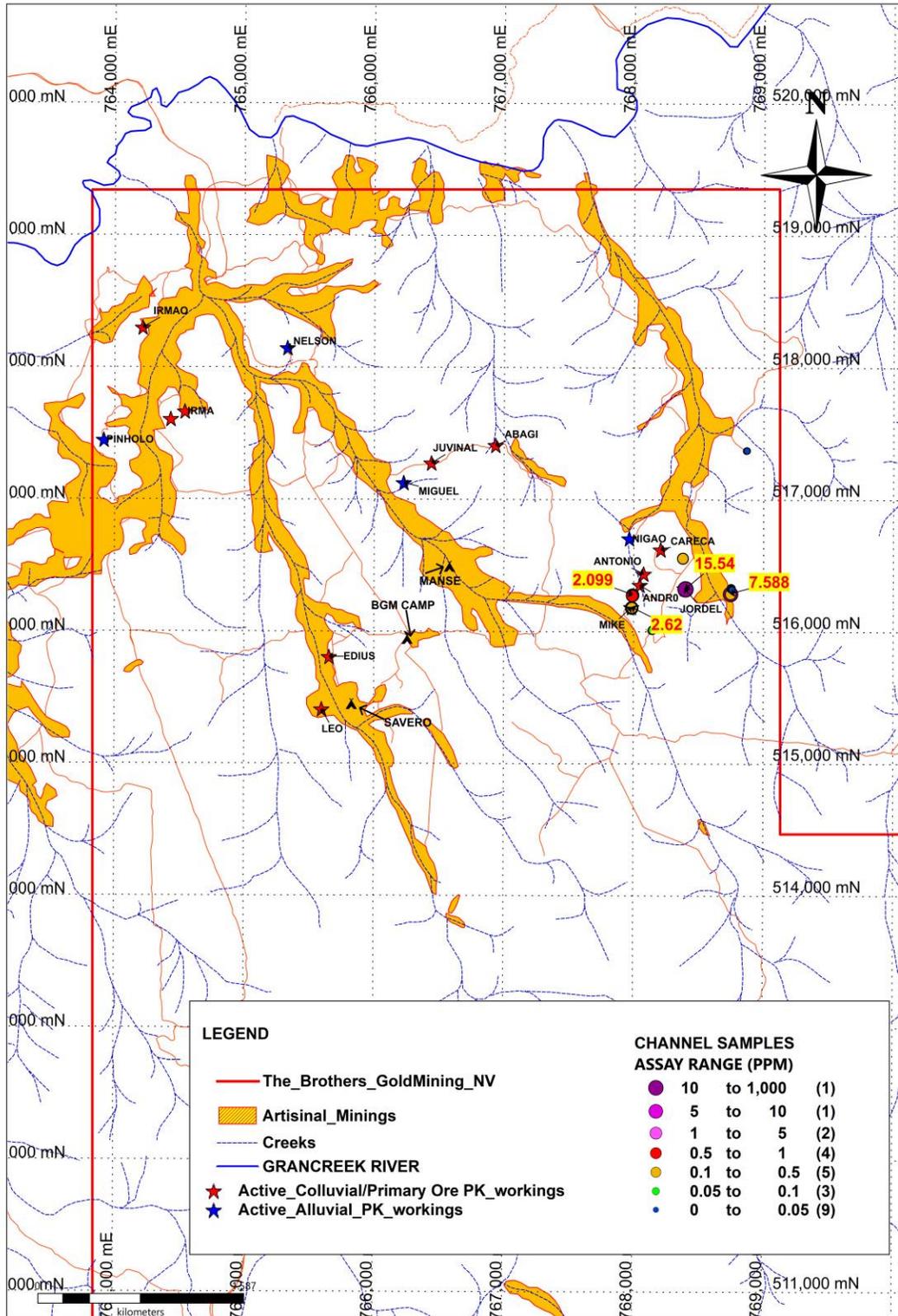


Figure 2. Channel sampling in active small-scale mining areas, December 2020.



Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Qualified person

Dr. Dennis LaPoint, PhD, LGeo, is a qualified person under National Instrument 43-101 – Standards of Disclosure for Mineral Projects and has approved the technical information regarding the Brothers concession contained in this news release. Dr. LaPoint is not considered to be independent for the purposes of NI 43-101.

About Rhyolite Resources Ltd.

Rhyolite Resources is a Canadian-based, opportunity-focused resource company. Utilizing its technical strength and entrepreneurial drive, Rhyolite's corporate strategy is to enhance shareholder value through the acquisition of discovery- to production-stage projects.

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Forward-looking statements

Certain statements in this release constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws, including, without limitation, statements with respect to exploration, resource potential, production development and permits. Such statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of Rhyolite Resources Ltd., or industry results, to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements or information including the planned exploration work at Brothers in January and in the coming months; the potential for outlining a Tier 1 gold deposit at Brothers; and unlocking the value of Paxson including seeking a partner to advance the Paxson Project. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict", and other similar terminology, or state that certain actions, events, or results "may", "could", "would", "might", or "will" be taken, occur, or be achieved.

These statements reflect the Company's current expectations regarding future events, performance, and results and speak only as of the date of this news release. Consequently, there can be no assurances that such statements will prove to be accurate

and actual results and future events could differ materially from those anticipated in such statements. Except as required by securities disclosure laws and regulations applicable to the Company, the Company undertakes no obligation to update these forward-looking statements if the Company's expectations regarding future events, performance, or results change.