GEOLOGICAL AND PROSPECTING REPORT

ON THE

KUKU 83-94 AND 107-112 CLAIMS

093903

WHITEHORSE MINING DISTRICT
YUKON TERRITORY, CANADA
NTS MAP SHEET 105D/3

Centred at Latitude: 60° 14' 20"N, Longitude: 135° 27' 00"W
Work Performed: May 30 to September 30, 1997

FOR

OMNI RESOURCES INC.
#910 – 700 West Pender Street
Vancouver, B.C. V6C 1G8

Gary L. Wesa, B.Sc., F.G.A.C.

October, 1998

This report has been examined by the Geological Evaluation Unit under Section 53 (4) Yukon Quartz Mining Act and is allowed as representation work in the amount of $ 2643.00 .

M. Burke

for Regional Manager, Exploration and Geological Services for Commissioner of Yukon Territory.

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SUMMARY:

The KUKU Claims comprise 18 claims located 60 km west-southwest of Whitehorse in the Whitehorse Mining District. The claims were staked to protect an area of potentially favourable stratigraphy similar to that hosting the Mount Skukum gold deposit. Access to the claims from Whitehorse is provided via the Alaska Highway, South Klondike Highway, Annie Lake Road and 4-wheel drive road.

This report presents the results of a geological and prospecting survey conducted during the period of late May to September, 1997 by personnel from Omni Resources Inc.

The claims are located in the Boundary Range of the Coast Mountains physiographic region. Greater than 90% of the property lies above tree line with outcrop accounting for approximately 25-30% of the surface area. The remaining area is covered by felsenmeer and glacial overburden.

The property encloses a suite of Tertiary sub-aerial volcanic and volcaniclastic rocks unconformably overlying metamorphic and granitic plutonic rocks of Cretaceous age. These lithologies host dykes of rhyolite and andesite composition plus pyritic bull quartz veins.

Data obtained from the 1997 surveys indicates that further mapping, prospecting and soil geochemical surveys are warranted to delineate potentially favourable mineralized targets.

INTRODUCTION:

This report discusses the exploration procedure and results of a geological and prospecting survey conducted by Omni Resources Inc. on the Kuku claims located approximately 60 km west-southwest of Whitehorse and roughly 4.5 km northeast of Mount Skukum. Field work was performed intermittently by a four member crew during the period of May 30 to September 30, 1997. Personnel were based out of the company's trailer camp located near Butte Creek in the Wheaton River valley.

The objective of the 1997 program was to evaluate the property's economic potential through geological mapping and prospecting.

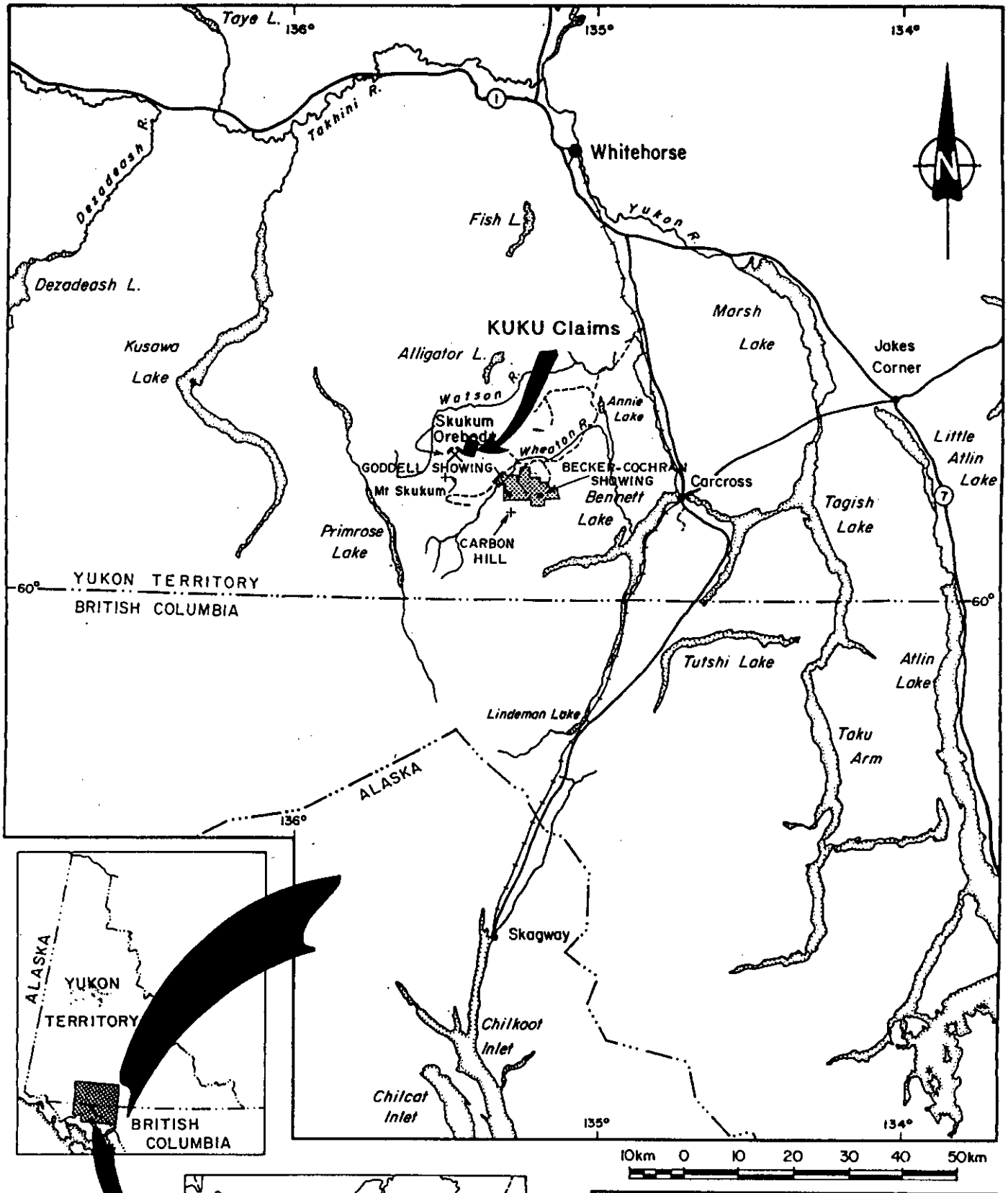
Location and Access:

The KUKU claims are located in southwestern Yukon Territory approximately 60 km west-southwest of Whitehorse (Figure 1). The claims are situated at the headwaters of Butte Creek on NTS map sheet 105D/3 and are centred at 60° 14' 20"N latitude and 135° 27' 00"W longitude. Road access to the claims is provided via the Alaska Highway and South Klondike Highway, for a distance of 35 km, to the Annie Lake Road turnoff thence via the Annie Lake Road for 45 km to the Omni Resources camp at the former Mt. Skukum mill site. The initial 25 km of this road consists of an excellent two-lane, all weather, gravel surface maintained year-round by the Territorial Government. An 8 km long, single lane, 4-wheel drive road provides access to the property from the camp site. Alternatively, access may be provided via helicopter from Whitehorse.

Physiography and Climate:

Topography covered by the claims is mountainous characterized by steep, rugged slopes and broad valleys. Elevations on the property range from 1357m (4,450') up to 2277m (7,400') above sea level. The Wheaton River valley is broad, flat-bottomed and covered by an undetermined thickness of glacial overburden. Mountain tops consist mainly of rolling, high upland plateaus covered with glacial till and felsenmeer. Outcrop exposures are relatively uncommon. Permafrost normally occurs above 1500 metres elevation.

During the Pleistocene Epoch, ice covered the entire area except for tops of the highest peaks. Glaciation has produced broad U-shaped valleys which are now occupied by underfit streams and rivers, and tributaries to these streams often originate in cirque valleys.



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FELLOW

OMNI RESOURCES INC.

KUKU CLAIM GROUP

LOCATION MAP

Figure 1

MINING DISTRICT: WHSE	SCALE: 1:1,000,000
DRAWN BY: NH	October, 1998

Vegetation below tree line consists primarily of stunted spruce, poplar and willow while on upper slopes, alpine grass, low shrubs and lichen prevail.

Weather records indicate that seasonal precipitation is light and falls mainly as rain during the summer. Snow cover averages 1.0 to 1.5 metres in winter. The climate is continental type with warm, short summers and long, cold winters. Average summer temperatures are recorded at 25 degrees Celsius while winter temperatures are commonly in the –30 to -40 degrees Celsius range. Permafrost at this latitude is discontinuous but widespread. It is rarely possible to commence surface geological work before the end of June and difficult to continue past September.

Property Status and Ownership:

The KUKU claims described in this report consist of two groups of 12 and 6 contiguous claims located in the Whitehorse Mining District (Figure 2). These claims are currently 100% owned by Omni Resources Inc. Relevant claims data are tabulated in Table 1.

TABLE 1: KUKU CLAIMS STATUS

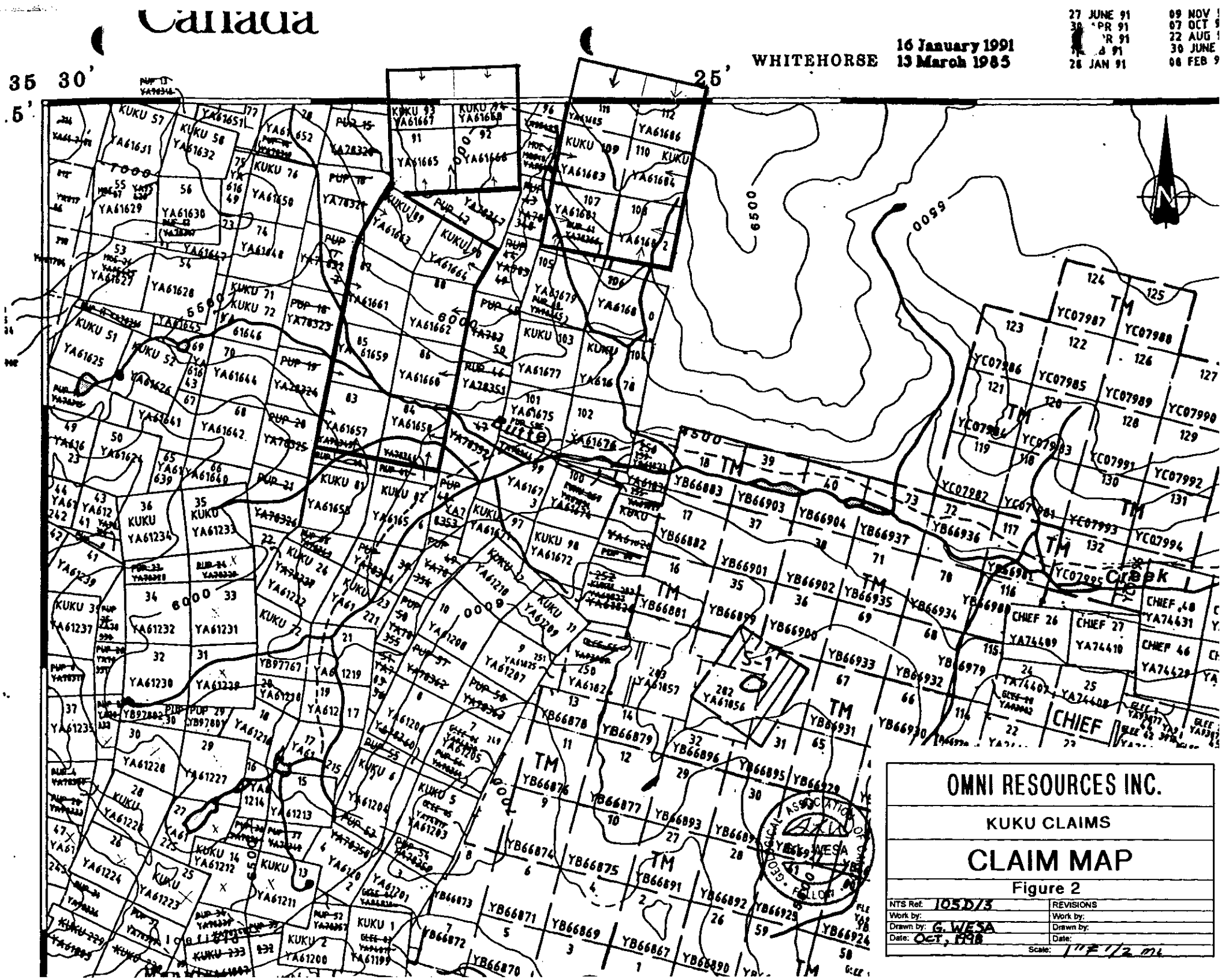
CLAIM NAME	NO. OF CLAIMS	GRANT NO.	EXPIRY DATE
KUKU 83-94	12	YA61657-	1/1/1999
		YA61668	
KUKU 107-112	6	YA61681-	1/1/1999
		YA61686	

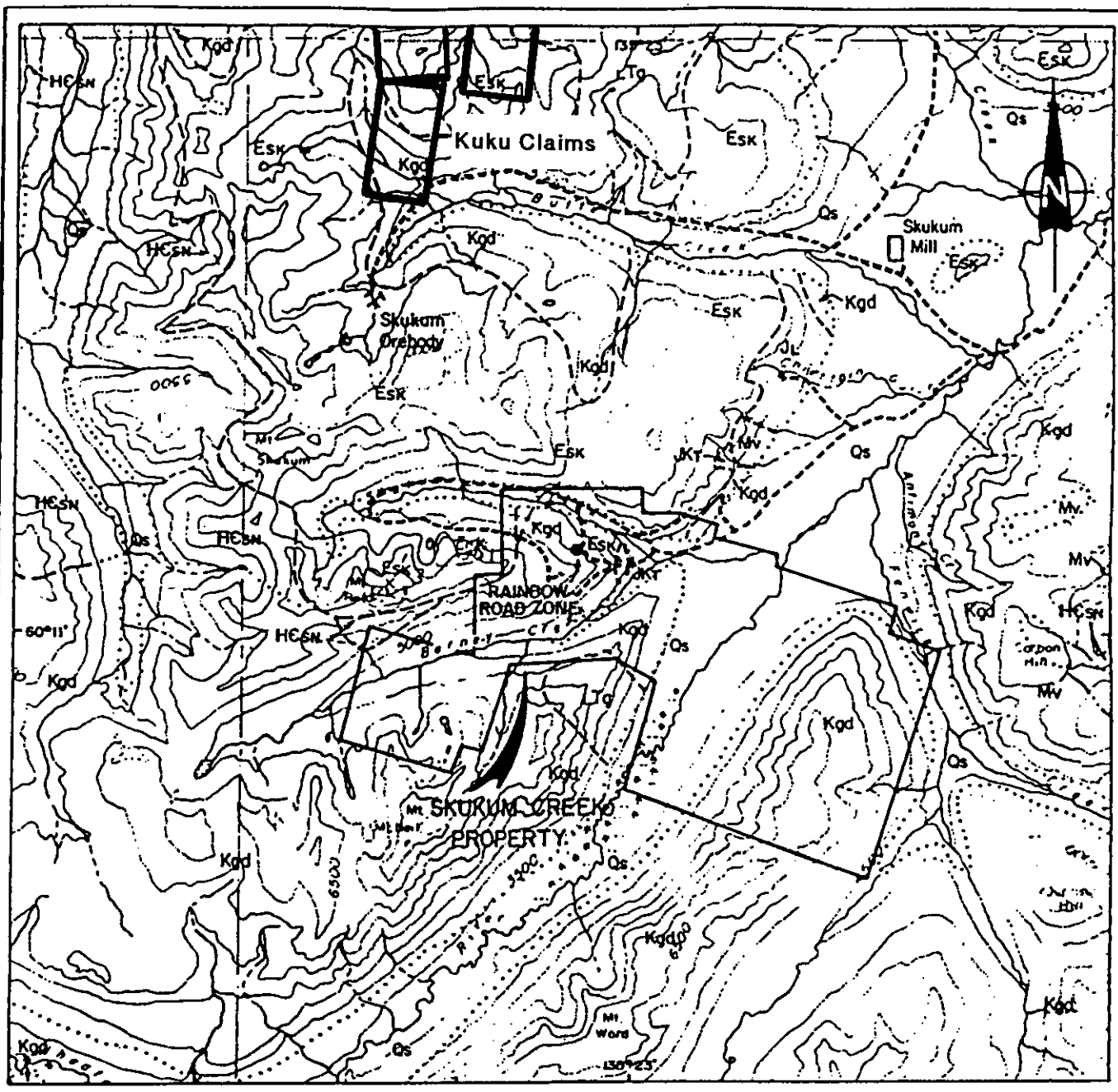
GEOLOGY:

Regional Geology:

The KUKU claims are located near the eastern margin of the Coast Plutonic Complex which is composed primarily of foliated and non-foliated granitoid rocks. These lithologies are mainly Cretaceous in age and range in composition from granite to granodiorite to quartz diorite to monzonite. Coast Plutonic kitholigies have intruded older, unaltered to metamorphosed sedimentary and volcanic rocks of the Yukon Group, Lewes River Group Laberge Group and Tantalus Formation. These older units commonly are exposed in the eastern portion of the Wheaton River District. (Figure 3).

Northwest of the Wheaton River, intermediate to felsic volcanic flows and pyroclastic rocks of the Paleocene-Eocene age Mount Skukum Complex unconformably overlie the Coast Plutonic Complex and Yukon Group rocks.


Canada
WHITEHORSE
16 January 1991
13 March 1985
27 JUNE 91
28 JAN 91
09 NOV
07 OCT
22 AUG
30 JUNE
06 FEB
35 30'
25'
.5'
N
6500
6000
5500
Creek
CHIEF
OMNI RESOURCES INC.
KUKU CLAIMS
CLAIM MAP
Figure 2
NTS Ref: 105D/3
Work by:
Drawn by: G. WESA
Date: OCT, 1990
Scale: 1" = 1/2 mi
REVISIONS
Work by:
Drawn by:
Date:



LEGEND

CENOZOIC

QUATERNARY

Qs surficial deposits

TERTIARY

LTg rhyolite-granite porphyry

EOCENE

Esk Skukum Group

MESOZOIC

CRETACEOUS

Kgd granodiorite

JURASSIC (?) and CRETACEOUS

JKT Tantalus formation

JURASSIC

JL Laberge Group

MESOZOIC (?)

Mv volcanics

HADRYNIAN and CAMBRIAN

HCSN Yukon Group

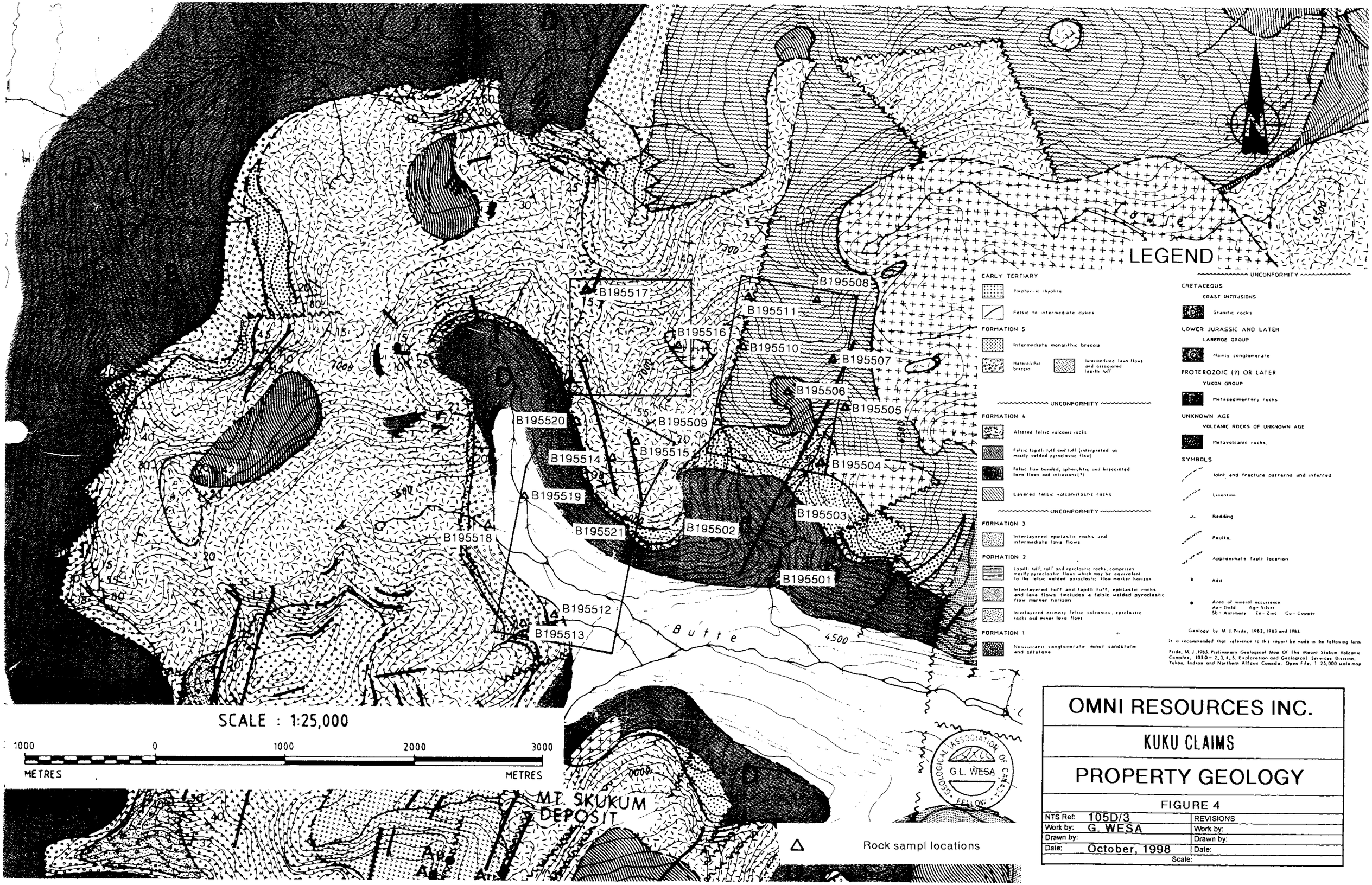
1km 0 1 2 3 4 5 6km

1mi 0 1 2 3mi

Source: Aurum Geological Consultants Inc. - Compilation, January, 1986

GEOLOGICAL ASSOCIATION OF CANADA G.L. WESA FELLOW

OMNI RESOURCES INC.			
KUKU CLAIMS			
REGIONAL GEOLOGY			
			Oct., 1998
NTS 105D-3	Drawn by R.H.	Scale 1:100000	FIGURE 3



OMNI RESOURCES INC.

KUKU CLAIMS

PROPERTY GEOLOGY

FIGURE 4

NTS Ref:	105D/3	REVISIONS	
Work by:	G. WESA	Work by:	
Drawn by:		Drawn by:	
Date:	October, 1998	Date:	
		Scale:	

The Mount Skukum Volcanic Complex and its surrounding area has been extensively faulted due to caldera collapes. One of these faults, designated the Berney Creek Fault, trends northeasterly and is exposed immediately off the southern flank of the Skukum Complex. This structure cuts through Cretaceous granodiorites and hosts the Rainbow and Kuhn orebodies of the Skukum Creek mineralized zone.

Property Geology:

Regional geological mapping of the Mount Skukum Volcanic Complex (105D/3) by M. J. Pride (1985) indicates that the bedrock geology of the ground covered by the KUKU claims comprises a suite of early Tertiary layered volcanic rocks described as: (1) interlayered epiclastic rocks and intermediate lava flows; (2) interlayered primary felsic volcanic and epiclastic rocks and minor lava flows; (3) interlayered tuff and lapilli tuff, epiclastic rocks and lava flows including a felsic welded pyroclastic flow marker horizon; (4) felsic flow banded, spherulitic and brecciated lava flows. These lithologies represent a bimodal sequence of sub-aerial volcanic and volcaniclastic rocks belonging to the Butte, Watson River and Vesuvius Formations of Early Eocene age. This volcanic stratigraphic sequence was deposited unconformably upon metamorphic and plutonic granitic rocks of the Nisling Terrane and Coast Plutonic Complex of Cretaceous age (Figure 4). Structurally, Butte Formation volcanics appear , in part, in fault contact with layered volcanics belonging to Watson River Formation.

Mineralization in the form of pyritiferous bull quartz veins , commonly associated with rhyolite and quartz-feldspar porphyry dykes, occurs in tributary gullies north of Butte Creek. These linear bodies are observed striking northeasterly and may be related to sub-parallel, northeast-striking faults which splay southward across Butte Creek into the Main Zone of the Mount Skukum gold deposit. Vuggy textured, chalcedonic quartz veins and minor fluorite veins occur peripheral to local, small plugs of porphyritic rhyolite.

1997 EXPLORATION PROGRAM:

Geological Mapping:

Approximately 50% of the claims area was evaluated by geological mapping. Attention was focused mainly along drainages where optimum outcrop exposures occurred. Talus debris masks lower slopes while felsenmeer covers upper, low relief terrain.

Prospecting and Sampling Procedures:

Prospecting traverses were conducted concurrent with the mapping survey. Attention focused on determining the source of massive bull quartz vein boulder material discovered along the main haulage road to the Mount Skukum mine. Mineralized quartz veins and rhyolite dykes were sampled. The purpose of these surveys was to identify new epithermal vein systems proximal to

rhyolitic intrusions similar in character to those found at nearby Mount Skukum and in Skukum Creek.

A total of 21 lithogeochem samples were collected and these were placed in plastic sample bags marked with a numbered identification code. Ground control for mapping and sampling was provided by compass, altimeter and hip chain and field personnel were supplied with 1:50,000 scale topo maps and air photographs for navigating and plotting data. Geochemical samples were shipped to Acme Analytical Labs in Vancouver, B.C. for analysis.

CONCLUSIONS:

Geological mapping of the KUKU claims confirms that the property is underlain by an estimated 850 metre thickness of sub-aerial volcanic and volcaniclastic strata which has been deposited, in turn, upon metamorphic and granitic plutonic rocks of the Nisling Terrane and Coast Plutonic Complex.. Preliminary investigations indicate that quartz veins and rhyolite dykes may be related to shearing, faulting and intrusion of plutonic suites thus providing favourable conditions for the formation of economic epithermal gold systems.

RECOMMENDATIONS:

Although the results of the lithogeochemical survey were not encouraging, the area remains prospective and more detailed work is required. It is recommended that more detailed mapping, prospecting and soil sampling be conducted. Soil sampling should be in the form of contour soil sampling along selected slopes to identify mineralization and more accurately determine its relationship to structure and rhyolite and/or andesite dykes.

Respectfully Submitted,
OMNI RESOURCES INC.

GEOLOGICAL ASSOCIATION OF CANADA
G. L. WESA
FELLOW

GARY L. WESA, B.Sc., F.G.A.C.

REFERENCES

- Baril, J. and Brennan, L. (1989): 1988 Progress Report on the Skukum Creek Property, Whitehorse Mining District, Assessment Report for OMNI RESOURCES INC., SKUKUM GOLD INC.

- Hart, C. J. R. and Radloff , J. K. (1990): Geology of Whitehorse, Alligator Lake, Fenwick Lake, Carcross and part of Robinson Map Areas (105D/11, 6, 3, 2 & 7), Indian and Northern Affairs Canada, Yukon Region, Open File 1990-4, pp 7,48-50.

- Rodger, R. J. (1996): Skukum Creek Mineral Deposit, Review of 1996 Exploration Program In-house report of OMNI RESOURCES INC.

STATEMENT OF QUALIFICATIONS

I, Gary L. Wesa, of #309 – 6669 Telford Avenue, in the City of Burnaby, B. C., do hereby certify that:

1. I am presently employed as Project Geologist to OMNI RESOURCES INC. with offices at #910 – 700 West Pender Street, Vancouver, British Columbia.

2. I am a graduate of the University of Saskatchewan with a B.Sc. Degree in Geology (1974) and I have practiced my profession continuously since graduation.

3. I have been employed in mineral exploration in Canada, U.S.A. and Brazil since 1970.

4. I am a registered Fellow, in good standing, of the Geological Association of Canada.

5. I am familiar with the geology of the Mount Skukum Volcanic Complex and surrounding area.

6. I am the author of this report, entitled: "Geological and Prospecting Report on the KUKU 83-94 and 107-112 Claims", which is based upon researched documents, referenced in this report, and a review of compiled data from the 1997 field program.

Dated at Vancouver, British Columbia this 3 day of October, 1998.

Respectfully Submitted:
Omni Resources Inc.

GEOLOGICAL ASSOCIATION OF CANADA
G. L. WESA
FELLOW

Gary L. Wesa, B.Sc., F.G.A.C.

APPENDIX I

Itemized Cost Statement

Itemized Cost Statement

Project Personnel/Salaries:			**Totals**
T. Elliott	1 day @ $300.00/diem	$300.00	
F. Anderson	6 days @ $250.00/diem	1500.00	
J. James	2 days @ $125.00/diem	250.00	
R. Michel	3 days @ $125.00/diem	375.00	
			$2425.00
Geochemical Analysis:			
Rock Samples	21 @ $15.75/sample	$330.75	
Miscellaneous:			
Air Fare		$140.00	
Groceries		350.00	
Communication/Sat Phone		300.00	
Vehicles		300.00	
Fuel		500.00	
Shipping/Freight		150.00	
Repairs/Maintenance		60.00	
			$1800.00
Office:			
Data Compilation/Drafting		$1500.00	
Total:			**$6055.75**

GEOLOGICAL ASSOCIATION OF CANADA
G L. WESA
FELLOW

APPENDIX II

Summary of Personnel

Summary of Personnel

NAME	TITLE	ADDRESS
Terry Elliott	Project Geologist	New Westminster, B.C.
Farrell Anderson	Geologist	Whitehorse,,Yukon
Jerry James	Field Assistant	Whitehorse, Yukon
Rod Michel	Field Assistant	Port Coquitlam, B.C.

APPENDIX III

Analytical Procedure

ACME ANALYTICAL LABORATORIES LTD.
Assaying & Trace Analysis
852 E. Hastings St., Vancouver, B.C., Canada V6A 1R6
Telephone: (604) 253-3158 Fax: (604) 253-1716

METHODS AND SPECIFICATIONS FOR ANALYTICAL PACKAGE GROUP 1D - 30 ELEMENT ICP BY AQUA REGIA

Sample Preparation:

Soils and sediments are dried (60°C) and sieved to -80 mesh (-177 microns), rocks and drill core are crushed and pulverized to -100 mesh (-150 microns). Plant samples are dried (60°C) and pulverized or dry ashed (550°C). Moss-mat samples are dried (60°C), pounded to loosen trapped sediment then sieved to -80 mesh. At the clients request, moss mats can be ashed at 550°C then sieved to -80 mesh although this can result in the potential loss by volatilization of Hg, As, Sb, Bi and Cr. A 0.5 g split from each sample is placed in a test tube. A duplicate split is taken from 1 sample in each batch of 34 samples for monitoring precision. A sample standard is added to each batch of samples to monitor accuracy.

Sample Digestion:

Aqua Regia is a 3:1:2 mixture of ACS grade conc. HCl, conc. HNO_3 and demineralized H_2O. Aqua Regia is added to each sample and to the empty reagent blank test tube in each batch of samples. Sample solutions are heated for 1 hour in a boiling hot water bath (95°C).

Sample Analysis:

Sample solutions are aspirated into an ICP emission spectrograph (Jarrel Ash Atom Comp model 800 or 975) for the determination of 30 elements comprising: Ag, Al, As, Au, B, Ba, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, Sb, Sr, Th, Ti, U, V, W, Zn.

Data Evaluation:

Raw and final data from the ICP-ES undergoes a final verification by a British Columbia Certified Assayer who then signs the Analytical Report before it is released to the client. Chief Assayer is Clarence Leong, other certified assayers are Dean Toye and Jacky Wang.

ACME ANALYTICAL LABORATORIES LTD.
Assaying & Trace Analysis
852 E. Hastings St., Vancouver, B.C., Canada V6A 1R6
Telephone: (604) 253-3158 Fax: (604) 253-1716

METHOD FOR WET GEOCHEM GOLD ANALYSIS

Sample Preparation:

Soils and sediments are dried (60°C) and sieve to -80 mesh.

Rocks and cores are crushed and pulverized to -100 mesh.

Sample Digestion

1. 10g samples in 250 ml beaker, ignite at 600°C for four hours.
2. Add 40 ml of 3:1:2 mixture HCL:HNO_3:H_2O.
3. Cover beaker with lids.
4. Boil in hot water bath for one hour.
5. Swirl samples 2 to 3 times within the hour.
6. Cool, add 60 ml of distilled water and settle.
7. Pour 50 ml of leached solution using a graduated cylinder into 100 ml volumetric flask.
8. Add 10 ml of MIBK and 25 ml of distilled water.
9. Shake 3 to 4 minutes in shaker.
10. Add additional 25 ml of distilled water to stripe out excess iron.
11. Shake each flask 10 times.
12. Pour MIBK into container for graphite AA finished.

APPENDIX IV

Rock Geochem Lab Reports

ACME ANALYTICAL LABORATORIES LTD. 852 E. HASTINGS ST. VANCOUVER BC V6A 1R6 PHONE(604)253-3158 FAX(604)253-1716

ASSAY CERTIFICATE

Omni Resources PROJECT LEEBO SKARN File # 97-3263

402 - 750 W. Pender St., Vancouver BC V6C 2T7 Submitted by: Terry Elliott

SAMPLE#	Mo %	Cu %	Pb %	Zn %	Ag** oz/t	Ni %	Co %	Mn %	Fe %	As %	U %	Th %	Cd %	Sb %	Bi %	Au** oz/t
B 195501	.001	.002	<.01	.01	.03	<.001	.001	.08	7.27	.01	<.01	<.01	<.001	<.001	<.01	<.001
B 195502	<.001	.002	<.01	.01	.02	<.001	.001	.19	9.08	.01	<.01	<.01	<.001	.001	<.01	<.001
B 195503	<.001	.002	<.01	.01	.03	<.001	.001	.08	5.42	.01	<.01	<.01	<.001	<.001	<.01	.001
B 195504	<.001	.003	<.01	.01	.02	<.001	.001	.16	8.96	.01	<.01	<.01	<.001	.001	<.01	<.001
B 195505	<.001	.002	<.01	.01	.01	<.001	.001	.06	4.70	<.01	<.01	<.01	<.001	<.001	<.01	<.001
B 195506	<.001	.002	<.01	.01	.02	<.001	.001	.11	6.97	<.01	<.01	<.01	<.001	<.001	<.01	<.001
B 195507	<.001	.002	<.01	.01	.02	<.001	.001	.13	8.19	.01	<.01	<.01	<.001	.001	<.01	<.001
B 195508	<.001	.002	<.01	.01	.01	.001	.001	.06	5.00	.01	<.01	<.01	<.001	<.001	<.01	.001
B 195509	.001	.006	<.01	<.01	.06	<.001	.001	.03	6.97	.03	<.01	<.01	<.001	<.001	<.01	<.001
B 195510	<.001	.004	<.01	.01	.04	<.001	.002	.12	9.89	.01	<.01	<.01	<.001	.001	<.01	.003
B 195511	<.001	.002	<.01	.01	.02	.001	.001	.11	6.49	<.01	<.01	<.01	<.001	.001	<.01	.001
B 195512	.001	.004	<.01	.01	.05	<.001	.001	.09	7.94	.01	<.01	<.01	<.001	<.001	<.01	.001
B 195513	.001	.002	<.01	.01	.01	<.001	<.001	.04	4.46	.02	<.01	<.01	<.001	<.001	<.01	.003
B 195514	<.001	<.001	.01	.01	.03	<.001	<.001	.04	5.31	.01	<.01	<.01	<.001	<.001	<.01	<.001
B 195515	<.001	.002	<.01	.01	.02	<.001	.001	.09	8.48	.01	<.01	<.01	<.001	<.001	<.01	.002
RE B 195515	<.001	.001	<.01	.01	.03	<.001	.001	.09	8.43	.01	<.01	<.01	<.001	.001	<.01	.004
B 195516	<.001	.002	<.01	<.01	.01	.001	<.001	.04	1.15	<.01	<.01	<.01	<.001	<.001	<.01	<.001
B 195517	<.001	.001	.01	<.01	.04	<.001	<.001	.03	.48	<.01	<.01	<.01	<.001	<.001	<.01	<.001
B 195518	.001	.001	<.01	<.01	.03	<.001	.001	.03	.97	<.01	<.01	<.01	<.001	<.001	<.01	<.001
B 195519	<.001	.001	<.01	<.01	.02	<.001	<.001	.04	.48	<.01	<.01	<.01	<.001	<.001	<.01	<.001
B 195520	.002	.003	<.01	.02	<.01	.001	.002	.22	17.29	<.01	<.01	<.01	<.001	.001	<.01	<.001
B 195521	<.001	.002	<.01	<.01	.03	<.001	<.001	.01	.44	<.01	<.01	<.01	<.001	<.001	<.01	<.001
STANDARD R-1/AU-1	.089	.846	1.37	2.23	2.93	.025	.026	.08	6.83	.96	.01	.01	.049	.164	.03	.098

1 GM SAMPLE LEACHED IN 30 ML AQUA - REGIA, DILUTE TO 100 ML, ANALYSIS BY ICP.
AG** & AU** BY FIRE ASSAY FROM 1.A.T. SAMPLE.
- SAMPLE TYPE: ROCK
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: JUL 2 1997 DATE REPORT MAILED: July 8/97 SIGNED BY. C. Leong .D.TOYE, C.LEONG, J.WANG; CERTIFIED B.C. ASSAYERS

Data FA