

Thistle
9/4
888004
92F/2E
92F083

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

PROSPECTUS

DATED: September 19, 1986

ANGLE RESOURCES LTD.

(hereinafter called the "Issuer")

428

NEW ISSUE

650,000 Common Shares

Shares	Price to Public	Commission	Net proceeds to be Received by the Issuer*
Per Share	\$1.00	\$0.15	\$0.85
Total	\$650,000.00	\$97,500.00	\$552,500.00

* Before deduction of the costs of this issue estimated to be \$20,000.00.

THERE IS NO MARKET FOR THE SECURITIES OF THE ISSUER.

THE SECURITIES OF THE ISSUER MUST BE CONSIDERED SPECULATIVE SECURITIES AS THE ISSUER'S MINING PROPERTIES ARE IN THE EXPLORATION AND DEVELOPMENT STAGE AND THERE IS NO KNOWN BODY OF COMMERCIAL ORE THEREON. NO SURVEY OF ANY MINING PROPERTY OF THE ISSUER HAS BEEN MADE AND THEREFORE IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN WHICH THE PROPERTIES ARE SITUATE, THEIR EXISTENCE AND AREA COULD BE IN DOUBT. SEE ALSO THE HEADING "RISK FACTORS" HEREIN.

NO PERSON IS AUTHORIZED BY THE ISSUER TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THE ISSUE AND SALE OF THE SECURITIES OFFERED BY THE ISSUER.

UPON COMPLETION OF THIS OFFERING, THIS ISSUE WILL REPRESENT 24.6% OF THE SHARES THEN OUTSTANDING AS COMPARED TO 43.0% THAT WILL THEN BE OWNED BY THE CONTROLLING PERSONS, PROMOTERS, DIRECTORS AND SENIOR OFFICERS OF THE ISSUER AND UNDERWRITERS AND THEIR ASSOCIATES. REFER TO THE HEADING "PRINCIPAL HOLDERS OF SECURITIES" HEREIN FOR DETAILS OF SHARES HELD BY DIRECTORS, SENIOR OFFICERS AND CONTROLLING PERSONS OF THE ISSUER.

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE ISSUER FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE APRIL 8, 1987, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

THIS PROSPECTUS ALSO QUALIFIES FOR SALE TO THE PUBLIC AT THE MARKET PRICE FOR THE SHARES AT THE TIME OF SALE ANY SHARES OF THE ISSUER WHICH THE AGENTS MAY ACQUIRE PURSUANT TO THE AGENT'S WARRANTS. REFERENCE SHOULD BE MADE TO THE HEADING "PLAN OF DISTRIBUTION" HEREIN.

SHAREHOLDERS, PARTNERS, EMPLOYEES AND/OR ASSOCIATES OF UNDERWRITERS, AS DEFINED IN THE SECURITIES ACT OF BRITISH COLUMBIA, OWN DIRECTLY 55,000 SHARES IN THE CAPITAL OF THE ISSUER, 40,000 SHARES OF WHICH WERE PURCHASED IN THE ISSUER'S NON-REPORTING STAGE AT \$0.25 PER SHARE, 5,000 SHARES OF WHICH WERE PURCHASED IN THE ISSUER'S NON-REPORTING STAGE AT \$0.70 PER SHARE AND 10,000 SHARES OF WHICH WERE PURCHASED IN THE ISSUER'S NON-REPORTING STAGE AT \$0.75 PER SHARE.

ONE OR MORE OF THE DIRECTORS OF THE ISSUER HAS AN INTEREST, DIRECT OR INDIRECT, IN OTHER NATURAL RESOURCE COMPANIES. REFERENCE SHOULD BE MADE TO THE HEADING "SPECULATIVE ASPECTS" HEREIN FOR A COMMENT AS TO THE RESOLUTION OF POSSIBLE CONFLICTS OF INTEREST.

WE, AS AGENTS, CONDITIONALLY OFFER THESE SECURITIES SUBJECT TO PRIOR SALE, IF, AS AND WHEN ISSUED BY THE ISSUER AND ACCEPTED BY US IN ACCORDANCE WITH THE CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER THE HEADING "PLAN OF DISTRIBUTION" HEREIN, SUBJECT TO APPROVAL OF ALL LEGAL MATTERS ON BEHALF OF THE ISSUER BY CASEY, O'NEILL & BENCE, AND ON OUR BEHALF BY OUR LEGAL COUNSEL.

CONTINENTAL CARLISLE DOUGLAS
10th Floor, 1055 Dunsmuir Street
Vancouver, British Columbia

CANARIM INVESTMENT CORPORATION LTD.
22nd Floor, 609 Granville Street
Vancouver, British Columbia

EFFECTIVE DATE: October 10, 1986

expenditure of diverted monies. If any such event occurs during the primary distribution of the shares offered by this Prospectus, an amendment to this Prospectus will be filed. If this should occur after the primary distribution, then the shareholders will be notified.

SPECULATIVE ASPECTS

The shares offered by this Prospectus must be considered speculative, generally because of the nature of the Issuer's business. In particular:

1. There is no established market for the securities of the Issuer.
2. Exploration for minerals is a speculative venture necessarily involving some substantial risk. There is no certainty that the expenditures to be made by the Issuer in the acquisition of the interests described herein will result in discoveries of commercial quantities of ore.
3. The mining industry in general is intensely competitive and there is no assurance that even if commercial quantities of ore are discovered, a ready market will exist for the sale of same. Factors beyond the control of the Issuer may affect the marketability of any substances discovered.
4. Directors of the Issuer also serve as Directors of other companies involved in natural resource development. Accordingly, it may occur that natural resource properties will be offered to both the Issuer and such other companies. Furthermore, such other companies may participate in the same properties as those in which the Issuer has an interest. As a result, there may be situations which involve a conflict of interests. In that event, the Directors would not be qualified to vote at meetings on resolutions which evoke any such conflict. The Directors will attempt to avoid dealing with other companies in situations where conflicts might arise and will at all times use their best efforts to act in the best interests of the Issuer.
5. There is no known body of ore on the Issuer's mineral properties. The purpose of the present offering is to raise funds to carry out further exploration with the objective of establishing ore of commercial tonnage and grade. If the Issuer's exploration programs are successful, additional funds will be required for the development of an economic ore body and to place it in commercial production. The only source of future funds presently available to the Issuer is through the sale of equity capital. The only alternative for the financing of

further exploration would be the offering by the Issuer of an interest in its property to be earned by another party or parties carrying out further exploration or development thereof, which is not presently contemplated.

6. The existence of title opinions should not be construed to suggest that the Issuer has good and marketable title to all of the properties described in this Prospectus. The Issuer follows the usual industry practice of obtaining title opinions with respect to its properties.

DESCRIPTION OF BUSINESS AND PROPERTY

Business

The Issuer is a natural resource company engaged in acquisition, exploration and development of natural resource properties. The Issuer has interests in the properties described under the heading "Property" and intends to seek and acquire additional properties worthy of exploration and development.

Property

A. Thistle Property

1. Interest

The Issuer holds an option to acquire up to a 30% undivided interest in the following mineral claims, situated in the Alberni and Victoria Mining Divisions of the Province of British Columbia (the "Thistle Property"):

<u>Claim Name</u>	<u>Mining Division</u>	<u>Number of Units</u>	<u>Record Number</u>	<u>Expiry Date</u>
Quill 1	Alberni	1	1391	1995
Quill 2	Alberni	1	1392	1995
Quill 3	Alberni	1	1393	1995
Quill 4	Alberni	1	1394	1995
Quill 5	Alberni	1	1395	1995
Quill 6	Alberni	1	1396	1995
Quill 7	Alberni	1	1397	1995
Quill 8	Alberni	1	1398	1985
Sue	Alberni	20	488	1994
Crow	Alberni	20	489	1995
Levi	Alberni	20	490	1994
Museum	Alberni	15	1223	1994
Rand	Alberni & Victoria	16	731	1994
Rose	Alberni	1	378	1996
Jumbo	Alberni	1	379	1996
Lore 1	Victoria	1	575	1994

Lore	2	Victoria	1	576	1994
Lore	3	Victoria	1	577	1994

Crown Grants

Thistle	L91G	Alberni	1	Lot 242	-
Pansy	L92G	Alberni	1	Lot 240	-
Primrose	L93G	Alberni	1	Lot 241	-

2. Location and Access

The Thistle Property is located 20 air-kms southeast of Port Alberni, in south-central Vancouver Island, British Columbia. It is accessible from Port Alberni via the Bamfield Road, south onto Museum Main Road. The north and west 80% of the Thistle Property, including the old Thistle Mine, is reached by following the Thistle Mine Main Road, which branches east from Museum Main Road. The southeast 20% of the Thistle Property, including the Panther Road showing, is reached by the Panther Road (sign-posted M2A), which branches north from the Museum Main Road. The access roads include active and inactive logging roads. A four-wheel drive vehicle is recommended to access all of the logging road spurs on the Thistle Property.

3. Acquisition of Interest

The Issuer acquired its option through Westmin Resources Limited ("Westmin"), of 904 - 1055 Dunsmuir Street, Vancouver, British Columbia, pursuant to an agreement dated November 6, 1985, which was superceded by an agreement dated September 19, 1986 (the "Westmin-Angle Agreement"). Pursuant to the Westmin-Angle Agreement, the Issuer funded Westmin's 1985 work program on the Thistle Property, to the extent of \$400,000., and thereby earned a 50% working interest in the Nexus-Westmin Agreement, as hereinafter defined.

Pursuant to the Westmin-Angle Agreement, the Issuer may, and intends to, elect on or before October 15, 1986 to fund 100% of the 1986 work program on the Thistle Property and pay 100% of the property payment of \$7,000. which is required by the Nexus-Westmin Agreement. This will result in the Issuer increasing to 69.2% its working interest in the Nexus-Westmin Agreement. The Issuer will then hold an option to acquire up to a 41.52% undivided interest in the Thistle Property. However, the Westmin-Angle Agreement allows each party a one-time right to restore its interest in the Nexus-Westmin Agreement to 50% by paying to the other 150% of the amount which was not previously contributed by that party. This one-time right may not be exercised after the commissioning of an independent feasibility study related to development of the Thistle Property.

The Westmin-Angle Agreement provides that Westmin shall be the operator of the Thistle Property so long as it holds not less than a 30% working interest in the Nexus-Westmin Agreement.

Westmin holds an option (the "Option") to acquire up to a 60% undivided interest in the Thistle Property from Nexus Resource Corporation ("Nexus"), of 1002 - 475 Howe Street, Vancouver, British Columbia, pursuant to an agreement dated August 5, 1983 and amended by an agreement dated September 19, 1986 (the "Nexus-Westmin Agreement"). In order to maintain and exercise the Option, Westmin must:

- (a) pay \$7,000. on each of October 15, 1986 and October 15, 1987 to Dave Murphy;
- (b) pay \$150,000. to Nexus on or before December 31, 1987;
- (c) expended the following minimum amounts on exploration and development of the Thistle Property, provided that excess expenditures in any year are credited to future years:

<u>Year Ending</u>	<u>Maximum Expenditure</u>
December 31, 1983	\$ 100,000
December 31, 1984	\$ 250,000
December 31, 1985	\$ 350,000
* December 31, 1986	\$ 620,000
December 31, 1987	<u>\$1,580,000</u>
	<u>\$2,900,000</u>

* extended to February 28, 1987

Note: Approximately \$820,000. expended to date.

If the Nexus-Westmin Agreement is in good standing on January 1, 1987, Westmin will have earned an undivided 40% interest in the Thistle Property. Upon exercise of the Option for a total undivided interest of 60% of the Thistle Property, Nexus must elect within 90 days whether to maintain its 40% undivided interest in the Thistle Property or to convert to a 40% net profits interest which could be diluted down to a 20% net profits interest, together with advance royalty payments of \$100,000. per year. If the Option is exercised and a production decision is made, Nexus will also be entitled to receive a total of \$750,000. between December 31, 1988 and December 31, 1998.

Nexus owns a 100% interest in the Thistle Property, except as follows:

- (a) the Rose and Jumbo mineral claims are held by option from Dave Murphy, subject to the final two option payments of \$7,000. each, as hereinbefore described;

- (b) the Rose and Jumbo mineral claims are subject to a 2% net smelter return interest in favour of Dave Murphy, subject to a buy-back for \$100,000.;
- (c) the Sue, Crow and Levi mineral claims are subject to a 10% net profits interest in favour of Kargen Development Corporation (owned by Glen E. White), subject to a buy-back for \$500,000.

Nexus is a company which is listed for trading on the Vancouver Stock Exchange. James W. MacNeil, Leon E. Nowek and Thomas S. Hughes are directors of both Nexus and the Issuer.

4. History

The general area of the Thistle Property has been extensively prospected since the 1860's. The old Thistle Mine, which is central to the current Thistle Property, was staked in 1896. Between 1938 and 1942, the Thistle Mine was mined by United Prospectors Ltd. and affiliated companies and produced 6,867 tons of ore, averaging 0.39 oz. Au/T, 0.24 oz. Ag/T and 4.6% Cu. Gunnex Ltd. carried out regional silt sampling and mapping in the general area of the Thistle Property and briefly examined the abandoned mine in 1965. Vandora Exploration Ltd. explored the immediate Thistle Mine area in 1965 and carried out a soil sample survey, magnetometer and self-potential surveys, followed by four diamond drill holes totalling 531.6 m.

5. Recent Exploration

In 1981, Nexus conducted a helicopter borne V.L.F. and magnetometer survey over the Crow, Sue, Levi and three adjoining claims. One strong V.L.F. anomaly was detected about 500 m east of the Thistle Mine. In mid-1981, Nexus located a new showing of auriferous pyrite, now called the Panther Road showing, located 1.4 km southeast of the Thistle Mine. Sixteen soil samples were collected near the showing and analyzed for Cu, Ag and As, without evidence of an anomaly. A V.L.F. survey on 12 short grid lines produced no significant anomalies. The showing was trenched in the road bed where samples by Westmin assayed 0.49 oz. Au/T and 900 ppm Cu over a width of 2.2 m across the lens of massive pyrite and adjacent pyritic wallrock. In 1984, MacMillan Bloedel constructed a log bridge directly over the showing.

In 1982, Nexus conducted about 1.5 line kms of I.P.-resistivity survey and Crone Pulse E.M. survey over 6 lines at the Thistle Mine.

Westmin optioned the Thistle Property from Nexus in 1983 and conducted systematic exploration programs in 1983 and 1984 for an aggregate expenditure of approximately \$420,000. The program was based on geological mapping and prospecting, followed by

linecutting (13 km), soil sampling (1330 samples over 30.7 line-kms) and I.P.-resistivity surveys (13.2 line-kms). A helicopter-borne Dighem III E.M.-magnetometer survey was flown over most of the property with a nominal line spacing of 200 m, for a total of 66 line-kms distributed over 34 lines.

A preliminary diamond drill program was conducted by Westmin in late 1984. A total of 1167.1 m of BQ diamond drilling was completed in nine holes collared from four sites. Eight holes tested stratigraphy, structure and geophysical and geochemical anomalies on the strike projection of the Thistle Mine zone on three cross sections at 100, 250 and 300 m north-northeast of the Thistle Mine. One hole tested a ground surveyed I.P. anomaly located by follow-up of an airborne Dighem anomaly in an area of overburden 155 m west of the Thistle Mine. The immediate area of the Thistle Mine was not drilled in this initial program, due to a limited budget and difficult access. All nine holes were collared on logging roads. The Panther Road showing area was not drilled, due to active road-building operations. The 1984 drill program results provided a better understanding of mineralization, stratigraphy, structure and geophysics on which was based a logistically more difficult drill program in the immediate mine area.

Westmin completed a \$400,000. diamond drill program at the end of 1985, which was funded by the Issuer, whereby the Issuer earned a 50% interest in the Westmin Option. The 1985 program included 3485 m of diamond drilling in 28 holes distributed in two primary and two secondary target areas. Geochemically anomalous gold and base metal concentrations were intersected in zones of pyrite enrichment in most holes in all four areas tested. Details of the diamond drill program follow.

(a) Panther Road Showing Area (1.4 km SE of Thistle Mine)

Twelve holes totalling 1516 m were drilled in an area 500 m by 300 m. Seven overburden trenches totalling 128 m were excavated in two areas.

A trench adjacent to the Panther Road Showing exposed a new zone of weathered sulphides 5 m west of the original showing. This new showing contains 0.283 oz Au/T, 0.11 oz Ag/T and 200 ppm Co over a 1.0 m thickness. Holes 85P-6 and 85P-7 (see Table 1) were drilled under the Panther Road Showing, and hole 85P-9 crossed this zone on strike 50 m to the north. An induced polarization (I.P.) anomaly extends north from this area for a minimum of 250 m, to beyond the grid. Holes 85P-4 and 85P-5 tested this anomaly 225 m north of hole 85P-9, and each intersected 3 broad sulphide zones, averaging 2-13% (up to 30% locally) disseminated pyrite. The zones contained geochemically anomalous Au up to 210 ppb, as well as anomalous Cu, Pb and Zn. This zone is untested over 225 m

between holes 85P-4 and 85P-9, and is open to the north of 85P-4.

Trenching 230 m SE of the Panther Road Showing exposed a new showing of massive to disseminated pyrite adjacent to an occurrence of pyrite boulders. This zone exceeds 18 m in length and is open to the north and south. It averages 0.07 oz Au/T and 289 ppm Co over a 0.26 m thickness. Holes 85P-8, 85P-11 and 85P-12 drilled under this zone and tested a coincident I.P. anomaly. Drilling encountered several intervals of geochemically anomalous Au up to 770 ppb over 1.0 m, as well as anomalous Ag, Cu, Zn. A small new showing was also found 440 m south of this site. It is comprised of a narrow sulphide zone 1-10 cm thick which contains 0.084 oz Au/T, 0.13 oz Ag/T, 0.93% Cu and 205 ppm Co.

Hole 85P-1 intersected a pyrite zone 200 m south of the Panther Road Showing (see Table 1). Limited analyses indicate the presence of significant cobalt (up to 880 ppm), associated with some of the sulphide mineralization.

Table 1:
Significant Drill Hole Assays -Panther Road Showing Area

<u>Hole #</u>	<u>Orientation</u>	<u>From</u> (m)	<u>To</u> (m)	<u>Length</u> (m)	<u>Au</u> oz/T	<u>Ag</u> oz/T
85P-1	-41°, ENE	17.40	18.40	1.00	0.108	0.32
85P-6	-40°, ENE	8.83	10.64	1.81	0.079	0.15
		12.07	12.79	0.72	0.040	0.06
		29.24	30.25	1.01	0.236	0.21
		69.20	69.82	0.62	0.014	0.02
85P-7	-60°, ENE	67.50	68.50	1.00	0.012	0.09
85P-9	-04°, ENE	75.45	75.90	0.45	0.117	0.30
		100.00	113.00	3.00	0.010	

(b) Thistle Mine Area

Thirteen holes totalling 1,606 m were drilled in an area 100 m by 300 m, to test the old Thistle Mine Zone for dip extension and depth repetitions both to the NE and SW across an inferred anticline, as well as the strike projection over 100 m extending south from the mine. These holes intersected a complex alteration zone and associated disseminated pyrite containing anomalous Au values up to 740 ppb. Hole 85T-4 was collared 30 m ENE of the mine workings and intersected the only massive sulphide. Assays are listed in Table 2. Hole 85T-2 was drilled from the same site.

Table 2:
Most Significant Drill Hole Assays-Thistle Mine Area

Hole No.	Orientation	From (m)	To (m)	Length (m)	Au oz/T	Ag oz/T	Cu %	Zn %	Co ppm	Ni ppm
85T-4	-73°, WSW	64.80	64.93	0.13	0.028	0.67	1.86	0.01	800	188
		111.02	111.81	0.79	<0.002	0.16	0.05	1.43	1	1
85T-2	-90°	81.87	81.97	0.10	0.002	0.67	2.88			

The sulphidic alteration zone and geochemically anomalous Au and Cu associated with the Thistle Mine was documented over the 100 m strike length tested, and is open to the SSE. The 1984 drill program tested the zone between 100 and 300 m NNW of the mine. Current interpretation of the geometry indicates control by an anticline with a mild SSE plunge. The 1.4 kms of strike length between the Thistle Mine and Panther Road Showing areas has not been drilled or explored in detail, but current data indicates the presence of I.P. anomalies and significant Au soil geochemical anomalies.

(c) Douglas Creek Area (2.0 km NNW of Thistle Mine)

Two holes totalling 261 m tested an I.P. anomaly and adjacent soil geochemical anomaly, 2.0 km NNW and on strike from the Thistle Mine. Two zones containing 3-5% pyrite over 13 and 14 m were intersected under the anomaly, at the lower contact of the Mine Flow Unit. Geochemically anomalous Au up to 270 ppb and Cu up to 1000 ppm characterize these zones. Geochemically anomalous Au averaging 175 ppb over 10 m was intersected in the Mine Flow Unit. The associated soil anomaly was incompletely drill tested.

(d) Rift Creek Area (1.8 km S of Panther Road Showing)

One hole 99.1 m long was drilled to test an I.P. anomaly associated with auriferous pyrite boulders, and minor bedrock sulphides in a trench which did not cross the I.P. anomaly. Geochemically anomalous Au up to 880 ppb, Co up to 440 ppm, and Cu up to 600 ppm was intersected.

(e) Conclusions

The 1985 drill program did not define any ore zones but did encounter geochemically anomalous gold in 26 of the 28 drill holes. This demonstrates the significant potential of the Mine Flow Unit in four widely separated areas spanning the length of the Thistle Property.

There is no underground or surface plant or equipment on the Thistle Property. Mineralization in the area is primarily gold and copper.

6. Proposed Exploration

The Issuer intends to fund the work program recommended by Peter A. Christopher, Ph.D., P.Eng. in his report dated July 10, 1986, at an estimated cost of \$500,000. The program, which will be carried out by Westmin, consists of diamond drilling, trenching, induced polarization surveying and limited geochemistry. The program involves target definition and drilling in six areas. Further details of this program are set out in Mr. Christopher's report, which is reproduced with this Prospectus.

The Thistle Property is without a known body of commercial ore and the proposed program is an exploratory search for ore.

B. Kitkat Property

The Issuer holds an option to acquire a 100% interest in the Kitkat 1-7 mineral claims, record numbers 1389-95, situated in the Victoria Mining Division of the Province of British Columbia (the "Kitkat Property").

The Kitkat Property is located in the Nitinat River valley, 29 air-kms southeast of Port Alberni or 32 air-kms northwest of Youbou, in south-central Vancouver Island, British Columbia. Access is via the paved Nitinat Main road, which may be reached from either Port Alberni or Youbou. Numerous logging roads on both sides of the valley provide good access to most parts of the Kitkat Property, although some of the roads are only suitable for four-wheel drive vehicles.

The Issuer acquired its option from Scott Angus, of 12474 Crescent Road, Surrey, British Columbia, by an agreement dated March 25, 1985 (the "Option Agreement"). The Issuer paid \$15,000. to Mr. Angus and must issue the following shares to Mr. Angus in order to maintain and exercise the option:

- (a) 25,000 shares on the Effective Date of this Prospectus;
- (b) 25,000 shares after completion of each of three phases of a work program, subject in each case to the filing of an acceptable engineering report with the Vancouver Stock Exchange.

Mr. Angus retained a 2% net smelter return interest, subject to a buy-back for \$1,000,000.

By an agreement dated October 17, 1985 (the "Nexus Agreement"), the Issuer granted an option in favour of Nexus Resource

Corporation ("Nexus") to earn an undivided 50% interest in the Option Agreement and the Kitkat Property by expending a total of \$139,000. on exploration of the Kitkat Property on or before December 31, 1986. Nexus has expended approximately \$160,000 to date and has, accordingly, earned its interest. Nexus is a company which is listed for trading on the Vancouver Stock Exchange. James W. MacNeil, Leon E. Nowek and Thomas S. Hughes are directors of both Nexus and the Issuer.

From 1963 to 1966, Gunnex Ltd. carried out a regional mapping program with limited prospecting and silt sampling. The mapping covered the area of the Kitkat Property, but did not locate any showings. During 1985, the Issuer carried out a two-phase geological, geochemical and geophysical exploration program totalling approximately \$72,000., with favorable results. Nexus then carried out a third phase, including grid extensions, soil sampling, linecutting, IP/resistivity surveys and diamond drilling. This program confirmed the presence of a mafic complex with high Cu, Co, Cr, Ni, Pt and Pd values. MPH Consulting Limited, in their report dated February 28, 1986, recommended a fourth and fifth phase. The estimated cost of the fourth phase is \$129,000.

Pursuant to the Nexus Agreement, a joint venture has been formed between the Issuer and Nexus, with Nexus as the operator. The terms of the joint venture are set out in the Nexus Agreement, including a dilution formula. This formula provides for the interest of a non-participating party to be reduced by 1% for each \$5,000 which such party fails to contribute. Upon a party's interest being diluted to 10%, such interest is automatically converted into a 10% interest in Production Profits, as defined in the Nexus Agreement. Nexus intends to carry out the fourth phase recommendations of MPH Consulting Limited and the Issuer intends to allow its interest in the Kitkat Property to be diluted. The anticipated dilution in respect of the fourth phase is approximately 13%.

There is no underground or surface plant or equipment on the Kitkat Property. Mineralization in the area is primarily copper and nickel.

The Kitkat Property is without a known body of commercial ore.

C. Cow Property

The Issuer owns an undivided 50% interest in the Cow 12-16 mineral claims, record numbers 1444-47 and 1483, situated in the Victoria Mining Division of the Province of British Columbia (the "Cow Property").

The Cow Property is located in the Chemainus River valley, 21 air-kms west-southwest of Chemainus, in south-central Vancouver

Island, British Columbia. Access is via the all-weather gravel Chemainus River road from Chemainus. Numerous logging roads on both sides of the valley provide good access to all the Cow Property.

The other undivided 50% interest in the Cow Property is owned by Nexus Resource Corporation ("Nexus"). Nexus purchased its interest from the Issuer for the price of \$6,692.70, being 50% of the Issuer's costs of staking, engineering and assessment work. Nexus is a company which is listed for trading on the Vancouver Stock Exchange. James W. MacNeil, Leon E. Nowek and Thomas S. Hughes are directors of both Nexus and the Issuer.

By an agreement dated February 25, 1986 and amended on May 12, 1986 and July 4, 1986 (the "Cherokee Agreement"), the Issuer and Nexus granted to International Cherokee Developments Ltd. ("Cherokee"), of 402-1208 Wharf Street, Victoria, British Columbia, an option to acquire an undivided 50% interest in the Cow Property. In order to maintain and exercise its option, Cherokee issued 12,500 shares to each of the Issuer and Nexus, and must expend at least \$65,000. on exploration of the Cow Property, on or before June 30, 1987. Cherokee is a company which is listed for trading on the Vancouver Stock Exchange. Cherokee does not have any common insiders with Nexus or the Issuer.

In 1964, E.M. Wilson carried out geological mapping and rock sampling over an area which included a portion of the Cow Property. In 1985, the Issuer carried out a preliminary exploration program of geological mapping, prospecting and rock sampling along logging roads on the Cow Property. Results were favorable and MPH Consulting Limited, in their report dated December 17, 1985, recommended a three-phase exploration program. The estimated cost of Phases I and II is \$23,000. and \$42,000., respectively. It is expected that Cherokee will carry out both Phase I and Phase II.

The Cherokee Agreement provides that, upon Cherokee exercising its option, a joint venture agreement will be entered into between Cherokee, Nexus and the Issuer. The joint venture agreement is to be in the form attached to the Cherokee Agreement, which provides for Cherokee to be the initial operator.

There is no underground or surface plant or equipment on the Cow Property. Mineralization in the area is primarily gold, silver and copper.

The Cow Property is without a known body of commercial ore.

REPORT ON THE THISTLE PROPERTY
ALBERNI AND VICTORIA MINING DIVISIONS
PORT ALBERNI, BRITISH COLUMBIA

LOCATION

N.T.S.: 92F/2E
LATITUDE: 49° 06' N.
LONGITUDE: 124° 39' W.

PREPARED FOR

Angle Resources Ltd.
1002 - 475 Howe Street
Vancouver, British Columbia
V6C 2B3

BY

Peter A. Christopher, Ph.D., P.Eng.
Peter Christopher & Associates Inc.
3707 West 34th Avenue
Vancouver, British Columbia
V6N 2K9

July 10, 1986



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SUMMARY

The Thistle Property is situated in the Alberni and Victoria Mining Divisions about 20 km southeast of Port Alberni, Vancouver Island, B.C. The property is comprised of 87 metric claim units, 11 two post claims, 3 crown grants and 2 reverted crown grants which cover about 2,500 hectares. The property is owned by Nexus Resource Corp. and under option to Westmin Resources Limited. Angle Resources Ltd. earned 50% participating interest in Westmin's option by funding the 1985 exploration program and Angle's interest can be increased to about 69.2% by funding the \$500,000 program described in this report.

The Thistle Property contains eighteen significant surface showings of gold and copper bearing pyrite mineralization with the old Thistle Mine representing the best known mineral deposit. The Thistle Mine produced 6,867 tons of ore yielding 0.39 oz Au/t, 0.24 oz Ag/t and 4.6% Cu between 1938 and 1942. The deposit was previously considered to be a skarn deposit but Westmin's workers have interpreted it to be a volcanogenic massive sulphide deposit hosted in a mafic unit of the Myra Formation.

The proposed 1986 exploration program includes diamond drilling totaling 2450 meters in 20 holes to test six target areas. In order to define drill targets sites, the program includes 11.1 km of linecutting and induced polarization, follow-up geochemistry, and about 1200 meters of trenching. The recommended exploration program is estimated to cost \$500,000.

INTRODUCTION

The Thistle Property, a gold-copper prospect in Sicker Group volcanic rocks, is situated 20 kilometers southeast of Port Alberni, British Columbia. The writer was retained by the management of Angle Resources Ltd. to examine the Thistle Property, review company and government reports on the claim area and prepare an exploration report. A field examination of the Thistle Property was conducted on June 11, 1986.

This report summarizes previous exploration reports on the Thistle Property and provides recommendations for further exploration of the mineral potential of the property.

LOCATION AND ACCESS (Figures 1 to 2)

The Thistle property is located 20 kilometers southeast of Port Alberni in south-central Vancouver Island, British Columbia (Figure 1). The property straddles the boundary between the Alberni and Victoria Mining Divisions and is situated in N.T.S. map sheet 92 F/2E at geographic coordinates $49^{\circ} 06'$ N. latitude and $124^{\circ} 39'$ W. longitude.

The property has excellent access from Port Alberni via the Bamfield Road to the Museum Main Road. The Thistle Mine Road provides access to the Thistle Mine and northwest part of the Thistle Property. The Museum Main and Panther Road provide access to the southern and eastern part of the property. Active logging and hauling was in progress in the area of the Panther Road Showing and falling was being conducted on branch TM 50 of the Thistle Mine Road at the time of my property examination. Permission for road use is required from the Cameron Division of MacMillan Bloedel Ltd., owner of timber rights in the area.

PHYSIOGRAPHY AND VEGETATION

The Thistle Property is situated north of Museum Creek in the headwater area of Franklin River and Rift Creek. The area is mountainous with elevation ranging from 460 meters in Rift Creek and 550 meters in Franklin River to about 1500 meters at Douglas Peak and the peak of Limestone Mountain. Slopes on the Property generally range from 10° to 40° with access to some areas limited to rock climbers (Figure 3).

The property is covered by typical west coast rain forest vegetation with mature forest growth of Douglas Fir, Balsam, Hemlock and Cedar at higher elevation. Lower elevations have generally been logged and are presently at various stages of second and third growth. Active logging operation are in progress in the Panther Road area and on the TM 50 branch of the Thistle Mine Road.

VANCOUVER ISLAND

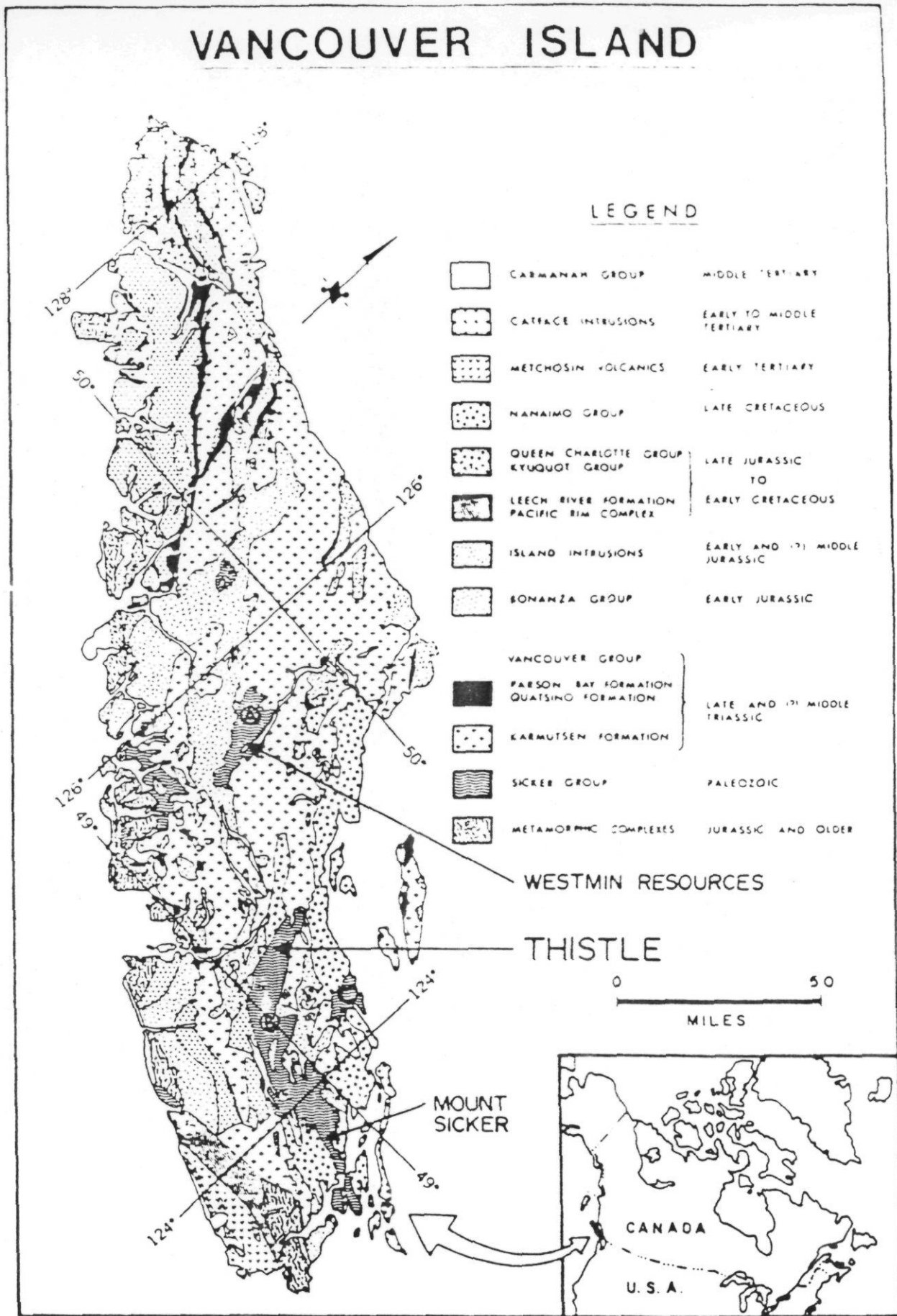


Figure 1: Index map; geology from Muller, 1980.

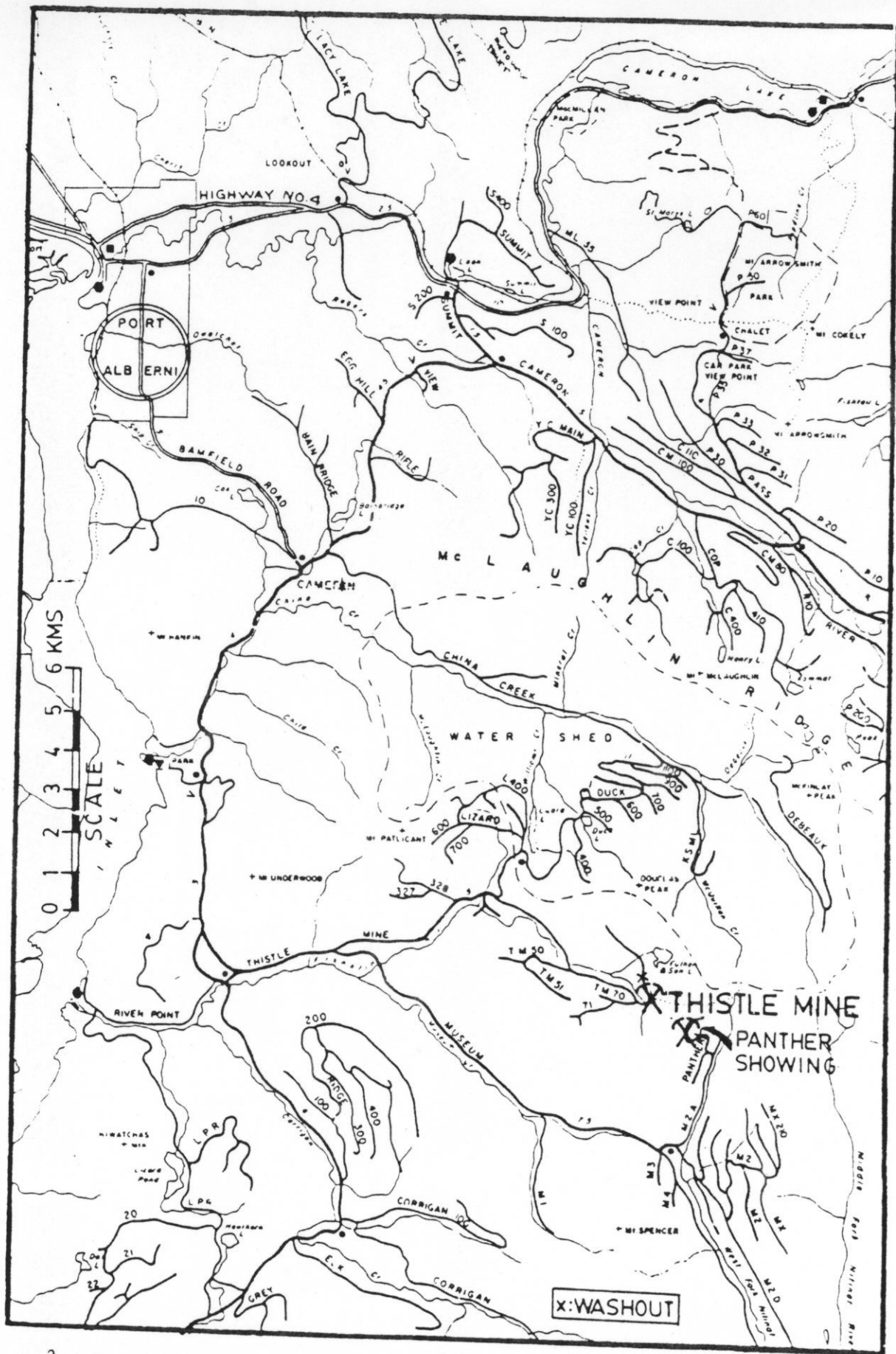


Figure 2: Logging road map of the Cameron Division of MacMillan-Bloedel Ltd., showing access from Port Alberni to the Thistle property.

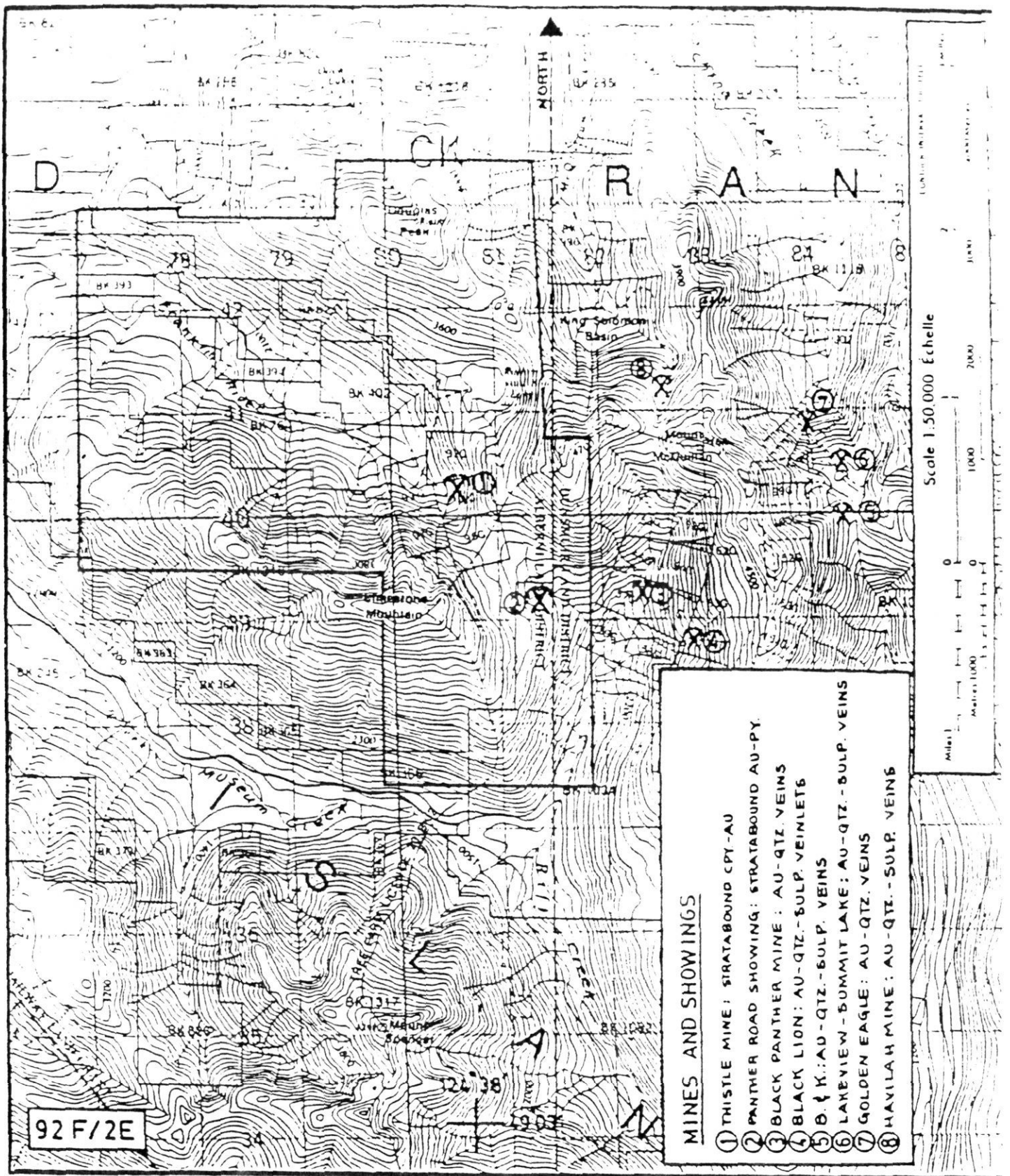


Figure 3: 1:50,000 Scale topographic map showing location of the Thistle property and locations of the main, past-producing mines and showings of significant mineralization in the Franklin River - Rift Creek area.

PROPERTY DEFINITION (Figure 4)

The Thistle Property consisting of six modified grid claims totaling 87 units, 11 two post claims, three crown grants totaling 147.65 acres, and two reverted crown grants totaling 91.5 acres. The maximum possible area of the claims appears to be that of the modified grid claims or about 2175 hectares with crown grants and reverted crown grants within the area of the modified grid claims. The claims have all been in existence since at least 1982 and title to the property appears to be secure. The legal corner posts for the Rand claim was examined on June 11, 1986 and found to be located as shown on Figure 4. Pertinent claim data for the property is summarized in Table 1 and claim locations are shown on Figure 4.

Table 1. Pertinent Claim Data For Thistle Property.

<u>Name</u>	<u>Record Number</u>	<u>Record Date</u>	<u>Expiry</u>	<u>Lot No.</u>	<u>Units</u>
<u>(Modified Grid Claims)</u>					
Sue	488(6)	June 28, 1979	1994		20
Crow	489(6)	June 28, 1979	1995		20
Levi	490(6)	June 28, 1979	1994		16
Rand	731(2)	Feb. 29, 1980	1994		16
Museum	1223(5)	May 6, 1981	1994		15
<u>(Two-Post Claims)</u>					
Quill 1-8	1391-1398(2)	Feb. 11, 1982	1995		<u>Claims</u> 8
Lore 1-3	575-577(8)	Aug. 17, 1981	1994		3
<u>(Crown Grants)</u>					
Thistle	L91G			<u>Lot No.</u> 242	<u>Acres</u> 51.65
Pansy	L92G			240	49
Primrose	L93G			241	47
<u>(Reverted Crown Grants)</u>					
Rose	L95G 378(2)		Feb.20, 1996	244	51
Jumbo	L97G 379(2)		Feb.20, 1996	243	40.5

Angle Resources Ltd. has earned 50% working interest in the Westmin Resources Ltd. option on the Thistle Property by funding, in 1985, exploration costs amounting to \$400,000. Angle can increase their interest to 69.2% by funding the \$500,000, 1986 exploration program outlined in this report.

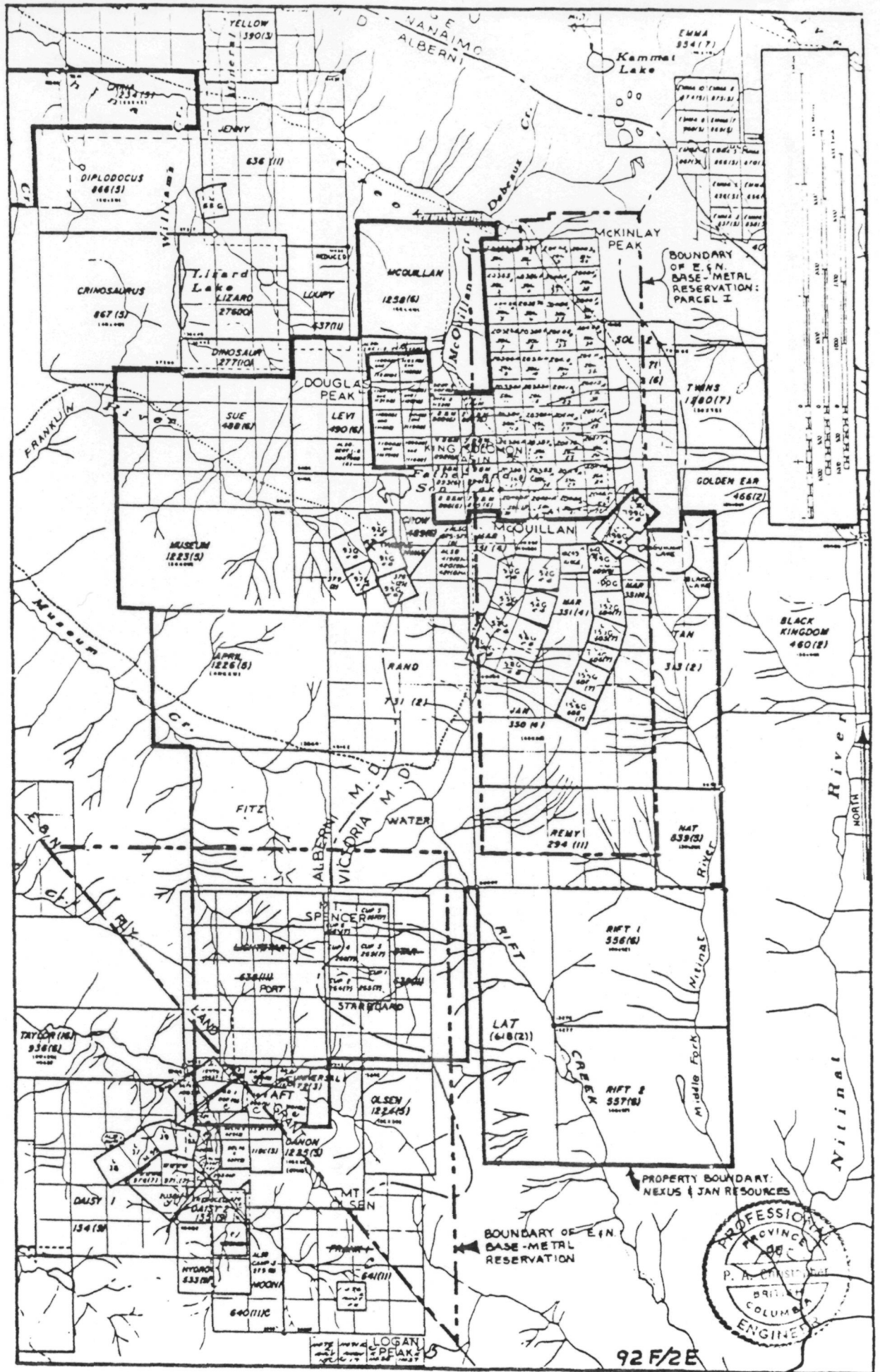


FIGURE 4. CLAIMS MAP

HISTORY

Exploration activity in the Thistle Property area dates from the early 1860s with small scale production from China Creek, 6 kilometers north of the Thistle Mine, as early as 1862 (Stevenson, 1944). Attention later shifted to gold-bearing quartz veins with several vein occurrences developed by adits and pits (Figure 3).

The Thistle Mine was staked in 1896 with early underground development work between 1899 and 1901. The Thistle Mine was produced by United Propsectors Ltd. of Victoria and affiliated companies between 1938 and 1942. Production was 6,867 tons of ore yielding 2,667 oz Au/T, 1,667 oz Ag and 625,556 oz Cu (0.39 oz Au/T, 0.24 oz Ag/T, 4.6% Cu.) (Stevenson, 1944). Development included drifts and adits totalling 170 meters, two glory holes and a number of rock cuts. Early reports suggested a replacement skarn deposit controlled by two main shears.

The Thistle Mine area was explored by Gunnex Ltd. and Vanada Exploration Ltd. in 1965. Gunnex conducted regional silt sampling and mapped and examined the Thistle Mine area. Vanada conducted soil sampling, geophysical surveys and drill tested the area of the old workings with four holes totalling 531.6 meters.

Kargon Development Corp. staked the Sue, Crow and Levi claims in 1979, and conducted limited and soil surveys. In 1981, Nexus Resources Corp. acquired and consolidated the Thistle Property and conducted helicopter borne VLF and magnetic surveys, which led to location of the "Panther Road Show". The showing was trenched in the road bed where samples by Westmin Resources assayed 0.49 oz Au/T and 900 ppm Au over a width of 2.2 meters (Walker, 1986).

Westmin Resources optioned the Thistle Property in 1983 and conducted systematic exploration in 1983 and 1984, with aggregate expenditures of approximately \$420,000 (Walker, 1986). Preliminary surveys led to drilling of 1,167.1 meters of BQ diamond drilling.

In 1985, Angle Resources Ltd. funded a \$400,000 exploration program to earn a 50% working interest in the Westmin interest. Twelve drill holes totalling 1520 meters and seven trenches totalling 128 meters were completed in the Panther Road showing area. Thirteen holes totalling 1,609 meters were completed in the area of the old Thistle Mine workings. Two holes totalling 261 meters tested the Douglas Creek geochemical and geophysical anomaly, and one hole of 99 meters tested the Rift Creek geophysical anomaly.

To the end of 1985, Westmin Resources and Angle Resources have completed a total of 4,656 meters of diamond drilling in 37 holes, and spent a total of approximately \$820,000 on exploration programs conducted since 1983 (Walker, 1986).

GEOLOGIC SETTING (Figure 1)

The Thistle Property is situated in a belt of volcanic and sedimentary rocks of the Paleozoic Sicker Group (Muller, 1980). Muller divided the group into a lower, thick pile of basaltic volcanics named the Nitinat Formation, a middle, thick pile of bedded volcanics, volcanoclastic and sedimentary rocks named the Myra Formation, and an upper, limestone and associated rocks named the Buttle Lake Formation. The Sicker Group, the oldest stratigraphic interval recognized on Vancouver Island, is exposed in the Buttle Lake, Horne Lake - Cowichan Lake and Nanoose uplifts.

The Thistle Property is in the Horne Lake - Cowichan Lake uplift (Figure 1) with an exposed core of north-northwest trending Myra Formation rocks. The Buttle Lake Formation overlies the Myra Formation and is in turn overlain by Triassic basalts of the Karmutsen Formation. The rock sequence has an anticlinal appearance controlled by faults and folds. The Myra Formation hosts the Thistle Mine, Panther Road showing, other known showings and geochemical anomalies.

PROPERTY GEOLOGY

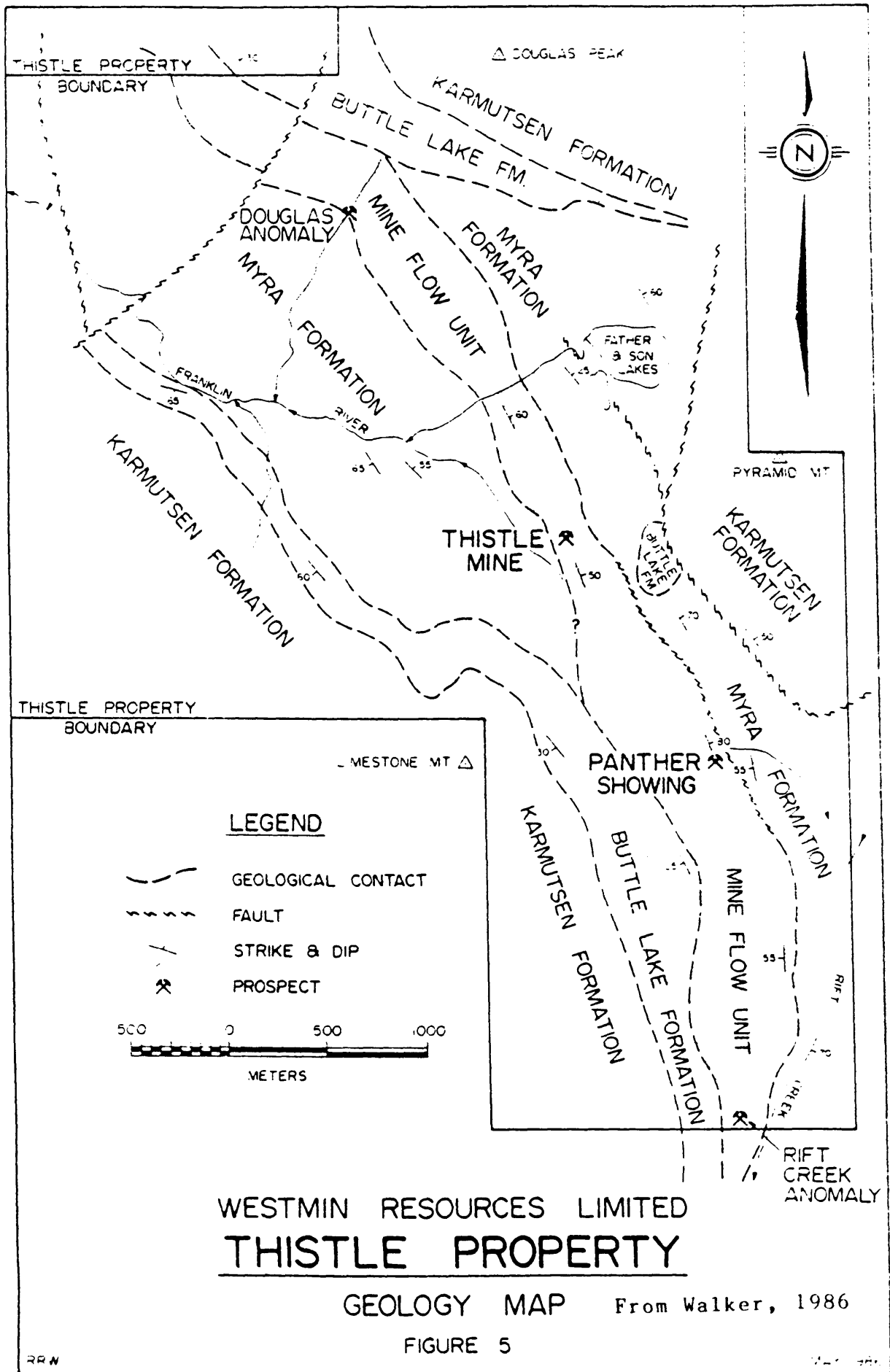
Figure 5 based on detailed mapping by Dr. G. Benvenuto (1983, 1984) summarizes the Thistle property geology. The property is underlain by the Myra and Buttle Lake Formations of the Sicker Group. The Buttle Lake Formation is unconformably overlain by basaltic rocks of the Triassic Karmutsen Formation.

Volcanic and volcanoclastic rocks correlate with the Myra Formation as defined by Muller (1980). The Myra formation is unconformably overlain by limestone, bedded chert and cherty tuff of the Buttle Lake Formation. The Myra Formation is exposed in the faulted core of an anticlinal structure.

Near the top of the Myra Formation, a calc-alkaline basalt unit termed the flow complex has been defined. A specific section of the flow complex that hosts the Thistle Mine and all but one significant showing is called the mine flow unit (Figure 5). The mine flow unit, estimated to be from 200 to 400 meters thick, crosses the property and dips to the east or northeast.

MINERALIZATION AND ALTERATION

The Myra Formation is a notable host for precious metal enhanced, volcanogenic massive sulphide deposits on Vancouver Island. The volcanogenic massive sulphide deposits of Westmin Resources at Buttle Lake, 70 km northwest of Port Alberni, are hosted by the Myra Formation of the Sicker Group. Past production plus reserves at the end of 1983 stood at 22 million tons of 0.07 oz Au/T, 1.7 oz Ag/T, 2.0% Cu, 0.5% Pb, and 6.0% Zn. Here the ores are in a mafic dominant sequence but are associated with felsic volcanics (Walker, 1985).



The Twin J Mine situated at Mt. Sicker near Duncan (approximately 60 km southeast of the Thistle Property) is a volcanogenic massive sulphide deposit with a similar geological environment in the Myra Formation of the Sicker Group. The Twin J Mine produced 277,600 kg. (306,000 tons) of ore grading 7.5% Zn, 5.14 g/t (0.15 oz/ton) Au, 3.4% Cu, and 106.29 g/t (3.1 oz/ton) Ag, with minor Pb and Cd (Stevenson, 1945).

Abermin Corporation's Lara property, a volcanogenic massive sulphide prospect, is situated along the same stratigraphic sequence about 51 km southeast of the Thistle Mine. A massive sulphide zone has been outlined 518.2 m (1700') long by 6.15 m (20.2') wide, varying from 76.2 to 243.8 m (250' to 800') deep. The western 396.2 m (1300') of the zone average 1.75 g/t (0.051 oz/ton) Au, 38.40 g/t (1.12 oz/ton) Ag, 1.98% Zn, 0.44% Cu, 0.36% Pb; whereas the eastern, high-grade 121.9 m (400') section averages 2.98 g/t (0.087 oz/ton) Au, 69.94 g/t (2.04 oz/ton) Ag, 3.8% Zn, 0.67% Cu, and 0.79% Pb.

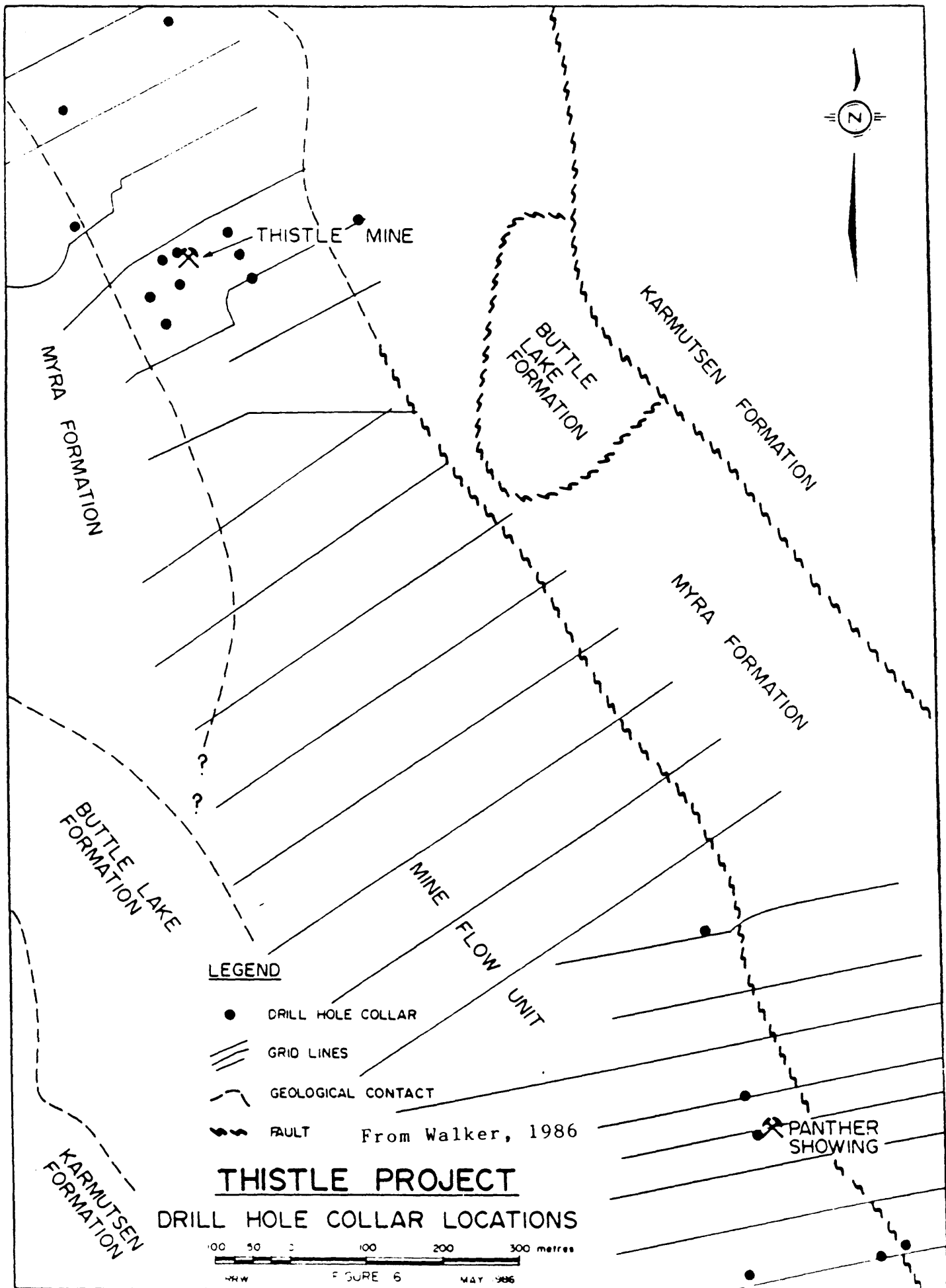
Three other past producers which occur within 10 km of the Thistle property are quartz veins deposits in andesitic rocks of the Sicker Group intruded by dioritic rocks of the Island Intrusions. Modest tonnage high grade gold production has been reported from the Havilah Mine (1046 tons yielding 259 oz Au), Black Panther Mine (1890 tons yielding 509 oz Au) and 3-W Mine (116 tons yielding 464 oz Au). Figure 3 is a topographic map showing the location of the Thistle Mine and locations of past producing mines and showings of significant mineralization in the Franklin River-Rift Creek area.

The Thistle Mine produced 6,867 tons of massive sulphide ore with a yield of 0.39 oz Au/t, 0.24 oz Ag/t and 4.6% Cu. The mineralization remains exposed in two old glory holes with the most encouraging assays indicating 3.5 meters at 0.372 oz Au/t and 2.7% Cu and 1 meter of 1.210 oz Au/t and 7.55% Cu. A 20 cm chip sample contained the maximum grades for gold and copper of 2.160 oz Au/t and 11.80% Cu. The mineralization occurred as two or three lenses of massive pyrite-chalcopyrite + magnetite in a variable quartz and carbonate gangue. Stevenson (1944) reported stoping width of up to 5.5 meters and faulting which truncated massive sulphide lenses of 2.44 meters in width. Gold assays show inhomogeneous gold distribution but confirm reported production grades (Walker, 1986) and indicate the possibility of a strong enhancement of precious metals in a larger body of massive sulphides. A new release by Westmin Resources Ltd. in October 1985 states that the exploration target on the Thistle Property is a volcanogenic deposit of at least 2.7 tonnes (3 million tons) grading 6.9 g/t (0.2 oz/ton) Au and 2% Cu.

Two main types of alteration have been recognized:

- 1) quartz-albite-sericite-pyrite altered basalt, and
- 2) chloritic and pyritic rock with massive pyrite.

The quartz-albite-sericite-pyrite alteration occurs primarily below the old Thistle Mine zones and was previously considered diopside rock and silicified limestone associated with skarn related mineralization. The chloritic-pyritic zones appear to be conformable with bedding and easily recognized as part of the volcanic pile. The presence of gold-copper mineralization in a mafic volcanic sequence places the



LEGEND

- DRILL HOLE COLLAR
- /// GRID LINES
- - - - - GEOLOGICAL CONTACT
- - - - - FAULT

From Walker, 1986

THISTLE PROJECT

DRILL HOLE COLLAR LOCATIONS

0 50 100 200 300 metres

Thistle Prospect in the Cyprus type. The Anyox Mine and Windy Craggy deposit are better known examples of Cyprus type deposits in British Columbia.

The Panther Road Showing, the second most significant showing is 1.4 km southeast of the Thistle Mine in the mine flow unit. A 2.2 m thick pyritic interval assayed 0.49 oz Au/t, 0.05 oz Ag/t and 0.09% Cu. The sulphide layers strikes north-northwest and dips 50° W to 80° E. A second showing 5 m to the west contains 0.283 oz Au/t over a 1 m thickness (Walker, 1986). Twelve holes totalling 1520 m were drilled in an area 500m by 300m centered on the Panther Road Showing. A number of significant intersections were listed by Walker (1986) with a best intersection of 1.01 m at 0.236 oz Au/t in hole 85P-6 drilled below the Panther Road Showing. Drill hole collar locations in the Thistle Mine and Panther Road Showing areas are presented in Figure 6 from Walker (1986).

The Douglas Anomaly, Rift Creek Anomaly and TM 70 Anomaly locations are shown on Figure 5 (after Walker, 1986). Two drill holes tested the Douglas Creek Area (anomaly) with one hole drilled in Rift Creek Anomaly and one hole in the TM 70 Anomaly. Limited testing has indicated anomalous gold in pyritic zones from each of the anomalies. Anomalous gold values of 270 ppb, 880 ppb and 0.012 oz Au/t were obtained from the Douglas, Rift Creek and TM 70 anomalies respectively.

DISCUSSION

A total of eighteen mineral occurrences, considered significant in an exploration sense have been found in float and outcrop on the Thistle Property and 25 of the 37 diamond drill holes completed by Westmin and Angle intersected gold enrichment in excess of 100 ppb (Walker, 1986). Gold occurs with pyrite and may be associated with significant copper and cobalt. All but one of the significant occurrences on the Thistle Property occur in the mine flow unit of the Myra Formation and large areas of anomalous gold in soils occur over outcroppings of the mine flow unit. The Thistle Mine was previously considered to be of skarn affinity but recent exploration suggests that the deposit is similar to other volcanogenic, stratabound gold-copper deposits of the Cyprus type. The interpretation of the Thistle Mine as a Cyprus type deposit enhances the potential of the Thistle Property and especially the mine flow unit of the Myra Formation which extends across the entire property.

CONCLUSIONS AND RECOMMENDATIONS

Based on a review of available exploration reports, an examination of the Thistle Property and discussions with Mr. Richard Walker, M.Sc., the writer is in generally agreement with Mr. Walkers proposed program of further exploration. A program of diamond drilling, trenching, induced polarization is warranted with a budget totalling \$500,000. Six areas have been selected for further target definition and diamond drilling (Walker, 1986). The following areas require further testing:

1) Panther Road Showing: The strong I.P. anomaly extending over 440 m NW from the Panther Road Showing has positive encouragement from holes 85-P9 (0.177 oz Au/t over 0.45 m) and P4 and P5 with anomalous gold, copper, lead and zinc. Two holes totalling 350 m and 100 m of trenching is required for an initial test of a 210 m section between the above holes. A 230 m northwest extension of the anomaly beyond existing holes should be tested with 300 m of drilling and 100 m of trenching. A strong 250 m soil gold anomaly and 350 m long I.P. anomaly extending SW of the Panther Road Showing requires testing with 250 m of drilling and 150 m of trenching.

2) Saddle Grid: The mine flow unit between the Panther Road Showing and Thistle Mine has a large (700 x 200 m) area with anomalous gold in soils and preliminary but anomalous I.P. Recent logging has improved access. A program consisting of 5.5 km of grid, I.P., 300 m trenching and 500 m of diamond drilling is recommended.

3) South Panther Road Grid: A 500 m x 50 m gold anomaly with values to 600 ppb should be tested with about 2.3 km of I.P., 150 m of trenching and two drill holes totalling 250 m.

4) Thistle Mine: A total of 500 meters of drilling and 100m of trenching is required to test targets that remain after the 1985 program.

5) Douglas Grid: Extension and testing of I.P. anomaly to NW with 2.1 km of I.P., 300 m of trenching and 250 m of diamond drilling.

6) TM 70 Anomaly: Extension and testing of I.P. anomaly with 1.2 km of I.P. and one drill hole totalling 150 m.

Contingent on the successful completion of the above phase, a Phase II consisting of definition drilling to define areas for underground testing and sampling will be required. Contingent on the results of Phases I and II, a Phase III program of underground drifting, sampling and definition drilling will be required. Cost estimates for the proposed 1986 Phase I program and contingent Phase II and III programs follows:

COST ESTIMATES

PHASE I. INDUCED POLARIZATION, TRENCHING, DIAMOND DRILLING, GEOCHEMISTRY

Personnel

Geologist 2 x 6 months	\$ 50,000
Assistant 5 months	11,000
Supervision 3 months	21,000
Draftsperson	3,000
Typing	2,000
Contract Labour	10,000

Cost Estimates cont.

CONTRACTORS

Diamond Drilling 20 holes total 2450 m	225,000
Geochemical Analyses	25,000
Soil Sampling	5,000
Induced Polarization 11.1 km	31,000
Helicopter (drill support)	8,000
Road Building, Trenching, Site Preparation	19,000
Linecutting	5,000

ACCOMMODATION, MEALS, TRAVEL

20,000

TRANSPORTATION

4 X 4 Rental gas and repairs	15,000
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TELEPHONE

2,000

EXPENDABLES

3,000

PROPERTY PAYMENT

7,000

SHIPPING

1,000

PRINTING AND REPRODUCTIONS

1,000

MISCELLANEOUS

1,000

PROJECT OVERHEAD

35,000

PHASE I TOTAL \$500,000

PHASE II. FOLLOW-UP DIAMOND DRILLING (CONTINGENT)

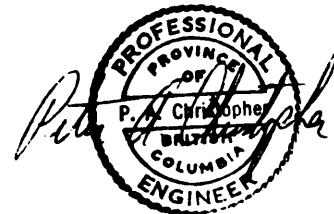
Diamond Drilling 2500m all inclusive	<u>\$500,000</u>
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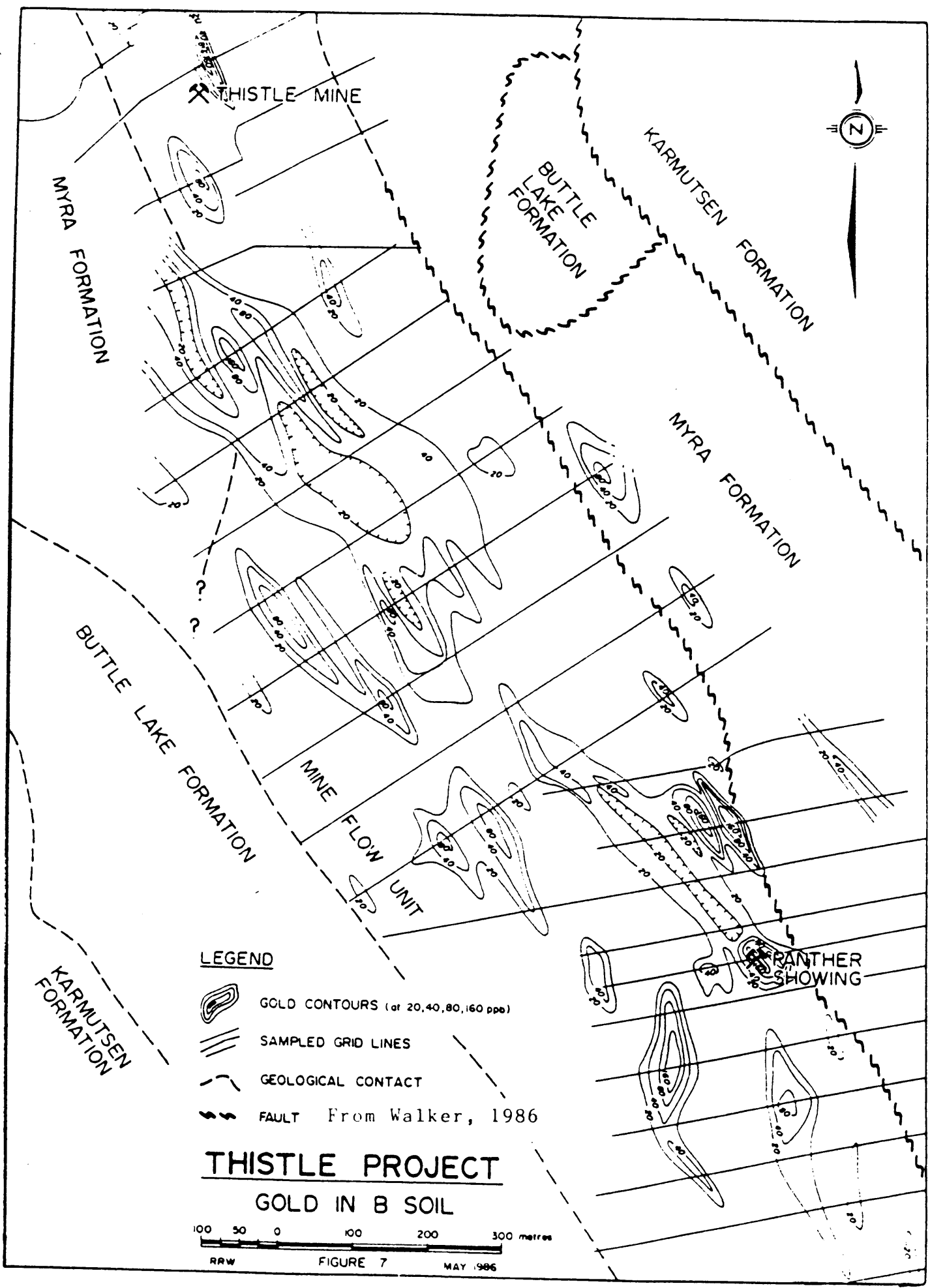
PHASE II TOTAL \$500,000

PHASE III. UNDERGROUND DRIFTING AND DIAMOND DRILLING (CONTINGENT)





Drifting 500 meters @ \$800ea. all incl.	\$400,000
Underground Drilling 3000 m @ \$100ea	300,000
Contingency	<u>100,000</u>

PHASE III TOTAL \$800,000

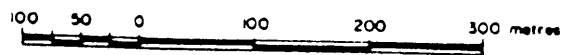




LEGEND

-  GOLD CONTOURS (at 20,40,80,160 ppb)
-  SAMPLED GRID LINES
-  GEOLOGICAL CONTACT
-  FAULT From Walker, 1986

THISTLE PROJECT
GOLD IN B SOIL



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CERTIFICATE

I, Peter A. Christopher, with business address at 3707 West 34th Avenue, Vancouver, British Columbia, do hereby certify that:

- 1) I am a consulting geological engineer registered with the Association of Professional Engineers of British Columbia since 1976.
- 2) I am a Fellow of the Geological Association of Canada and a member of the Society of Economic Geologists.
- 3) I hold a B.Sc. (1966) from the State University of New York at Fredonia, a M.A. (1968) from Dartmouth College and a Ph.D. (1973) from the University of British Columbia.
- 4) I have been practising my profession as a Geologist for over 20 years.
- 5) I have no direct or indirect interest, nor do I expect to receive any interest directly or indirectly in the properties or securities of Angle Resources Ltd. or associated companies.
- 6) I have based this report on a review of government and company reports listed in the bibliography and on a field examination of the geological setting and claim locations on June 11th, 1986.
- 7) I consent to the use of this report by Angle Resources Ltd. in any Filing Statement, Statement of Material Facts or Prospectus issued by the company.


Peter A. Christopher, P.Eng.
July 10, 1986



Peter Christopher & Associates Inc.
GEOLOGICAL & EXPLORATION SERVICES
3707 West 34th Ave., Vancouver, B.C. V6N 2K9

Office/Res: 263-6152
Bus: 688-3363
Telex: 04-51313

July 10, 1986

Angle Resources Ltd.
1002 - 475 Howe Street
Vancouver, British Columbia
V6C 2B3

Dear Sirs:

I, Peter A. Christopher, Ph.D., P.Eng., hereby consent to the use of my report dated July 10, 1986 on the Thistle Property, Alberni and Victoria Mining Divisions, British Columbia, in any Filing Statement, Statement of Material Facts, Prospects or for obtaining private financing.

Dated at Vancouver, British Columbia, this 10th day of July, 1986.


Peter A. Christopher, Ph.D., P.Eng.



The seal is circular with the text "PROFESSIONAL OF P. A. Christopher BRITISH COLUMBIA ENGINEER." around the perimeter.